

AGENDA.

Ordinary Council Meeting

27 June 2023

Notice of Meeting

Mayor and Councillors

The next Ordinary Council Meeting of the City of South Perth Council will be held on Tuesday 27 June 2023 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

23 June 2023

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 Mary Choy for the period 17 June 2023 to 15 July 2023 inclusive.

5. DECLARATIONS OF INTEREST

- Mayor Greg Milner – Impartiality Interest in Item 10.1.1 as ‘I am a co-patron of the WASPs Hockey Club.’
- Councillor Glenn Cridland – Impartiality Interest in Item 10.1.1 as ‘that's the reserve where either I or my wife walk our dog every day and secondly our children played Junior Hockey with the WASPs Club as well.’
- Councillor Ken Manolas – Impartiality Interest in Item 10.1.1 as ‘I believe I may know people who live in the area close to Collier Reserve.’
- Councillor Jennifer Nevard – Impartiality Interest in Item 10.1.1 as ‘I know some supporters of WASPs Hockey and some supporters of Friends of Collier Reserve.’
- Councillor Nick Warland – Impartiality Interest in Item 10.1.1 as ‘I know and have interacted with senior representatives of WASPs in a professional capacity through previous employment.’
- Councillor Stephen Russell – Impartiality Interest in Item 10.1.1 as ‘A family member has, is and may in the future be a member of the in WASPs hockey club. As a consequence, there may be a perception that my impartiality on the matter may be affected. I declare that I will consider this matter on its merits and vote accordingly.’
- Councillor Nick Warland – Impartiality Interest in Item 10.3.1 as ‘Programmed Property Services interacted, and had an ongoing commercial relationship, with a previous employer throughout the duration of my employment there.’
- CEO Mike Bradford – Financial Interest in Item 10.5.6 as ‘this Item relates to my contract of employment.’

6. PUBLIC QUESTION TIME

6.1 RESPONSES TO PREVIOUS QUESTIONS TAKEN ON NOTICE

Nil.

6.2 PUBLIC QUESTION TIME: 27 JUNE 2023

7. CONFIRMATION OF MINUTES AND TABLING OF NOTES OF BRIEFINGS

7.1 MINUTES

7.1.1 Ordinary Council Meeting Held: 23 May 2023

Officer Recommendation

That the Minutes of the Ordinary Council Meeting held 23 May 2023 be taken as read and confirmed as a true and correct record.

7.2 CONCEPT BRIEFINGS

7.2.1 Concept Briefings and Workshops

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

Date	Subject	Attendees
7 June 2023	Budget Workshop 3	Councillors Nick Warland, André Brender-A-Brandis, Mary Choy, Jennifer Nevard, Stephen Russell, Ken Manolas.
12 June 2023	CEO Evaluation Committee Workshop	Mayor Greg Milner and Councillors Glenn Cridland, André Brender-A-Brandis, Blake D'Souza, Mary Choy, Ken Manolas, Jennifer Nevard.
21 June 2023	Urban Forest, Street Tree Management Plan and Foreshore Shade / Vista Plan	Mayor Greg Milner and Councillors Nick Warland, André Brender-A-Brandis, , Jennifer Nevard, Stephen Russell.

Attachments

Nil.

7.2.2 Council Agenda Briefing - 20 June 2023

Officers of the City presented background information and answered questions on Items to be considered at the June Ordinary Council Meeting at the Council Agenda Briefing held 20 June 2023

Attachments

7.2.2 (a): Briefing Notes

Officer Recommendation

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

- 7.2.1 Concept Briefings and Workshops
- 7.2.2 Council Agenda Briefing - 20 June 2023

8. PRESENTATIONS

8.1 PETITIONS

8.1.1 Underground Power - Kensington

The following petition was received from Dr Mark Brogan of Market Street, Kensington together with 500 verified signatures in accordance with Clause 6.9 of the City of South Perth Standing Orders Local Law 2007.

The text of the petition reads:

'We the undersigned electors of the City of South Perth request:

That the City of South Perth approve funding for Underground Power in Kensington as part of the City's 2023/24 Annual Budget.

For the following reasons:

- 1. In all rounds of Underground Power funding to date, Kensington has not been successful, and its status is that of the last suburb in the City of South Perth to be considered for Underground Power. If it is not successful in this round, a risk exists that the end-of-life pole infrastructure in Kensington will be replaced by Western Power and that Underground Power may not be considered within Kensington for a period of 20 years.*
- 2. As a consequence of 1. Kensington residents have been denied a benefit enjoyed by residents in other South Perth suburbs and therefore treated unequally; and*
- 3. Existing pole infrastructure in Kensington is prone to outages and maintenance of overhead power lines routinely results in the desecration of street trees involving a loss of tree canopy and streetscape values.'*

Officer Recommendation

That Council note the petition received by Dr Mark Brogan of Market Street, Kensington in relation to Underground Power will be forwarded to the relevant Director for consideration in accordance with clause 6.9 (2) of the City of South Perth Standing Orders Local Law.

8.2 GIFTS / AWARDS PRESENTED TO COUNCIL

Nil.

8.3 DEPUTATIONS

Deputations were heard at the Council Agenda Briefing held 20 June 2023.

9. METHOD OF DEALING WITH AGENDA BUSINESS

10. REPORTS

10.1 STRATEGIC DIRECTION 1: COMMUNITY

10.1.1 Collier Reserve Hockey Facilities Feasibility Study

File Ref: D-23-27299
Author(s): Patrick Quigley, Manager Community, Culture and Recreation
Reporting Officer(s): Donna Shaw, Director Development and Community Services

Summary

This report presents the Collier Reserve Hockey Facilities Feasibility Study Report.

Officer Recommendation

That Council does not progress the proposal to establish a synthetic hockey pitch at Collier Reserve, Como.

Background

The Wesley South Perth (WASP) Hockey Club (the Club) is currently situated at Richardson Park in South Perth, which is Crown land vested to the City for the purposes of 'Parks and Recreation'. The Club is affiliated with Hockey WA and has 758 registered members of which approximately 50% are local residents. The City is in the process of negotiating a new lease with the Club for the sporting clubhouse known as WCG Thomas Pavilion that is located on the Reserve.

The Club and the City have been in discussions since 2012 regarding the provision of new hockey facilities (especially a synthetic hockey turf), which was initially proposed at the Club's current site at Richardson Park. Due to a number of site constraints and uncertainty at the time regarding a proposed South Perth train station, the hockey facilities proposal did not progress. Since then, the Club has worked with Wesley College, Hockey WA, the Department of Local Government, Sport and Cultural Industries (DLGSCI) and the City to identify other potential sites for its hockey home base; and to undertake preliminary feasibility of relocating.

Potential sites included Bill Grayden Reserve, Collins Oval and Collier Reserve in Como, with Collier Reserve subsequently being selected for further investigation after the initial pre-feasibility assessment phase of these three sites. Collier Reserve is also Crown land vested to the City for the purposes of 'Parks and Recreation'.

In July 2019, Council resolved to endorse a Community Recreation Facilities Plan for the City. This Plan includes a recommendation for the City to work with the Club, Wesley College, Hockey WA and other stakeholders to investigate the feasibility of relocating the Club to Collier Reserve.

In November 2020, Council resolved to provide 'in principle' support for the Club to investigate the feasibility of relocating its operations from Richardson Park to Collier Reserve and to contribute 50% towards a feasibility study.

Following that decision, the Club partnered with Wesley College to oversee the feasibility study project, which included the subsequent appointment of a recreation master-planning consultancy (Dave Lanfear Consultancy) to investigate the proposal and prepare a report for the City's assessment. The proposal centred on investigating the feasibility of establishing a clubhouse, synthetic hockey turf, sports lighting and grass hockey grounds at Collier Reserve.

On 17 November 2022 the City received the Collier Reserve Hockey Facilities Feasibility Study Report from the Club and Wesley College (the Feasibility Study), shown as **Attachment (a)**.

Comment

Feasibility Study

The City has undertaken a comprehensive assessment of the Feasibility Study and subsequent correspondence from the proponents shown as **Attachment (b)**.

It has become evident that there are various issues associated with the proposal as summarised below:

- *Project justification/community need* – the Feasibility Study demonstrates how a single use sporting club (WASPS Hockey Club) and a school (Wesley College) would benefit from the project, but is deficient in outlining the wider community need or project justification.
- *Project Scale and Scope* – all previous communications between the City and the Club/College regarding the proposed project indicated a much-lower project scale and scope, which was anticipated to cost in the vicinity of \$4-5 million. However, the larger project scope outlined in the Feasibility Report (estimated at \$14.8 million) is considered unachievable in the absence of external funding sources, and would need to be reduced significantly to make the project feasible.
- *Financial viability* - the Feasibility Study estimates the cost of the proposed project (including cost escalations) at \$14.8 million. This is a significant cost for a single sport facility.

Whilst Wesley College and the Club have entered into a Memorandum of Understanding such that approximately 50% of the capital cost of the project will be met by Wesley College (**Attachment (c)**), with the balance of funding between the Club and external sources, the external sources are undetermined.

The City is concerned about how this cost could be met and the ability for the proponents to meet the ongoing operating and capital replacement costs over the lifecycle of the facilities. A strong business case is not provided to illustrate the likelihood of securing the required funding from external sources.

- *Additional capital works* – The Feasibility Study and the subsequent correspondence from the proponents seeks a commitment from the City to fund any required car parking upgrades; sports lighting for the synthetic turf and grass hockey pitches; sinking of the above ground powerlines; as well as a contribution to construction of a clubhouse. No funds are currently set aside in the City's 10-Year financial plan for hockey facilities or the above works, and the City has a number of other capital works priorities that would potentially compete for funds against these works.

- *Impacts on existing reserve users* – the Feasibility Study did not adequately demonstrate how the proposed hockey facilities would be provided without major adverse impacts on all current user groups. One of the existing main users (the South Perth Baseball Club) has previously indicated that it was not supportive of the proposal. It was noted that the proponents are planning to address this matter through entering into a Memorandum of Understanding with the baseball club, however, this matter remains unresolved. Casual users of the reserve such as joggers, dog walkers etc. would be impacted by having decreased access to public open space as the synthetic hockey pitch would require fencing.
- *Planning for multi-use facilities and optimising shared use of those facilities* - it is noted that the Feasibility Study focused on hockey only as opposed to multi-use sport/recreation activities, with the proposed hockey facilities benefitting two main users: the Club and Wesley College. Planning for multi-use community, sport and recreation facilities and optimising shared use of those facilities are important objectives of Federal, State, and local governments to determine any further opportunities to accommodate for other potential compatible users (e.g., other hockey clubs, sport groups, community groups etc.). As the proposal is for a single-use facility only, the ability to attract external funding and to optimise the community benefits of the proposed facilities is compromised.
- *Parking*- the Feasibility Study includes an independent parking study that concluded additional parking provision will be required at the site to meet overall parking demands. The Feasibility Study did not adequately address who would fund the costs of the new parking bays, however, the proponents have since requested Council commit to funding any required car parking upgrades.
- *Noise* – whilst the Feasibility Study suggests that noise impacts are unlikely to be high, based on previous studies and guidelines provided, sufficient evidence was not provided to confirm the consultant’s findings regarding noise levels. Furthermore, noise was a common concern highlighted during the community consultation phase which would need to be addressed more effectively. The proponents have since provided an Acoustic Report (**Attachment (d)**) confirming that noise levels would be within acceptable limits.
- *High Performance Hockey Centre at Curtin University* - the Feasibility Study has not addressed the project impact of the newly approved \$135 million high performance hockey centre to be constructed at the nearby Curtin University campus, comprising three hockey pitches, a specialist training facility and an indoor hockey centre. The provision of significant State Government funding to upgrade the hockey facilities at nearby Curtin University could potentially diminish the ability of the Club to source Community, Sport and Recreation Facility Fund external funding for the proposed hockey facilities project at Collier Reserve. The impact of the high-performance hockey centre on the Collier Reserve hockey facilities proposal remains unknown, and the proponents have advised that further discussions are being held with Hockey WA in this respect.

The above issues would require effective resolution before the City would give further consideration to this proposal.

Community Recreation Facilities Plan 2019 - 2033

The City’s Community Recreation Facilities Plan (the Plan) is an asset management framework that was developed to provide guidance on the planning, construction, maintenance, and operation of local community recreation infrastructure to best meet the community’s sport, recreation and wellbeing needs now and into the future.

The Plan provides guidance on the City's sports spaces, recreation spaces, pavilions, community halls, leisure centre and other community facilities. One of the sports spaces outlined in the Plan is for hockey.

In 2022 hockey had one of the highest sporting participation rates for adults in Western Australia with 11,180 participants. Additionally, there were 10,488 junior participants (aged 9yrs-18yrs) and 2,624 sub-junior participants (aged 8yrs and under) who played hockey in 2022. The City currently provides six grass hockey fields at one location being Richardson Reserve, but it does not provide any synthetic hockey fields.

According to sport and recreation industry guidelines, the recommended catchment ratio for synthetic hockey fields is 1:75,000 people. The City's population is approximately 44,000 people, under this ratio. The nearest synthetic hockey field is located at Curtin University (two synthetic fields), where some access is provided for club level hockey; however, most of the usage is prioritised for Hockey WA, state, and national teams.

The recent decision by the State Government to build a high-performance hockey centre at the Curtin University campus may provide some opportunities for local hockey clubs to access the three synthetic hockey fields in the future; however, the extent of the potential club access is unknown at this stage. It is recommended the Club engage with Hockey WA further to advocate for access to their new hockey facility if possible.

The recommendation in the Plan for the City to work with Club, Wesley College, Hockey WA and other stakeholders to investigate the feasibility of relocating the Club to Collier Reserve is considered satisfied by virtue of the financial contribution towards the creation of the Feasibility Report and subsequent review and discussions with the proponents on the findings of the Report.

Contextual Matters

Since initial discussions on the matter were held in 2012, a range of overarching strategic planning and financial changes have occurred that impact the proposal as follows:

- *South Perth Train Station* - there has been minimal progression in the planning for a proposed train station within South Perth (opposite Richardson Park) as the State Government focusses on the delivery of other Metronet projects. There is no longer an imminent need to relocate sporting clubs from Richardson Reserve.
- *Increased Project Scale and Scope* - the proposed hockey facilities project scope and scale has increased significantly since the Club undertook its initial pre-feasibility assessment. For these types of community recreation facility capital works projects the normal approach is to seek one-third financial contribution from the State Government; one-third contribution from the City; and one-third contribution from the sporting club. The City would not be able to make the required financial contribution towards the project in its current form.
- *High-performance Hockey Centre* - the State Government's decision to approve \$135 million in funding for a high-performance hockey centre at Curtin University campus will likely diminish the ability to source the State Government funding required to establish another hockey facility nearby.
- *Recreation Aquatic Facility (RAF)* - At its 23 May 2023 Ordinary Meeting, Council resolved to no longer progress delivery of the RAF project and as such, the opportunity to consider potential shared-use community recreation facilities on or nearby Collier Reserve for RAF users and hockey participants is no longer relevant.

Consultation

Pre-consultation

The community and stakeholder engagement undertaken by the proponents to inform the development of the Feasibility Report is outlined on page 53 of the attached Report and is summarized as follows:

- Letter about the proposal was disseminated to residents surrounding Collier Reserve
- Online engagement through the WASP's website that linked to a community survey (hard copy surveys were also provided on request)
- One-on-one interviews with existing user groups based at Collier Reserve
- Public meeting held at Collier Reserve pavilion

The consultant also met with relevant personnel from the following organisations in developing the Feasibility Report:

- City of South Perth
- WASPs Hockey Club
- Wesley College
- Hockey WA
- Department of Local Government Sport and Cultural Industries
- Curtin Hockey Club
- Victoria Park Xavier Hockey Club
- Como Secondary College
- Penrhos College

Post-consultation

The City is not aware of any stakeholder or community engagement that has occurred on the Feasibility Report itself. Further consultation about the Feasibility Study Report would otherwise be undertaken with relevant stakeholders and the community (i.e. DLGSCI, Hockey WA, existing users of Collier Reserve, local residents etc) before any funding commitments are made.

Elected Member Workshop

A workshop on the outcomes of the Feasibility Study Report was facilitated with Elected Members on 24 May 2023.

Conclusion

The City has worked with the Club, Wesley College and other stakeholders over several years to investigate the feasibility of relocating the Club to Collier Reserve. The findings of the Feasibility Report and contextual changes have resulted in the proposal to establish hockey facilities at Collier Reserve being unfeasible at this time. It is therefore recommended that Council receive the Feasibility Study Report and that no further action be undertaken to establish a synthetic hockey pitch at Collier Reserve.

The City will continue to engage with the Wesley and South Perth Hockey Club to investigate other potential assistance that could be considered to support the sport of hockey into the future.

Policy and Legislative Implications

The following policies are relevant to this report:

- P106 Use of City Reserves and Facilities
- P110 Support of Community and Sporting Groups
- P609 Management of City Property

Financial Implications

There are no financial implications associated with the Officer’s Recommendation for Council to receive the Feasibility Study Report.

Key Risks and Considerations

Risk Event Outcome	Reputational Damage Deals with adverse impact upon the professional reputation and integrity of the City and its representatives whether those persons be appointed or elected to represent the City. The outcome can range from a letter of complaint through to a sustained and co-ordinated representation against the City and or sustained adverse comment in the media.
Risk rating	Low
Mitigation and actions	The main aim of a feasibility study is to investigate, describe and assess issues relating to a project proposal. The risk of reputational damage in accepting the Officer’s recommendation to receive the feasibility study report is low, as it does not tie the City into any actions or financial commitments at this time.

Strategic Implications

This matter relates to the following Strategic Direction identified within Council’s [Strategic Community Plan 2021-2031](#):

Strategic Direction:	Community
Aspiration:	Our diverse community is inclusive, safe, connected and engaged
Outcome:	1.2 Community infrastructure
Strategy:	1.2.1 Maintain current and plan, develop and facilitate community infrastructure to respond to community needs and priorities

Attachments

- 10.1.1 (a): Collier Reserve Hockey Facilities Feasibility Study Report
- 10.1.1 (b): Proponent Subsequent Correspondence
- 10.1.1 (c): Wesley College - Letter of Commitment
- 10.1.1 (d): Acoustic Report

10.3 STRATEGIC DIRECTION 3: ENVIRONMENT (BUILT AND NATURAL)

10.3.1 Tender 5/2023 - Provision of Turf Sportsground, Wicket and Croquet Maintenance

File Reference: D-23-27300
Author(s): Joanne Smith, Infrastructure Planning Officer
Reporting Officer(s): Anita Amprimo, Director Infrastructure Services

Summary

This report considers submissions received from the advertising of Tender 5/2023 for the Provision of Turf Sportsground, Wicket and Croquet Maintenance.

This report will outline the assessment process used during 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 Programmed Property Services for the Provision of Sportsground, Wicket and Croquet Maintenance in accordance with Tender Number 5/2023 for the period of supply up to 30 June 2028 inclusive; and
2. Accepts the tender price included in **Confidential Attachment (a)**;
3. Notes that the tender price will be included in the Ordinary Council Meeting Minutes.

Background

A Request for Tender (RFT) 5/2020 for the Provision of Sportsground, Wicket and Croquet Maintenance was advertised in The West Australian on 29 April 2023 and closed at 2:00pm on Tuesday 23 May 2023.

Tenders were invited as a Lump Sum Contract with variations accommodated by a Schedule of Rates.

The contract is for the period two years and subject to acceptable performance, the contract may be extended for three further one year periods.

Comment

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

TABLE A – Tender Submissions

Tender Submission
Environmental Industries
Green Options
Programmed
Turf Care WA

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. Plant and equipment	15%
2. Skills and experience of key personnel	25%
3. Demonstrated understanding of the required tasks	40%
4. Demonstrated experience in turf and wicket maintenance	20%
Total	100%

Based on the assessment of all submissions received for Tender 5/2023 for the Provision of Sportsground, Wicket and Court Maintenance, it is recommended that the tender submission from Programmed Property Services 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.*

10.3.1 Tender 5/2023 - Provision of Turf Sportsground, Wicket and Croquet Maintenance

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 Council Policies also apply:

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

Financial Implications

The full cost of the works in year one of the proposed contract are included in the Draft 2023/24 Annual Budget.

Key Risks and Considerations

Risk Event Outcome	Property Damage Relates to damage or destruction of City assets. Causes include but are not limited to theft, vandalism, and failure to adequately insure buildings, property and assets.
Risk rating	Medium
Mitigation and actions	Undertake a program of regular maintenance to the City's premier cricket, croquet and sportsground facilities to ensure optimum performance for club and community use.

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2021-2031](#):

Strategic Direction:	Environment (Built and Natural)
Aspiration:	Sustainable, liveable, diverse and welcoming neighbourhoods that respect and value the natural and built environment
Outcome:	3.3 Enhanced environment and open spaces
Strategy:	3.3.3 Improve the amenity value and sustainable uses of our streetscapes, public open spaces and foreshores

Attachments

- 10.3.1 (a):** Evaluation Report - Provision of Turf Sportsground, Wicket and Croquet Maintenance (*Confidential*)

10.3.2 Proposed Change of use to Child Day Care Centre and additions and alterations to existing buildings. Lot 53 No. 50 Dyson Street, Kensington.

Location:	Lot 53, No. 50 Dyson Street, Kensington
Ward:	Moresby Ward
Applicant:	Perth Precision Construction Group Pty Ltd
File Reference:	D-23-27301
DA Lodgement Date:	13 February 2023
Author(s):	Joshua Loveridge, Urban Planner
Reporting Officer(s):	Donna Shaw, Director Development and Community Services

Summary

To consider an application for development approval for a Change of Use to Child Day Care Centre and additions and alterations to existing buildings at Lot 53, No. 50 Dyson Street, Kensington.

This item is referred to Council as the proposed use is a 'DC' (Discretionary with Consultation) land use within the Public Assembly zone and therefore falls outside of the delegation to officers.

For the reasons outlined in the report, it is recommended that the application be approved subject to conditions.

Officer Recommendation

That pursuant to the provisions of the City of South Perth Town Planning Scheme No. 6 and the Metropolitan Region Scheme, this application for development approval for a Change of Use to Child Day Care Centre and additions and alterations to existing buildings at Lot 53 No. 50 Dyson Street, Kensington **be approved** subject to the following conditions:

1. The development shall be in accordance with the approved plans unless otherwise authorised by the City of South Perth.
2. Prior to the submission of an occupancy permit application, the landscaping areas shall be installed in accordance with the approved landscaping plan, noting that the City does not support artificial turf. All landscaping areas shall be maintained thereafter to the satisfaction of the City of South Perth.
3. Prior to the submission of a building permit application, the applicant must be in receipt of an approved "Stormwater Drainage Application" that confirms the design is to the satisfaction of the City of South Perth.
4. Prior to the submission of a building permit application, the applicant is to submit a final material, colours and finishes schedule to the satisfaction of the City of South Perth.
5. Prior to occupation of the Child Day Care Centre, the endorsed material and finishes schedule shall be incorporated into the building design and maintained thereafter, to the satisfaction of the City of South Perth.
6. Prior to the submission of a building permit application, a Waste Management Plan must be submitted to the satisfaction of the City of South Perth. The

approved Plan shall be implemented and adhered to all times, to the satisfaction of the City of South Perth.

7. Prior to the submission of a building permit application, the proposal is to be modified to incorporate the noise mitigation measures in accordance with the submitted Acoustic Report (Acoustic Engineering Solutions, dated November 2022). The drawings and specifications contained within the application are to be endorsed as acceptable by an independent, qualified acoustic engineer to the satisfaction of the City of South Perth.
8. Prior to the submission of an occupancy permit application, all noise attenuation measures identified in the Acoustic Report shall be implemented or installed and remain in place permanently, to the satisfaction of the City of South Perth.
9. Prior to the submission of a building permit application or demolition permit application, whichever is earlier, a Construction Management Plan must be submitted to, and approved by, the City of South Perth. The Construction Management Plan must address the following issues, where applicable:
 - (i) public safety and amenity;
 - (ii) site plan and security;
 - (iii) contact details of essential site personnel, construction period and operating hours;
 - (iv) community information, consultation and complaints management plan;
 - (v) noise, vibration, air and dust management;
 - (vi) traffic, access and parking management;
 - (vii) waste management and materials re-use;
 - (viii) street tree management and protection; and
 - (ix) asbestos removal.The Construction Management Plan must be complied with at all times during development, to the satisfaction of the City of South Perth.
10. Prior to the submission of an occupancy permit application, provision shall be made for eight (8) bicycles parking bays, the design and location of which shall be to the satisfaction of the City of South Perth.
11. This approval does not pertain to the erection, placement, and display of any advertisements. A separate application is to be submitted and development approval is to be obtained for any proposed advertisements that are not exempt from requiring development approval by the City of South Perth.
12. External fixtures, such as air-conditioning infrastructure, shall be integrated into the design of the building so as to not be visually obtrusive when viewed from the street and to protect the visual amenity of residents in neighbouring properties, to the satisfaction of the City of South Perth.
13. All trees to be retained as indicated on the site plan shall be retained and protected prior to and during construction, and shall not be removed without the prior approval of the City of South Perth.

10.3.2 Proposed Change of use to Child Day Care Centre and additions and alterations to existing buildings. Lot 53 No. 50 Dyson Street, Kensington.

14. A maximum of ten (10) employees are permitted to operate from the premises at any one time.
15. The opening hours of the Child Day Care Centre is limited to Monday to Friday – 7.00am to 6.00pm.
16. Prior to the submission of an occupancy permit application, the applicant shall submit a Management Plan detailing the times when staff, children, and other visitors will be present on site to the Satisfaction of the City of South Perth.
17. The number of children on site at any one time must not exceed fifty-four (54).

Note: City Officers will include relevant advice notes in the determination notice.

Development Site Details

The development site details are as follows:

Zoning	Public Assembly
Density coding	R30
Lot area	1,209m ²
Building height limit	7.0 metres

This item is being referred to Council as it is a Non - Residential “DC” use within the Public Assembly zone.

Comment

(a) Background

On 13 February 2023, the City received an application for a change of use to Child Day Care Centre, with additions and alterations to the existing buildings at Lot 53, No. 50 Dyson Street, Kensington (the site).

The site currently comprises the *Memorial Church of St Martin in the Field & Durbridge Hall*, with ancillary structures, as depicted in the site photographs at **Attachment (a)**.

The subject site is a ‘Category B’ place under the City’s Local Heritage Inventory and is included on the Local Heritage List.

(b) Description of the Surrounding Locality

The Site is bound by Dyson Street to the south-west and Vista Street to the south-east, as seen in **Figure 1** below. The locality comprises low-scale residential development, with isolated commercial premises and areas of public open space. It is noted that the site is located approximately 134m from Canning Highway (serviced by a high frequency bus route), 240m from Kensington Primary School, and 140m from Kensington Primary School Kindergarten.

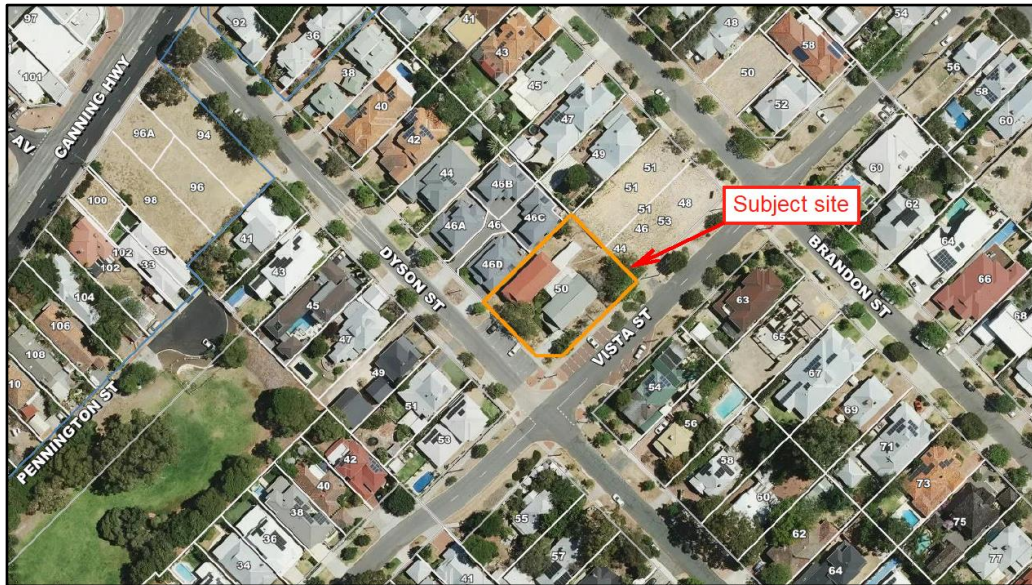


Figure 1: Aerial image of the subject site

(c) Description of the Proposal

The proposal involves the partial demolition of the following:

- Built form between the church and hall (WC rooms, activities, kitchen, lobby, and church rooms 2 and 3);
- Internal rooms 3 and 4 of the hall, in addition to removal of bench and sink of room 1, and the door of room 2, rear portions of awning, and the entry staircase);
- Back wall and side windows of church stage;
- Hardstand, retaining walls supporting a tree (tree to be retained), fencing facing Vista Street; and
- Removal of 5 existing on-site trees.

Further, the construction of a Child Day Care Centre with single and two storey additions is proposed, with fencing and landscaping incorporated into the proposal, as detailed in the in the submitted development plans at **Attachment (b)** and Planning Cover Letter (**Attachment (c)**).

The following components of the proposed development require a discretionary assessment against the City of South Perth Town Planning Scheme No. 6 (Scheme; TPS6), and Council Policy requirements:

Town Planning Scheme No. 6

- Discretionary Land Use with Consultation (clause 3.3 (5) of TPS6) Street setback
- Car parking

Local Planning Policy

- Family Day Care and Child Day Care Centres (P307)
- Local Heritage Listing (P313)
- Car Parking Reductions for Non-Residential Development (P315)

The proposal meets the requirements of TPS6 and relevant Council policies, except for the discretionary aspects identified above, which are discussed below.

10.3.2 Proposed Change of use to Child Day Care Centre and additions and alterations to existing buildings. Lot 53 No. 50 Dyson Street, Kensington.

(d) Land Use

The proposed land use of ‘Child Day Care Centre’ is a ‘DC’ (Discretionary with Consultation) land use in the ‘Public Assembly’ zone as per Table 1 (Zoning - Land Use) of TPS6. It is considered that the proposed land use meets the Scheme Objectives as per Clause 1.6 of TPS6, as discussed below. The body of the report discusses the remaining discretionary criteria relevant to the consideration of the proposed land use.

(e) Street Setbacks

The below table comprises the assessment of the street setbacks for the proposed, non-compliant built form as per Table 3 of TPS6.

Element	Requirement	Proposed
Street setback – veranda (Dyson Street)	7.5m	4.3m
Street setback – hall (Dyson Street)	7.5m	6.8m
Street setback – church (Vista Street)	7.5m	6.9m

Council has discretionary power under clause 7.8.1(b) of TPS6 to approve the proposed street setbacks, if it is satisfied that all requirements of that clause have been met, i.e.:

- (i) approval of the proposed development would be consistent with the orderly and proper planning of the precinct and the preservation of the amenity of the locality;
- (ii) the non-compliance will not have any adverse effect upon the occupiers or users of the development or the inhabitants of the precinct or upon the likely future development of the precinct; and
- (iii) the proposed development meets the objectives for the City and for the precinct in which the land is situated as specified in the precinct plan for that precinct.

In this instance, it is recommended that the proposed setbacks be approved for the following reasons:

- The proposed setbacks are consistent with orderly and proper planning as they are not considered to adversely impact the appearance or prominence of the existing heritage buildings to the street for the following reasons:
 - The proposed non-compliant built form to Dyson Street comprises a new veranda to the front of the existing hall, which is an open framed structure, not considered to adversely impact the appearance of the retained hall;
 - The proposed built form to Vista Street comprises a new single storey ‘art room’, which has a façade design considered complimentary to the existing church building, thereby providing a consistent visual appearance; and
 - The remaining portions of built form within 7.5m of Dyson and Vista Streets is existing.

Proposed Change of use to Child Day Care Centre and additions and alterations to existing buildings. Lot 53 No. 50 Dyson Street, Kensington.

- The City considers that the additions have a positive impact on the users of the buildings, given it provides additional useable area. The proposal will not impact future development in the surrounding locality.
- The site is not subject to a Precinct Structure Plan.

(f) Car Parking and Traffic

The former church and hall had previously operated with no on-site parking. Car parking requirements as per TPS6 are as follows:

Land use	TPS6 Requirement	Bays Required
Child Day Care Centre	1 per required employee (10)	10
	1 per 10 children permitted to receive care (54)	5.4
	Total bays required	15.4 (16)
	Total bays provided	nil
	Shortfall	16

Further, Car Parking Reductions for Non-Residential Development (P315) provides for a reduction of TPS6 requirements through the application of adjustment factors based on locational criteria. In this instance a reduction of 15% is applicable, resulting in a total shortfall of 14 bays.

Clause 6.3 (4) of TPS6 provides Council discretion to approve a car parking deficit having regard to the peak parking demand for the proposed use being met and any opportunities for reciprocal parking.

Whilst there are no other on-site land uses or car parking bays available for a private reciprocal car parking arrangement, there are 23 car parking bays provided off-site/on street surrounding the development, as per **Figure 2** below, which are considered sufficient to accommodate the peak parking demand.

Further, there is capacity for bicycle and e-scooter parking to otherwise offset demand for car parking, which has been proposed by the applicant.



Figure 2: Location of off-site parking bays

10.3.2 **Proposed Change of use to Child Day Care Centre and additions and alterations to existing buildings. Lot 53 No. 50 Dyson Street, Kensington.**

Whilst clause 6.3(A) of TPS6 provides the ability to impose conditions for cash-in-lieu of car parking bays, this has not been recommended in this instance for the following reasons:

- the applicant is proposing the provision of 8 on-site bicycle/e-scooter parking bays to offset the demand for car parking bays;
- there are an existing 23 on-street embayed parking spaces in the immediate vicinity of the proposed development to meet demand;
- the retention of the fabric of the heritage building is retained as no further demolition works are proposed to otherwise accommodate car parking bays;
- the nature of the use is such that the catchment of the clients is likely within a walkable catchment of the development, or a drop off- pick up arrangement with no longer term parking required; and
- there are limited opportunities to expend any cash-in-lieu for the construction of additional car parking bays within the vicinity of the proposed development without removing existing street trees.

For the above reasons, the shortfall in car parking is considered acceptable and no conditions requiring cash-in-lieu for the shortfall in bays is recommended.

With respect to traffic, the Traffic Impact Statement submitted as part of the development application (**Attachment (d)**), indicates that the traffic generated by the proposal will be offset by its proximity to public transportation, in addition to the walkable nature of the locality.

The Traffic Impact Statement further notes that the estimated trip generation is moderate impact, however most of the trips will be generated from the surrounding residential area. It concludes that given the number of routes available, traffic will not result in a significant impact on any local roads or intersections. The trip generation as detailed within the Traffic Impact Statement is within the capacity of the road network to accommodate.

(g) P307 – Family Day Care and Child Day Care Centres

It is noted that the proposed development is considered to meet the relevant discretionary provisions of the Policy in the following ways (noting that a full assessment has been included in **Attachment (e)**, which further discusses the compliant provisions of the Policy):

- The applicant has proposed partially masonry fencing to the general play areas, with infill above to varying heights, the greatest of which is 2.3m facing Vista Street. P307 requires solid masonry fencing to 1.8m in height around the street perimeter of general play areas. This variation is considered acceptable for the following reasons:
 - Fencing height is at least 1.8m;
 - The adjacent play areas are in plain sight of supervisors, thereby minimising any potential safety impacts; and
 - The variation in materials and built form, in addition to the adjacent landscaping proposed, reduces its visual impact on the streetscape.

Provisions relating to on-site parking access and screening are not relevant to this assessment, given no on-site parking is proposed.

10.3.2 Proposed Change of use to Child Day Care Centre and additions and alterations to existing buildings. Lot 53 No. 50 Dyson Street, Kensington.

(h) P313 – Local Heritage Listing

As previously noted, the subject site is a ‘Category B’ place under the City’s Local Heritage Inventory and is included on the Local Heritage List.

A peer review of the applicant’s Heritage Impact Statement is contained as **Attachment (f)**. The applicant subsequently provided a revised Heritage Impact Statement, which has been included as **Attachment (g)**.

It is noted that the proposed development is considered to meet the relevant provisions of the Policy in the following manner:

- The extent of original fabric of the church and hall to be removed is relatively minor and inconsequential to the overall significance of the retained buildings; and
- The additions and alterations do not visually obscure, or overwhelm, the original buildings, due to the following:
 - The rear ‘art room’ addition to the church is single storey and is designed to complement the existing building;
 - The upper floor addition is setback 20m from Vista Street, and 24m from Dyson Street with a pitched roof, thereby reducing its building bulk and scale impact on the streetscape;
 - The remaining additions are considered small scale, and not prominent when viewed from the street; and
 - The fencing is not considered to adversely impact the heritage value of the structures, nor substantially obscure them from view of the street.

(i) Comment regarding November 2022 Department of Planning, Lands, and Heritage Draft Position Statement for Child care premises

It is considered that the content of the body of the report demonstrates that the proposal is consistent with the objectives and provisions relevant to Child Care Premises provided by the Department of Planning, Lands and Heritage Draft Position Statement for child care premises, released in November 2022.

(j) Scheme Objectives: Clause 1.6 of Town Planning Scheme No. 6

In considering the application, the Council is required to have due regard to, and may impose conditions with respect to, matters listed in clause 1.6 of TPS6, which are, in the opinion of the Council, considered relevant to the proposed development. The proposed development is considered satisfactory in relation to these matters, subject to the recommended conditions.

(k) Matters to be considered by Local Government: Clause 67 of the Deemed Provisions for Local Planning Schemes

In considering an application for development approval the local government is to have due regard to the matters listed in clause 67 of the Deemed Provisions to the extent that, in the opinion of the local government, those matters are relevant to the development the subject of the application. The matters considered relevant to the proposal are:

- (a) the aims and provisions of this Scheme and any other local planning scheme operating within the Scheme area;*
- (g) any local planning policy for the Scheme area;*

10.3.2 Proposed Change of use to Child Day Care Centre and additions and alterations to existing buildings. Lot 53 No. 50 Dyson Street, Kensington.

- (k) the built heritage conservation of any place that is of cultural significance;*
- (m) the compatibility of the development with its setting including the relationship of the development to development on adjoining land or on other land in the locality including, but not limited to, the likely effect of the height, bulk, scale, orientation and appearance of the development;*
- (p) whether adequate provision has been made for the landscaping of the land to which the application relates and whether any trees or other vegetation on the land should be preserved;*
- (t) the amount of traffic likely to be generated by the development, particularly in relation to the capacity of the road system in the locality and the probable effect on traffic flow and safety;*
- (u) the availability and adequacy for the development of the following –*
 - (i) public transport services;*
 - (iii) storage, management and collection of waste;*
 - (iv) access for pedestrians and cyclists (including end of trip storage, toilet and shower facilities);*
 - (v) access by older people and people with disability;*
- (y) any submissions received on the application;*

The proposed development is considered satisfactory in relation to these matters, subject to the recommended conditions.

(l) Design Review Panel Comments

The proposal was considered by the City's Design Review Panel (DRP) in November 2022 and December 2022, prior to lodgement of the application.

The proposal was favourably received by the panel and considered to satisfactorily address the ten principles of design in accordance with State Planning Policy 7.0 Design of the Built Environment. The comments of the most recent DRP minutes are included in **Attachment (h)**.

(m) Consultation

Consultation has been undertaken for this proposal to the extent and in the manner required by Local Planning Policy P301 - Advertising of Planning Proposals.

Advertising was undertaken for a period of 15 days between 21 March 2023 and 5 April 2023. Advertising was undertaken to all properties identified by the City that may be affected by the proposal. A total of 68 advertising notices were sent and three submissions were received, one in support of the proposal and two generally objecting to the proposed development. The comments in favour of the proposal generally refer to:

- Preservation of the existing heritage buildings; and
- Provision of a new service to the area.

A summary of the submitters' comments objecting to the proposal and the officer's response to these comments are included in the table below:

Submitters Comments (Issue Raised)	Officer Response
Retention of trees and elements of landscaping.	<p>Amended plans include a note demonstrating retention of the Jacaranda tree.</p> <p>A condition is recommended requiring the provision of a detailed landscaping plan to provide for additional landscaping of the site.</p>
Height and design of fencing.	<p>The above height fencing has been considered against the requirements of P307 - <i>Family Day Care and Child Day Care Centres</i> and is supported for the reasons outlined in this report.</p>
Potential traffic impacts on surrounding streets.	<p>Traffic associated with the proposed development is within the capacity of the existing road network to accommodate as detailed in the carparking and traffic section of this report. The Transport Impact Statement submitted in support of the application demonstrates that the proposal is able to meet peak parking demand.</p>
Inadequacy of plans and information provided.	<p>The application submitted amended plans providing more detail to enable the City to complete its assessment.</p>
Choice of materials to undertake restoration of heritage buildings.	<p>Whilst suggestions have been made regarding the materiality of the proposal, the Heritage Peer-Review provides overall support for the proposal. A condition requiring a final material, colours and finishes schedule to the satisfaction of the City has been recommended in any instance.</p>
Increased noise and general reduction of residential amenity.	<p>The applicant's Acoustic Report and modelling demonstrates the ability for the development to comply with the <i>Environmental Health (Noise Regulations) 1997</i>.</p> <p>It is noted that the proposal demonstrates that appropriate noise attenuation measures are to be implemented, including acoustically treated barriers to outdoor areas. Conditions to ensure incorporation into the building permit application and implementation have been recommended.</p>

In addition to the above summary, a detailed schedule of submissions has been prepared, comprising the content of the submissions, including the applicant, in addition to the City's comments, included as **Attachment (i)**.

10.3.2 Proposed Change of use to Child Day Care Centre and additions and alterations to existing buildings. Lot 53 No. 50 Dyson Street, Kensington.

(n) Infrastructure Services

Comments were invited from the City's Infrastructure Services who provided advice on a range of issues relating to car parking, cash in lieu, and traffic generated from the proposal. This section raises no objections.

(o) Streetscapes

The Streetscapes section provided comments relating to street trees, noting that none are to be removed. This section raises no objection.

(p) Environmental Health

The City's Environmental Health Services provided comments with respect to the design of the bin storage area and noise. Accordingly, conditions and advice notes are recommended to address issues raised.

(q) Waste Services

The City's Waste Services raised concerns in relation to the level of waste generation identified in the submitted Waste Management Report, however following an assessment of the submitted information, officers consider the issue may be addressed through conditioning the provision of an amended Waste Management Plan, incorporating additional calculations regarding waste generation rates subject to total floor area, and amending the size of the waste receptacles. Accordingly, a condition and advice note are recommended.

(r) Heritage

As previously noted, the Heritage Impact Statement and development plans were peer-reviewed by an external consultant, who provided the following comments:

"The following recommendations have been provided to assist the City in its determination of the proposed development on the basis of this peer review:

- 1. The applicant should be given the opportunity to update the Heritage Impact Statement to reflect changes to the design that have occurred since that report was prepared in November 2022.*
- 2. The proposal sufficiently conserves the cultural heritage significance of the place and is capable of being approved on heritage grounds pending further information being provided.*
- 3. Any future approval should require an interpretation strategy be included to explain the cultural value and history of the site to future users.*
- 4. Any future approval should require that the external conservation to both buildings be based on historic evidence. Refer to historic photos, original drawings, and specifications."*

It is considered that given the extent of original fabric and built form being retained by this development, the requirement of a formal interpretation strategy is unnecessary. Review of the place listing will also occur as part of the review of the City's Local Heritage Inventory.

Notwithstanding, the applicant is encouraged to take measures to ensure that the heritage value of the place is made apparent to future visitors to the site, which may involve the utilisation of an informal interpretation strategy. A condition requiring detailed materials and finishes to reflect the heritage values of the place has been recommended.

10.3.2 Proposed Change of use to Child Day Care Centre and additions and alterations to existing buildings. Lot 53 No. 50 Dyson Street, Kensington.

Policy and Legislative Implications

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

Financial Implications

This determination has some financial implications, to the extent if the applicant were to seek to have the application reviewed by the State Administrative Tribunal, the City may need to seek representation (either internal or external).

Key Risks and Considerations

Risk Event Outcome	Reputational Damage Deals with adverse impact upon the professional reputation and integrity of the City and its representatives whether those persons be appointed or elected to represent the City. The outcome can range from a letter of complaint through to a sustained and coordinated representation against the City and or sustained adverse comment in the media.
Risk rating	Low
Mitigation and actions	Risk acceptable with adequate controls, managed by routine procedures and subject to annual monitoring.

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2021-2031](#):

Strategic Direction:	Environment (Built and Natural)
Aspiration:	Sustainable, liveable, diverse and welcoming neighbourhoods that respect and value the natural and built environment
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

Sustainability Implications

Being a non-residential land use, of a non-sensitive nature, it is considered that the development enhances sustainability by providing a local business and employment opportunities.

10.3.2 Proposed Change of use to Child Day Care Centre and additions and alterations to existing buildings. Lot 53 No. 50 Dyson Street, Kensington.

Conclusion

Whilst it is acknowledged that the proposal does not fully comply with several requirements of the local planning framework as discussed in the body of the report, on balance it is considered that the scale and nature of the proposed use is consistent with the existing development within the locality. Matters that have the potential to adversely impact the amenity of adjoining residential properties can be appropriately addressed via conditions of development approval.

The design of the proposed development is supported by the City's DRP, particularly the proposals context and character, and built form and design. Traffic and car parking demand generated by the proposed development is within the capacity of the existing road network to accommodate, and the proposed development will provide a service for the wider community.

Accordingly, it is recommended that the application be approved subject to conditions.

Attachments

- 10.3.2 (a):** Attachment A - Site photos
- 10.3.2 (b):** Attachment B - Development plans
- 10.3.2 (c):** Attachment C - Planning Cover Letter
- 10.3.2 (d):** Attachment D - Traffic Impact Statement
- 10.3.2 (e):** Attachment E - Detailed Policy Assessment
- 10.3.2 (f):** Attachment F - Heritage Peer Review
- 10.3.2 (g):** Attachment G - Amended Heritage Report
- 10.3.2 (h):** Attachment H - December 2022 DRP minutes and City comments - 50 Dyson St
- 10.3.2 (i):** Attachment I - Schedule of submissions
- 10.3.2 (j):** Attachment J - Accoustic Report
- 10.3.2 (k):** Attachment K - Car-door Closing Noise Modelling

This Item was deferred from the Council meeting held 23 May 2023.

10.3.3 Proposed Cafe/Restaurant Addition to Multiple Dwellings - Lot 174, No. 60 Elizabeth Street, South Perth

Location: 60 Elizabeth Street, South Perth
Ward: Mill Point Ward
Applicant: Anthony Rechichi Architect
File Reference: D-23-27302
DA Lodgement Date: 10 October 2022
Author(s): Heidi Miragliotta, Urban Planner
Reporting Officer(s): Donna Shaw, Director Development and Community Services

Summary

To consider an application for development approval for a Café/Restaurant addition to Multiple Dwellings on Lot 174, No. 60 Elizabeth Street, South Perth.

This item is referred to Council as the proposed use is a 'DC' (Discretionary with Consultation) land use within the Residential zone and therefore falls outside of the delegation of officers.

For the reasons outlined in the report, it is recommended that the application be approved subject to conditions.

Officer Recommendation

That pursuant to the provisions of the City of South Perth Town Planning Scheme No. 6 and the Metropolitan Region Scheme, the application for development approval for a Café/Restaurant addition to Multiple Dwellings on Lot 174, No. 60 Elizabeth Street, South Perth **be approved** subject to the following conditions:

1. The development shall be in accordance with the approved plans unless otherwise authorised by the City of South Perth.
2. The opening hours of the Café/Restaurant is limited to Monday to Sunday – 7:00am to 11:00pm.
3. Prior to the submission of a building permit application, the applicant must be in receipt of an approved “Crossings Application” that confirms the design is to the satisfaction of the City of South Perth.
4. Prior to the submission of a building permit application, the applicant must be in receipt of an approved “Stormwater Drainage Application” that confirms the design is to the satisfaction of the City of South Perth.
5. Prior to the submission of a building permit application, details of the proposed lighting to pathways, communal areas and carparking areas shall be provided, to the satisfaction of the City of South Perth.
6. Prior to the submission of a building permit application, (relevant to the construction of the affected components of the building), an Acoustic Report, completed by a suitably qualified acoustic engineer, and demonstrating that potential noise from the proposed development will comply with the Environmental Protection (Noise) Regulations 1997, must be submitted to, and approved in writing by, the City of South Perth.

- The approved Acoustic Report, including any specifications, requirements and recommendations cited in the report plus any additional requirements by the City of South Perth, shall be implemented and adhered to all times, including being incorporated into the building permit application documentation, to the satisfaction of the City of South Perth.
7. Prior to the submission of an occupancy permit application, all noise attenuation measures, identified in the Acoustic Report shall be implemented or installed and remain in place permanently, to the satisfaction of the City of South Perth.
 8. Prior to the submission of a building permit application, a Waste Management Plan must be submitted to the satisfaction of the City of South Perth. The approved Plan shall be implemented and adhered to all times, to the satisfaction of the City of South Perth.
 9. Prior to the submission of an occupancy permit application, the car parking bays shall be marked on site as indicated on the approved plans, in order to comply with the requirements of clause 6.3 (10) (c) of Town Planning Scheme No. 6 and such marking shall be subsequently maintained so that the delineation of parking bays remains clearly visible at all times.
 10. Prior to the submission of an occupancy permit application, the car parking bays for patrons to the Café/Restaurant shall be permanently marked, maintained and accessible at all times for use exclusively by Café/Restaurant patrons, be clearly visible or suitably sign posted from the street or internal driveway, to the satisfaction of the City of South Perth.
 11. Prior to or in conjunction with the submission of a building permit application, three bicycle parking spaces must be designed and located to the satisfaction of the City of South Perth. The bicycle parking spaces must be constructed prior to occupancy of the development and thereafter retained and maintained in good and safe condition for the duration of the development.
 12. Prior to the submission of an occupancy permit application, landscaping areas shall be installed in accordance with the approved landscaping plan. All landscaping areas shall be maintained thereafter to the satisfaction of the City of South Perth.
 13. Prior to the submission of an occupancy permit, external fixtures, such as air-conditioning infrastructure, shall be integrated into the design of the building so as to not be visually obtrusive when viewed from the street and to protect the visual amenity of residents in neighbouring properties, to the satisfaction of the City of South Perth.
 14. The tree identified for retention on the site plan shall be protected prior to and during construction and shall not be removed without the prior approval of the City of South Perth.
 15. The height of any wall, fence or other structure, shall be no higher than 0.75m within 1.5m of where any driveway meets any public street or right of way, to the satisfaction of the City of South Perth.
 16. Any proposed illumination of the signs must not exceed 300cd.m² (candela per square metre) between sunset and sunrise.
 17. The signs shall not flash, pulsate or chase.
 18. The signs shall not contain fluorescent, reflective or retro reflective colours or materials.

19. The signs shall not be electronic or digital format.
20. Hard standing areas approved for the purpose of car parking or vehicle access shall be accessible at all times, maintained in good condition, free of potholes and dust and shall be adequately drained, to the satisfaction of the City of South Perth.

Note: City officers will include relevant advice notes in the determination notice.

Development Site Details

The development site details are as follows:

Zoning	Residential
Density coding	R80
Lot area	1,095m ²
Building height limit	14m

This item is being referred to Council as it is a Non - Residential “DC” use within the Residential Zone.

Comment

(a) Background

In October 2022, the City received an application for a Café/Restaurant on Lot 174, No. 60 Elizabeth Street, South Perth (the site).

The proposal was considered by the City’s Design Review Panel (DRP) on 6 December 2022.

At its 23 May 2023 Ordinary Meeting, Council resolved to defer consideration of the application in light of anomalies in the report related to the height and width of the letters on the proposed signage and the total area of the signs, as well as to enable Council further time to review the amended report alongside the application and relevant policies.

(b) Description of the Surrounding Locality

The site fronts Elizabeth Street, South Perth with a secondary frontage onto Lawler Street, South Perth. The site is surrounded by Highway Commercial zoned properties to the north east and south, single houses to the north west and west and multiple and grouped dwellings to the south west as seen in **Figure 1** below.

The existing development on the site is a two storey multiple dwelling development in two separate buildings comprising five units as depicted in the site photographs at **Attachment (a)**.



Figure 1: Aerial image of the subject site.

(c) Description of the Proposal

The proposal involves the placement and use of two sea containers as a two storey Café/Restaurant with additional fixtures and landscaping to the site as depicted in the submitted plans at **Attachment (b)**. The proposal does not involve any alterations or additions to the existing multiple dwellings. The proposed use and development are further described by the applicant's letter provided at **Attachment (c)**.

The proposed Café/Restaurant is to be constructed of materials that are recycled and/or repurposed to enable dismantling, reassembly and reuse should redevelopment of the site occur in future. 11 car bays are indicated on the development plans. Five car bays will be for the use of the residents of the existing multiple dwellings and six car bays will be for staff and patrons of the proposed Café/Restaurant. Three bicycle bays are also provided.

The proposed business will operate from 7am and to 11pm seven days per week with three full time staff. There may be additional casual staff employed for a few hours during busier periods.

The applicant has proposed relocation of a Frangipani tree to accommodate widening of the existing crossover to the site. The tree will be relocated to the eastern corner of the site.

The following components of the proposed development requires a discretionary assessment against the City of South Perth Town Planning Scheme No. 6 (Scheme; TPS6) and Council Policy requirements:

Town Planning Scheme No. 6

- Discretionary Land Use with Consultation (clause 3.3 (5) of TPS6)

Local Planning Policy

- Signage (P308)

The proposal meets the requirements of TPS6, the R-Codes and relevant Council policies, except for the discretionary aspects identified above, which are discussed below.

(d) Local Planning Policy P308 – Signs & TPS6 Clause 6.12 Advertisements

Local Planning Policy P308 provides guidance for the installation of signs on premises and is designed to reduce the adverse visual amenity of signs, especially in residential areas.

The policy provides requirements for signs for non-residential uses in the residential zone as follows:

Element	Requirement	Proposed
<i>Number of signs</i>	<i>1</i>	<i>3</i>
<i>Total area of sign</i>	<i>0.6m² maximum</i>	<i>8.25m² per sign</i>
<i>Letter or figure height and width</i>	<i>0.075m maximum height 0.075m maximum width</i>	<i>0.8m high 0.6m wide</i>
<i>Sign details</i>	<i>Display the name of the business or facility on the site only.</i>	<i>The proposed signs state 'Coffee' only, as the name of the business is yet to be determined.</i>

The development proposes three signs each with an area of 8.25m². The individual letters are 0.075m in height and width. Two of the proposed signs are located on the south eastern side of the building and one sign is located on the south western side of the building as shown in **figures 2 and 3** below.

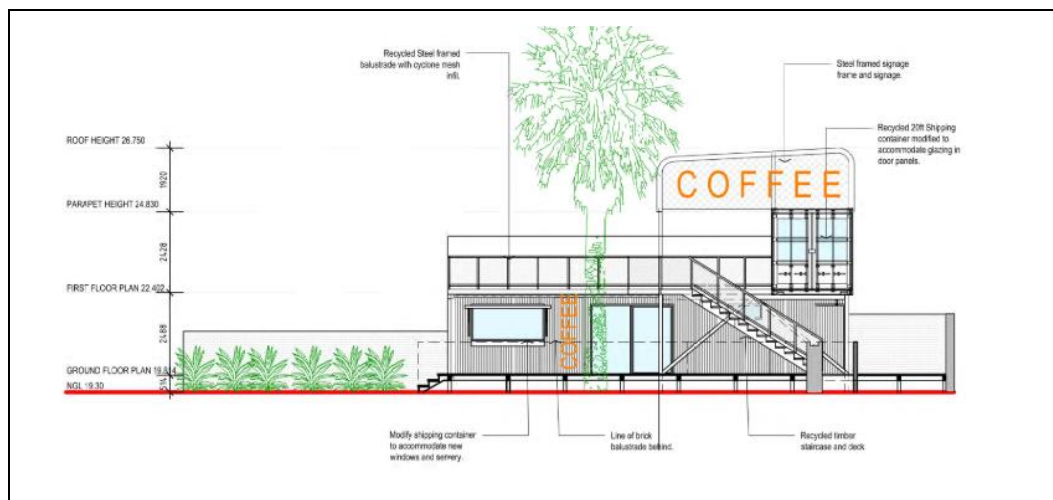


Figure 2: Signs on south eastern side of proposed building



Figure 3: Sign on south western side of proposed building

For illuminated signs near traffic light controlled intersections, P308 requires the following:

Element	Requirement	Proposed
<i>Illuminated signs near traffic lights.</i>	<i>Illuminated signs shall not be within 150m of a street intersection with traffic lights.</i>	<i>Proposed signs are within 26m of the traffic light controlled intersection of Canning Highway and Douglas Avenue.</i>

In considering the above variation, the proposal was assessed against the requirements of clause 6.12(6) of TPS6 with regards to the character, amenity, historic or landscape significance and traffic safety within the locality, and is supported for the following reasons:

- The character and amenity of the area comprises a mix of residential and commercial land uses, including shops, office and consulting rooms to the north east and south (along Canning Highway) and single houses and multiple dwellings on the north western portion of the site and to the north west, west and south west of the site. Given the mix of existing land uses on surrounding properties and the scale of the proposal, the proposed Café/Restaurant is considered compatible within its setting.
- The site is not included on the Heritage List.
- Proposed landscaping has been incorporated into the development as detailed on the plans, which can be supported by a condition should the application be approved.
- In respect to traffic safety, the proximity of the proposed signs to the traffic light controlled intersection at the corner of Canning Highway and Douglas Avenue will be negligible given the angle of the site and its setback from Canning Highway, with only the eastern most point of the site being in close proximity to the intersection. The applicant has proposed white illumination of the signs, which would be unlikely to cause confusion with the coloured traffic signals.

Further, Main Roads Western Australia has recommended conditions restricting flashing, pulsating and chasing signs that may otherwise distract drivers, which has been included in the recommendation.

(e) Land Use

The proposed Use of 'Café/Restaurant' is classified as a 'DC' (Discretionary with Consultation) land use within the Residential Zone, as prescribed in Table 1 (Zoning - Land Use) of TPS6.

(f) Scheme Objectives: Clause 1.6 of Town Planning Scheme No. 6

In considering an application for development approval, Council is required to have due regard to, and may impose conditions with respect to, matters listed in clause 1.6 of TPS6, which are, in the opinion of the Council, relevant to the proposed development. The proposed development is considered satisfactory in relation to all of these matters, subject to the recommended conditions.

(g) Matters to be considered by Local Government: Clause 67 of the Deemed Provisions for Local Planning Schemes

In considering an application for development approval, the local government is to have due regard to the matters listed in clause 67 of the Deemed Provisions to the extent that, in the opinion of the local government, those matters are relevant to the development the subject of the application.

The matters relevant to the proposal are:

- (a) the aims and provisions of this Scheme and any other local planning scheme operating within the Scheme area;*
- (m) the compatibility of the development with its setting including –*
 - (i) the compatibility of the development with the desired future character of its setting; and*
 - (ii) the relationship of the development to development on adjoining land or on other land in the locality including, but not limited to, the likely effect of the height, bulk, scale, orientation and appearance of the development;*
- (n) the amenity of the locality including the following –*
 - (ii) the character of the locality;*
- (p) whether adequate provision has been made for the landscaping of the land to which the application relates and whether any trees or other vegetation on the land should be preserved.*
- (s) the adequacy of –*
 - (i) the proposed means of access to and egress from the site; and*
 - (ii) arrangements for the loading, unloading, manoeuvring and parking of vehicles;*
- (t) the amount of traffic likely to be generated by the development, particularly in relation to the capacity of the road system in the locality and the probable effect on traffic flow and safety;*
- (u) the availability and adequacy for the development of the following –*
 - (iii) storage, management and collection of waste*

An assessment of the proposal against these matters is considered throughout this report.

(h) Design Review Panel Comments

Following lodgement of the development application, the proposal was presented to the City’s DRP in December 2022. Following this review, the proponent implemented some modifications to address the comments of the DRP.

A copy of the DRP minutes and the applicant’s response to the comments raised is included as **Attachment (d)**.

The proposal is considered to satisfactorily address the ten principles of design in State Planning Policy 7.0 Design of the Built Environment.

(i) Consultation

Consultation has been undertaken for this proposal to the extent and in the manner required by Local Planning Policy P301 ‘Advertising of Planning Proposals’.

Advertising was undertaken for a period of 17 days between 1 November 2022 and 17 November 2022. Advertising was undertaken to all properties identified by the City that may be affected by the proposal. A total of 208 advertising notices were sent and 13 submissions were received, all objecting to the proposed development.

A summary of the submitters’ comments and the officer’s response to these comments are included in the table below.

Submitters Comments (Issue Raised)	Officer’s Responses
<p>Nature of Proposed Use</p> <p>The proposed development and use are not appropriate for a residential area.</p>	<p>The proposed use is a ‘discretionary with consultation use’ in a residential area, and is considered compatible for the reasons outlined in this report.</p>
<p>Amenity</p> <p>The proposed use will result in disruptions to residential amenity of the area.</p>	<p>The proposed development is considered compatible with the existing mix of commercial and residential developments within the locality.</p>
<p>Hours of Operation</p> <p>The prolonged and late hours of operation proposed for the use are not compatible with the surrounding residential area.</p>	<p>Whilst it is acknowledged that the proposed hours of operation until 11pm 7 days per week has the potential to impact surrounding residential development, the location of the proposal on the eastern portion of the site abutting existing commercial developments/ Canning Highway will limit potential impacts to nearby residential properties. Matters related to extended operating hours such as traffic and noise are further discussed below.</p>

<p>Street Addressing</p> <p>The property by having an Elizabeth Street address rather than a Canning Highway address, will lead to an increase of vehicles on the surrounding residential streets.</p>	<p>There is no scope to change the address as the site does not directly abut Canning Highway.</p>
<p>Traffic</p> <p>The proposed use will result in an increase in traffic on the surrounding residential streets. The increase in vehicle traffic in the area will result in the streets being unsafe for pedestrians.</p>	<p>The applicant has provided a Transport Impact Statement (TIS) which demonstrates that the proposed use will result in very low traffic generation. Traffic associated with the proposed development is within the capacity of the existing road network to accommodate. A copy of the TIS is attached at Attachment (e).</p>
<p>Parking</p> <p>There is a lack of on site parking and that vehicles will then be parked on the streets and verges adjacent to the residential dwellings nearby.</p>	<p>Following consultation, amended plans were provided which decrease the dining area of the proposed development, reducing the required number of bays and resulting in a surplus of available car bays on site.</p> <p>It is also noted that designated on-street parking is available abutting the site within the Elizabeth Street road reserve (reducing the likelihood of ad-hoc parking on the thoroughfare). Whilst the City's <i>Parking Local Law 2017</i> provides for on-street parking, a review of parking restrictions in this area can be considered in future if required. Given the nature of the use, it is not expected that on-street parking will occur for long periods of time.</p>
<p>Anti-Social Behaviour</p> <p>The late hours of operation of the proposed use will lead to increased numbers of people and vehicles moving through the area late at night. There could be an increase in crime and property violations.</p>	<p>There has been no evidence to suggest that there will be an increase in anti-social behaviour and crime as a result of the proposed use.</p>
<p>Noise</p> <p>The prolonged hours of the use will not be conducive to</p>	<p>Should the proposal be approved, an acoustic report demonstrating that all mechanical services associated with the</p>

the quiet enjoyment of adjoining properties. Noise will also travel across the neighbourhood due to lack of noise attenuation.	proposed development and any other noise source, including patron and staff operation noise, will comply with the Environmental Protection (Noise) Regulations 1997, will be required to be submitted to and approved by the City, and measures thereafter implemented
Appearance of Proposed Development The recycled containers are not in keeping with the architecture of South Perth.	The application was referred to the City's Design Review Panel who were supportive of the proposed development.

(j) Environmental Health

Noise generated from the proposed use is required to comply with allowable noise levels, referred to as 'Assigned Levels' under the Environmental Protection (Noise) Regulations 1997 (the Regulations).

The Assigned Levels are the acceptable noise limits to sensitive land uses (i.e., residential properties), which vary based on the time in which the noise is generated and other factors such as proximity to other noise sources such as commercial properties and highways.

The sites proximity to Canning Highway (within 100m) results in an increase to the Assigned Levels due to the influence of the highway – in this case by 6dB(A). Assigned Levels may be increased further depending on the percentage of commercial premises within proximity to the site as specified by the Regulations.

The proposed use is 11.7m from the multiple dwellings on the site and approximately 25m from the nearest residence on land adjoining the site. The City is satisfied that the Café/Restaurant can operate in such a manner to ensure compliance with the Regulations based on this distance and the influencing factor of Canning Highway being applied.

To establish specific levels for the basis of future assessment for compliance, and as the basis of any noise mitigating measures that could be implemented, an acoustic report from a suitably qualified acoustic consultant can be submitted, which has been recommended as a condition of approval in this instance.

Acoustic reports recommend building finishes, material specifications, design requirements, engineered solutions and operational noise management measures or controls, to mitigate noise impacts. Compliance is demonstrated based on noise modelling at nearby premises.

Any such recommendations are incorporated into the detailed design at the building permit stage, and thereafter required to be implemented prior to occupation of the development, which is supported by a further condition of approval. In any instance, compliance with the Regulations is required in perpetuity, with enforcement action available under these Regulations if required.

The application will also be required to comply with the requirements of the *Food Act 2008*. Should the application be approved, advice notes can be included in this respect.

(k) Infrastructure Services

Comments were invited from the City’s Infrastructure Services who provided advice in regard to on-street car parking and bicycle parking. Accordingly, the plans were amended to make provision for bicycle parking.

(l) Main Roads Western Australia

Comments were also invited from Main Roads Western Australia who had no objections to the proposal subject to standard conditions relating to illuminated/digital signage, which have been included in the recommendation.

Policy and Legislative Implications

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

Financial Implications

This determination has some financial implications, to the extent if the applicant were to seek to have the application reviewed by the State Administrative Tribunal, the City may need to seek representation (either internal or external).

Key Risks and Considerations

Risk Event Outcome	Reputational Damage Deals with adverse impact upon the professional reputation and integrity of the City and its representatives whether those persons be appointed or elected to represent the City. The outcome can range from a letter of complaint through to a sustained and co-ordinated representation against the City and or sustained adverse comment in the media.
Risk rating	Low
Mitigation and actions	Risk acceptable with adequate controls, managed by routine procedures and subject to annual monitoring.

Strategic Implications

This matter relates to the following Strategic Direction identified within Council’s [Strategic Community Plan 2021-2031](#):

- Strategic Direction: Environment (Built and Natural)
- Aspiration: Sustainable, liveable, diverse and welcoming neighbourhoods that respect and value the natural and built environment
- 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

Sustainability Implications

Being a non-residential land use, it is considered that the development enhances sustainability by providing local businesses and employment opportunities.

Conclusion

Whilst it is acknowledged that the proposal does not comply with some requirements of Local Planning Policy P308, the scale of the proposed development and the nature of the use is consistent with existing development within the locality. Matters that have the potential to impact the amenity of adjoining residential properties can be appropriately addressed via conditions of development approval. The design of the development is supported by the City's DRP in particular to the proposals context and character, and built form and design. The anticipated impact on the surrounding road network is considered to be negligible on the basis of the applicant's traffic impact statement, and the proposed buildings will act as an intermediary between the residential and the commercial zones. Accordingly, it is recommended that the application be approved subject to conditions.

Attachments

- 10.3.3 (a):** Attachment (a) - Site Photographs - Cafe/Restaurant - Lot 174, No. 60 Elizabeth Street, South Perth
- 10.3.3 (b):** Attachment (b) - Development Plans - Cafe/Restaurant - Lot 174, No.60 Elizabeth Street, South Perth
- 10.3.3 (c):** Attachment (c) - Applicant Cover Letter - Cafe/Restaurant - Lot 174, No. 60 Elizabeth Street, South Perth
- 10.3.3 (d):** Attachment (d) - Design Review Panel Comments - Cafe/Restaurant - Lot 174, No. 60 Elizabeth Street, South Perth
- 10.3.3 (e):** Attachment (e) - Traffic Impact Statement - Cafe/Restaurant - Lot 174, No. 60 Elizabeth Street, South Perth

10.4 STRATEGIC DIRECTION 4: LEADERSHIP

10.4.1 Listing of Payments May 2023

File Ref: D-23-27303
Author(s): Abrie Lacock, Manager Finance
Reporting Officer(s): Garry Adams, Director Corporate Services

Summary

This report presents to Council a list of accounts paid under delegated authority between 1 May 2023 to 31 May 2023 for information. During the reporting period, the City made the following payments:

EFT Payments to Creditors	(468)	\$3,716,899.53
Cheque Payment to Creditors	(1)	\$415.65
Total Monthly Payments to Creditors	(469)	\$3,717,315.18
EFT Payments to Non-Creditors	(70)	\$87,842.41
Cheque Payments to Non-Creditors	(9)	\$8,762.05
Total EFT & Cheque Payments	(548)	\$3,813,919.64
Credit Card Payments	(5)	\$12,462.86
Total Payments	(553)	\$3,826,382.50

Officer Recommendation

That Council receives the Listing of Payments for the month of May 2023 as detailed in **Attachment (a)**.

Background

Council has delegated to the Chief Executive Officer (CEO) the exercise of its power to make payments from its Municipal and Trust Funds. In accordance with regulation 13(1) of the Local Government (Financial Management) Regulations 1996 a list of accounts paid by the CEO is to be prepared each month and presented to the Council at the next Ordinary Meeting of the Council after the list is prepared.

Comment

The payment listing for May 2023 is included at **Attachment (a)**.

The attached report includes a "Description" for each payment. City officers have used best endeavours to redact (in black) information of a private or confidential nature.

10.4.1 Listing of Payments May 2023

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

Regulations 12 and 13(1) of the Local Government (Financial Management) Regulations 1996. Policy P602 Authority to Make Payments from the Municipal and Trust Funds.

Financial Implications

The payment of authorised amounts is within existing budget provisions.

Key Risks and Considerations

Risk Event Outcome	Legislative Breach Refers to failure to comply with statutory obligations in the manner in which the City, its officers and Elected Members conduct its business and make its decisions and determinations. This embraces the full gamut of legal, ethical and social obligations and responsibilities across all service areas and decision making bodies within the collective organisation
Risk rating	Low
Mitigation and actions	Monthly Financial reporting timelines exceeding statutory requirements

10.4.1 Listing of Payments May 2023

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2021-2031](#):

Strategic Direction: Leadership
Aspiration: A visionary and influential local government that is receptive and proactive in meeting the needs of our community
Outcome: 4.3 Good governance
Strategy: 4.3.1 Foster effective governance with honesty and integrity and quality decision making to deliver community priorities

Attachments

10.4.1 (a): Listing of Payments May 2023

10.4.2 Monthly Financial Statements May 2023

File Ref: D-23-27304
Author(s): Abrie Lacock, Manager Finance
Reporting Officer(s): Garry Adams, Director Corporate Services

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 31 May 2023.

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. Regulation 34(3) specifies that the nature or type classification must be used. 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 2022/23 budget adopted by Council on 28 June 2022, determined the material variance 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 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.

The ongoing impact of COVID-19 in conjunction with the war in Ukraine continues to cause uncertainty and supply shortages around the world, with a significant impact on world economic activities. It has resulted in steep rises in inflation worldwide including Australia. The June 2022 Perth CPI rose 7.4% from the corresponding quarter of the previous year. The September, December 2022 and March 2023 Perth CPI of 6%, 8.3% and 5.8% (corresponding quarter of the previous year) respectively confirmed the stubborn continued inflationary pressure. Considerably more than the Reserve Bank of Australia (RBA) target rates of between 2% and 3%.

To curb the high inflation the RBA have been raising interest rates since May 2022, to date there have been 12 increases. The latest increase of .25% announced on the 7 June 2023 took the cash rate target to 4.10%. The RBA made the following statement: “Inflation in Australia has passed its peak, but at 7 per cent is still too high and it will be some time yet before it is back in the target range. This further increase in interest rates is to provide greater confidence that inflation will return to target within a reasonable timeframe.”

This statement indicates that the RBA may use continued interest rate rises as an instrument to ensure inflation returns to the target rate.

In framing the Annual Budget 2022/23, the City considered the economic environment and the impact of COVID-19. The above factors also impacted the legislated budget review. The review was completed and Council approved the budget adjustments at the Ordinary Council Meeting held 28 February 2023. Budget review entries have been processed, budget phasing was also revised as part of the review evidenced by the lower year-to-date (YTD) variances between revised budget and actual results.

Actual income from operating activities for May year-to-date (YTD) is \$72.80m in comparison to budget of \$72.08m, favourable to budget by \$0.72m or 1%. Actual expenditure from operating activities for May is \$63.47m in comparison to the budget of \$64.12m, favourable to budget by \$0.65m or 1%. The May Net Operating Position of \$9.33m was \$1.37m favourable in comparison to budget.

Actual Capital Revenue YTD of \$1.40m is equal to budget. Actual Capital Expenditure YTD is \$8.42m in comparison to the budget of \$9.58m, a favourable variance of \$1.16m or 12%. A variance analysis is provided within **Attachment (e)** titled Significant Variance Analysis. 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 several Capital projects that required Budget adjustments during the midyear review process.

Cash and Cash Equivalents amounted \$63.20m, slightly less than the prior year comparative period. 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).

Interest rates are improving, with banks offering average interest rates of 4.38% 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 the other investment criteria of Policy P603 Investment of Surplus Funds being met. At the end of May 2023, the City held 39.98% 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.

Key Risks and Considerations

Risk Event Outcome	Legislative Breach Refers to failure to comply with statutory obligations in the manner in which the City, its officers and Elected Members conduct its business and make its decisions and determinations. This embraces the full gamut of legal, ethical and social obligations and responsibilities across all service areas and decision making bodies within the collective organisation
Risk rating	Low
Mitigation and actions	Monthly Financial reporting timelines exceeding statutory requirements

Strategic Implications

This matter relates to the following Strategic Direction identified within Council’s [Strategic Community Plan 2021-2031](#):

Strategic Direction: Leadership
 Aspiration: A local government that is receptive and proactive in meeting the needs of our community
 Outcome: 4.3 Good governance
 Strategy: 4.3.1 Foster effective governance with honesty and integrity and quality decision making to deliver community priorities

Attachments

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

10.4.3 Adoption of the Annual Budget 2023/24

File Ref: D-23-27307
Author(s): Abrie Lacock, Manager Finance
Reporting Officer(s): Garry Adams, Director Corporate Services

Summary

This report presents the Draft Annual Budget 2023/24, as attached, for adoption by Council.

The continued impacts of the COVID-19 global pandemic and the war in Ukraine, together with high inflation and increasing interest rates have created significant economic uncertainty. Despite these challenges, the City is continuing to prudently manage its finances through this challenging time whilst remaining conscious of the need to provide quality services to its community.

This year, all properties within the City of South Perth were subject to a revaluation carried out by the Valuer General as per the legislated three year cycle of revaluations. This revaluation results in movements in the Gross Rental Value of each property and therefore adds significant complexity to the rate setting process. This year, in order to fund the services provided to the community, the City is recommending a rates revenue increase of 5%, which is well below the Perth CPI for March 2023 of 5.8%. Last year Council adopted a Rates increase of 4.5% which was also well below the March CPI figure of 7.6%. Overall, for the last five budgets (including 2023/24), the City's rates increases total 10.5% against a cumulative (year on year) CPI increase of 17.6%. Given that the change in Gross Rental Values is not uniform across individual properties, it should be noted that there will (as is always the case in GRV revaluation years) be some properties owners that experience an increase in rates of above 5% and some that experience an increase of well below 5%, some property owners will pay lower rates than they did last year.

The City is recommending a rate in the dollar of .0730665 as compared to last year's rate in the dollar of 0.0813386 (a reduction in excess of 10%) to reflect the higher GRVs across the City.

Over the past four months, Council has had four workshops with staff to discuss and understand the financial position of the City and develop a budget that works towards achieving a net operating surplus in the short to medium term. This budget has been aligned to the principles developed last year aimed at enabling the City to return to a surplus position over the course of three years.

Returning the City to a net operating surplus position is essential for the long term financial sustainability of the City. It enables funds to be directed into renewing ageing drainage, roads, playgrounds, other infrastructure and facilities that allow services and amenity to be provided to residents. Continued operating deficits will see the City unable to undertake all the required asset renewals and

upgrades into the future, which in turn inhibits the City's ability to deliver services to its community.

Some of the key cost increases being faced by the City in the 2023/24 Budget include:

- Salary and Wages increase of 2.75%
- Increase superannuation guarantee from 10.5% to 11%
- Materials and contracts (inclusive of consistently high fuel costs and labour costs for contractors) 4%
- Increase in insurance costs of approximately 17%
- Street lighting costs (Western Power tariff) 7.4%
- Other State Government fees and charges (between 2.5% and 5%)

The March Perth CPI figure was 5.8%, which follows on from the high inflation rate of March 2022 (7.6%). Whilst previous rate rises have been benchmarked against the March CPI figure, staff and Council have worked together to develop a budget that aims to mitigate the impact of these cost pressures but allows the City to improve its net operating position. Through this collaborative process, the initial projected rate rise of 6% (as recommended by administration) has been reduced to 5%.

Because of the GRV revaluations, the recommended rate rise of 5% will not apply evenly across all properties and the City does not have any way of alleviating these anomalies due to the prescribed legislative methods available for setting rates. On average (disregarding GRV changes) a 5% increase in rates represents approximately \$1.85 per week. It is also recommended that the City's minimum rate is raised by \$1.73 per week.

Last year, the City's waste charge increased for the first time in four years, however the impacts of continued high fuel costs together with higher labour costs have resulted in the City recommending the annual residential waste charge to be set at \$375. This is still one of the lowest waste charges in the metropolitan area.

In response to the need to renew and replace existing assets, almost all of this year's Capital Works allocation is directed towards renewal and replacement projects rather than the development of new assets.

Officer Recommendation

1. That Council adopts the Annual Budget 2023/24 for the City of South Perth which includes the following:
 - a. a General Rate in the Dollar of .0730665 cents is applied to the Gross Rental Value (GRV) of all rateable property within the City for the year ending 30 June 2024;
 - b. a Minimum Rate of \$1,170 be set for the year ending 30 June 2024 notwithstanding the General Rate set out in part (a) above;
 - c. the following Waste Service Charges be applied for the year ending 30 June 2024:
 - i. a standard Waste Service Charge of \$375;

- ii. a non-rateable property Waste Service Charge of \$516;
- d. the Swimming Pool Inspection Fee for the year ending 30 June 2024 of \$58.45;
- e. Dates be set for payment of rates by instalments:
 - Two instalments
 - First instalment 18 August 2023
 - Second instalment 9 November 2023
 - Four instalments
 - First instalment 18 August 2023
 - Second instalment 18 October 2023
 - Third instalment 18 December 2023
 - Fourth instalment 19 February 2024
- f. an Administration Charge of \$12.00 per instalment for payment of rates and charges by instalments be applied to the second, third and fourth instalment in accordance with Section 6.45(3) and (4) of the *Local Government Act 1995* and Regulation 67 of the Local Government (Financial Management) Regulations 1996;
- g. an Interest Rate of 5.5% be imposed on payment by instalments, to apply to the second, third and fourth instalment in accordance with Section 6.45(3) of the *Local Government Act 1995* and Regulation 68 of the Local Government (Financial Management) Regulations 1996;
- h. an Interest Rate of 11% be imposed on overdue rates in accordance with Section 6.51(1) of the *Local Government Act 1995* and Regulation 70 of the Local Government (Financial Management) Regulations 1996;
- i. an Interest Rate of 11% be imposed on unpaid UGP Service Charges in accordance with Section 6.51(1) of the *Local Government Act 1995* and Regulation 70 of the Local Government (Financial Management) Regulations 1996;
- j. an Interest Rate of 11% maybe imposed on outstanding debtors in accordance with Section 6.13(1) of the *Local Government Act 1995*.
- k. a Monthly Maintenance Fee of \$480.00 (treated as 'Input Taxed' for the purposes of the GST) is applied to all units in the Collier Park Village for the period July 2023 to June 2024 inclusive (noting that this represents zero increase);
- l. the Statutory Annual Budget for the year ending 30 June 2024 comprising Section 2 of the 2023/24 Annual Budget as distributed with this Agenda and tabled at this meeting, be adopted;
- m. the Management Budget Schedules for the financial year ending 30 June 2024 as set out in Section 3 of the Annual Budget be endorsed;
- n. the Capital Expenditure Budget for the financial year ending 30 June 2024 as set out in Section 2, Note 4 of the Annual Budget be adopted;

- o. the Reserve Fund transfers for the financial year ending 30 June 2024 as set out in Section 2, Note 7 of the Annual Budget be approved;
- p. the Schedule of Fees and Charges as set out in the Fees and Charges Schedule for the year ending 30 June 2024 be adopted, including State Government Statutory Fees which are still to be determined at a later date than this Report;
- q. the effective date for all items detailed in the 2023/24 Schedule of Fees and Charges is 1 July 2023.
- r. Council adopt a definition of 'significant (material) variances' of \$10,000 or 10% (whichever is the greater) for each capital project and business unit operating revenue and expenditure line item.
- s. Levy instalment three out of five of the UGP service charges on the owners of properties within the Collier area bounded by Canning Highway, Ryrie Avenue, Blamey Place and South Terrace, as imposed by the 2021/22 Budget.
- t. Levy instalment three out of five, of the UGP service charges on the owners of properties within the Manning area bounded by Manning Road, Kwinana Freeway, Hope Avenue and Challenger Avenue, as imposed by the 2021/22 Budget.
- u. Levy instalment two out of five, of the UGP service charges on the owners of properties within the South Perth/Hurlingham area bounded by Canning Highway, Douglas Avenue, Ellam Street and the Swan River Foreshore, as imposed by the 2022/23 Budget.
- v. That Council confirms that, in relation to the Underground Power (UGP) service charges imposed on the owners of properties within the Collier area bounded by Canning Highway, Ryrie Avenue, Blamey Place and South Terrace for the year ending 30 June 2022, the references in Council Resolution 0621/104 in paragraph 1(d)(i)-(iv) to –
 'Network charge of \$_____ for Residential and Commercial properties per unit or dwelling with a GRV of \$_____ ...'
 has been implemented (and was intended to be implemented) on the basis that, in respect of a property having multiple units or dwellings on a single title, the specified network charge would be imposed in respect of each unit or dwelling calculated by reference to the amount of the GRV of the property divided by the number of units or dwellings on the property.
- w. That Council confirms that, in relation to the Underground Power (UGP) service charges imposed on the owners of properties within the Manning area bounded by Manning Road, Kwinana Freeway, Hope Avenue and Challenger Avenue for the year ending 30 June 2022, the references in Council Resolution 0621/104 in paragraph 1(e)(i)-(iv) to –
 'Network charge of \$_____ for Residential and Commercial properties per unit or dwelling with a GRV of \$_____ ...'
 has been implemented (and was intended to be implemented) on the basis that, in respect of a property having multiple units or dwellings on a single title, the specified network charge would be imposed in respect of each

- unit or dwelling calculated by reference to the amount of the GRV of the property divided by the number of units or dwellings on the property.
- x. That Council confirms that, in relation to the Underground Power (UGP) service charges imposed on the owners of properties within the South Perth/Hurlingham areas bound by Canning Highway, Douglas Avenue, Ellam Street and the Swan River Foreshore for the year ended 30 June 2023, the references in Council Resolution 0622/084 in paragraph 1(d)(i)-(iv) to –
- ‘Network charge of \$_____ for Residential and Commercial properties per unit or dwelling with a GRV of \$_____ ...’
- has been implemented (and was intended to be implemented) on the basis that, in respect of a property having multiple units or dwellings on a single title, the specified network charge would be imposed in respect of each unit or dwelling calculated by reference to the amount of the GRV of the property divided by the number of units or dwellings on the property.
2. That Council adopts the increase to Elected Member fees and allowances of 1.5% as recommended by the Salaries and Allowances Tribunal “Local Government Chief Executive Officers and Elected Members Determination No1 of 2023” and authorises the Chief Executive Officer to update Schedule 1 of Policy P667 Elected Members Entitlements accordingly.

Absolute Majority required

Background

The preparation of the Annual Budget is both a statutory requirement of the *Local Government Act 1995* and an essential financial management practice. The annual budget is guided by the 10-year Strategic Community Plan (SCP), which involves significant community consultation every four years when undertaking a major review. The revised City of South Perth SCP 2021-2031 was adopted by Council in December 2021. The SCP guides the development of a Corporate Business Plan (CBP) that describes the services, projects and measures for the next four years working to achieve the strategic vision. The long-term financial plan, asset management plans and workforce plan inform the SCP, CBP and annual budget, with outcomes contained in the Annual Report. The annual budget has been prepared in accordance with the requirements of Part 3 of the Local Government (Financial Management) Regulations 1996.

Council has adopted budgets with rate rises totalling only 5.5% over the past four years, well below the Perth March CPI of 11.8% for the same period. This was Council’s response to a series of rate rises in previous years that were in excess of CPI to fund rapidly increasing expenditure. The current Council has worked with administration to reign in expenditure growth, keeping expenditure growth (excluding underground power and interest) below CPI with forecast operating expenditure for 2023/24 being \$69.8m compared to 2018/19 of \$61.6m (a rise of 13.3%). March CPI (year on year) over this period is 17.6%, representing a real reduction in expenditure of 4.3% or \$2.6m, a significant achievement given the continued high inflationary pressures of the last two years. Whilst this has been achievable primarily through identifying operational efficiencies, there has also been some reduction in service levels.

The current high inflationary period has seen City costs increase considerably with the March CPI figure for Perth being 5.8% (following on from a decades high 7.6% in the previous year). The City always looks to absorb costs through increased efficiency, the recent budget workshops with Council and City staff have highlighted that whilst some proportion of additional costs can be absorbed, totally absorbing costs at this level is not possible without significant reductions in service delivery or long-term impacts on the City's ability to renew and replace its assets.

Accordingly, this budget is framed with the City's long-term financial sustainability in mind and focuses on the need to reduce the City's ongoing operating deficit whilst continuing to deliver the level of service expected by the Community. The overall rate rise is recommended at 5%, well below the Perth March CPI rate of 5.8%. It should be noted that the initial suggestion put forward by administration was for a 6% rise, however, as a result of workshops between staff and Council, this has been reduced to 5% without significantly impacting on current service levels.

Rate modelling was also carried out at levels below 5% and whilst a lower rate rise may be welcomed by residents in the short term, it needs to be recognised that a 1% reduction in this proposed increase will save the average ratepayer only approximately \$20 per year (or 40 cents per week). However, it will result in approximately **\$380k less** revenue to the City, or in excess of **\$1.9m** over the next five years, potentially delaying planned renewal programs such as roads, footpaths, buildings and playgrounds.

Comment

The City of South Perth is by most measures one of the more socially advantaged areas of Perth. This is highlighted by the Socio-Economic Index for Areas (SEIFA) score of 1089 as compared to the benchmark of 1000 and the overall index for Australia of 1001. Western Australia's index is 1015 making WA residents on average more advantaged than other Australians. The City of Kwinana (960) has the lowest SEIFA in the WA metro area, whilst Cottesloe (1163) has the highest.

This indicates that South Perth residents typically have higher education qualifications or are in highly skilled occupations translating into a high expectation of the South Perth community for the City to provide a high level of amenity. It also means that South Perth residents have higher than average capacity to pay rates. This suggests there is little economic or social reason to keep rates at such a low level, jeopardising service levels and renewal programs. What is more important than low rates, is that residents believe they are receiving value for money for the rates they pay, and this can only be achieved when the level of services and overall amenity of our City meets Community expectations.

The City of South Perth recognised some years ago that its financial position needed to improve in order for it to remain financially sustainable into the future. Whilst a plan was put in place to improve the financial position at each budget and each half yearly budget review from 2017/18, the impacts of the COVID pandemic presented significant hurdles in achieving these improvements. For example, Council's decision to reduce rates by 1% for the 2020/21 financial year (rather than a zero percent increase as "mandated" by the State Government), came at an annual cost of approximately **\$380k** which over 10 years, equates to in excess of **\$3.8m** (conservatively calculated ignoring the compounding).

Rates revenue is the City's main avenue for funding its operations and whilst strategies are being implemented to increase alternate revenue streams, these will take some years to achieve the desired level of income to reduce reliance on rates.

10.4.3 Adoption of the Annual Budget 2023/24

Given the complexity of this year's budget, the City has undertaken a series of four budget workshops with Council, to ensure that all of the financial issues facing the City are fully understood and discussed by both staff and Council. Independent financial analysis and modelling of the City's forecast financial position was presented to Council at the first and fourth workshops. This showed that without rates increases being close to the Perth CPI figure the City would be unable to fully fund its asset renewal program.

These workshops centred on aligning the budget to the long term financial management principles and strategies that were developed and applied in the previous year. This will see the City's financial position improve over time and its reliance on rate revenue reduced over the same period.

The work done with Council highlights that restoring the City's financial position is achievable, however it not only requires controls over expenditure (as has been the focus for a number of years) but also requires increases in income. Achieving this requires cooperation from staff, a commitment from Council and understanding by the community.

Along with adopting the recommended rates increase, below are the principles that are proposed to underpin the financial sustainability of the City of South Perth moving forward and will form the basis of the long-term financial plan:

- Materials and contracts expenditure increases by no more than **CPI minus 1%** in any one year.
- Raising the **minimum rate to \$1,170**.
- Rate rises are in line with **CPI but not greater than 5% and not less than 2% in any one year**.
- **Additional revenue streams** are developed in order to reduce rates as a proportion of income.
- Fees and charges **increase by at least CPI annually**.

These measures, along with the 2023/24 budget, including the recommended rates increase are aimed at returning the City to surplus and enabling the City's long term asset renewals to be fully funded into the future. This will ensure the City's current levels of service can be maintained over time. If current assumptions hold true, independent financial modelling shows that implementing these principles will result in the net surplus position being achieved in the 2024/25 financial year.

- Overall the 2023/24 Annual Budget includes the following:
- Operating Revenue of \$69.29m
- Operating Expenditure (excluding interest) of \$69.83m
- Capital Grants (Revenue) of \$2.41m
- Capital Expenditure of \$14.76m

Rates

Rates are calculated by using the Gross Rental Value (GRV), provided by Landgate (a State Government agency), multiplied by the rate in the dollar adopted by Council. GRV is an estimation of the likely annual rental return on a property; for example a property with a \$26,000 GRV is equivalent to earning \$500 per week (\$500 x 52 weeks). Therefore the Rates calculation (GRV x Rate in \$ = Rates), in this scenario is:

\$26,000 (GRV) x \$0. 0730665 (rate in the dollar) = \$1,899.72.

Every three years, the State Government (Landgate) provides a GRV for every property and the City is required to use these valuations. This year is a revaluation year and therefore the GRV for each property within the City has changed. Given that on average GRVs for properties within the City have risen by approximately 17%, the City has revised its rate in the dollar lower (**down from \$0.0813386 to \$0.0730665**), so that the total additional rates revenue collected by the City across the whole rate portfolio is **5% and not 17%**.

As per the City's long term financial management principles, the Minimum Rate (the lowest rate paid by any one ratepayer) is recommended to increase to **\$1,170** (\$1,080 in 2022/23), for approximately 2,888 properties.

As with all budgets, there are a range of expenses that increase each year. In order to deliver a 5% rate increase, the City had to tightly manage City operating expenditure budgets.

In benchmarking against other metropolitan Local Government Authorities (LGA), the City continues to be competitive with its peers in relation to the rate in the dollar. Those LGAs with a lower rate in the dollar tend to have a large industrial and/or commercial rate base. In comparison, the City of South Perth commercial properties represent only 11.51% of the total Rates.

Minimum Rates

Section 6.35 (4) of the *Local Government Act 1995* provides for Local Governments to set a minimum rate. This minimum rate should reflect a reasonable contribution to the provision of services and facilities. No more than 50% of properties within the district are allowed to be on the minimum rate.

The proposed minimum rate for 2023/24 is \$1,170 the City of South Perth minimum rate for 2022/23 was set at \$1,080, which placed approximately 18% of the City's rateable properties on the minimum. In comparison, the City of Nedlands has a minimum rate of \$1,484 and the City of Subiaco \$1,190. These local governments have around 16% of their rateable properties on the minimum rate. Interestingly even local governments with a much lower SEIFA score (suggesting a lower capacity to pay) such as Kwinana (\$1,126) and Armadale (\$1,242) have higher minimum rates than South Perth.

Whilst the proposed increase to the minimum rates is 8.3%, this will mean an increase of only \$90 per year or approximately \$1.73 per week for these properties. However, it should be noted that over the past five years the increase to the minimum rate have kept up with inflation but have not exceeded inflation. City analysis shows over 70% of properties currently on the minimum rate, are properties not lived in by the owner. These properties are likely able to claim rates as tax deduction against income earned.

Waste Service Charge

The standard waste service charge for domestic rubbish for the Annual Budget 2023/24 will increase to \$375, \$516 for non-rateable properties, only the second increase in five years. Whilst this charge still remains one of the lowest in the metropolitan area, the increase, well below the CPI over the five-year period, is required to cover the additional costs that will be incurred due to the higher waste contract price including the significant increases in labour, fuel and recycling costs.

This service includes weekly rubbish pick-up, fortnightly recycling collection and three verge-side rubbish collections per year. The single 660 litre bin standard waste service charge increase to \$1,125 for a rateable property, non-rateable property single 660 litre bin standard waste service charge increase to \$1,548.

10.4.3 Adoption of the Annual Budget 2023/24

The 1100 litre waste service for rateable commercial properties will increase to \$1,875. Non-rateable properties will pay \$2,580 for 1100 litre bin services (pre-existing services only).

Residential ratepayers will continue to receive two green waste and one general waste pass to the Recycling Centre. As in previous years, two green waste and one general waste bulk verge-side rubbish collection will also be provided.

The collection of waste and in particular verge-side rubbish collections will be further reviewed over the coming year to identify alternative solutions that result in overall efficiencies and potential cost savings

Emergency Services Levy (ESL)

The State Government ESL charge will again appear on all local government rate notices in 2023/24. This charge will be calculated based on the GRVs supplied to the City by the Valuer General and using a rate in the dollar determined by the Fire & Emergency Services Authority.

In its May budget, the State Government imposed an approximate 5% increase in the ESL, which is largely in line with the City's proposed rate increase, it should however be noted the revaluation carried out by the Valuer General as per the legislated three-year cycle impacts on the ESL rate in the dollar in the same way that it impacts on the City rate in the dollar. Therefore, the revised ESL rate in the dollar may not necessarily calculate to a simple 5% increase.

Underground Power (UGP)

The City will levy the third instalment (out of five) for the Collier and Manning Underground Power service charge adopted in 2021/22 Budget on the rates notice for the 2023/24 financial year. For South Perth/Hurlingham, the City will levy the second instalment out of five for Underground Power service charge adopted in the 2022/23 Budget on the rates notice for the 2023/24 financial year.

The remaining underground power project, Kensington (East and West), is being progressed by Western Power and it is envisaged that it will form part of the Annual Budget 2024/25. Should Kensington proceed, the ambition to provide underground power to the whole of City, established by Council in 1996 will have been achieved.

Whilst UGP is a State Government asset, Council recognises the benefits to the community, being more than just securing supply during severe weather events. UGP has enabled an improved amenity through greater number and size of street trees, significantly reducing summer heat and positively contributing to the vision, "A City of active places and beautiful places."

Employee Information

Employee costs constitute approximately 39% of the City's annual expenditure. This is a cost that has been managed closely over the past few years with the number of full time equivalent (FTE) positions held stable for the past six years.

Staffing in the budget reflects an appropriate mix of resources across the organisation to deliver services in accordance with the City's Strategic Community Plan.

The total payroll budget has increased to make allowances for a 2.75% pay increase (well below the March CPI figure of 5.8%) as per the City's Enterprise Agreement (EA), negotiated in 2022, and the legislated 0.5% increase in Superannuation Guarantee from 10.5% to 11%.

Employee costs also include the allocation of workers compensation insurance approximating \$400k.

Repayment of Loan Borrowings to Collier Park Village Residents Offset Reserve

In accordance with the 2022/23 budget, the Collier Park Village Residents Offset Reserve advanced \$6,072,060 in 2022/23 as a loan to the municipal fund for the purpose of funding the South Perth/Hurlingham Underground Power project. Repayments are made in quarterly instalments of approximately \$416,800 over four years with interest payable back to the Reserve at the equivalent WATC rate (less the Government Guarantee Fee of .7%). These transactions are shown as part of the Reserve movements in the 2023/24 budget.

Fees and Charges Schedule

The attached Fees and Charges Schedule reflects an assessment of the costs of providing services to our community whilst recognising community service obligations. As appropriate, the fee schedule recognises fees determined on a variety of fee bases:

- Full cost recovery,
- Benchmarked / reference pricing,
- Statutory fees, and
- Partial recovery, based on community service obligations.

The majority of fees and charges are proposed to rise by a percentage approximating the March CPI figure of 5.8%, however, many of them are statutory fees whereby the amount the City is able to charge does not always align with the cost of providing the service. In these instances, whilst the City is charging the maximum fee allowable, it is still not recouping the full cost of service. Other fees and charges have been increased incrementally in order to get closer to full cost recovery.

Collier Park Golf Course

The City owns Collier Park Golf Course (CPGC), which is operated under management by Clublinks Management. CPGC is one of the best public golf courses in Australia and as such there is a high demand for tee times particularly at peak times. Approximately 80% of golf course patronage comes from outside of the City of South Perth. In the 2023/24 financial year, the City will be trialling a new charging regime, whereby the operator will determine the charges between the range of \$10 and \$50 depending on the demand for tee times. For example, those times that experience the highest demand (e.g. Saturday mornings before 9am) will attract a premium rate, whereas those less desirable tee times (e.g. Monday afternoons) will give golfers an opportunity to play for a lower fee than is currently available. This price flexibility will allow the operator to maximise revenue but also to spread demand over a greater number of hours. Those players that wish to play at a cheaper price will have the option to do that at non-peak times.

Pricing levels will be transparent through the booking process so that customers know the exact price charged for different tee times and the operator will publish the seasonal pricing range on the Collier Park website as a guide. GolfWA affiliated golf clubs who currently play at the Course will be unaffected by the changes, paying the standard rate across all their tee times, and will retain their current playing times.

Additionally, the operator will have the ability to discount tee times at short notice in response to inclement weather, or unusually low demand due to external factors to fill vacancies. Payments required at the time of booking, combined with a “no-show” fee will be applicable for peak times to reduce the amount of revenue being lost due to people booking tee times and not showing up.

By implementing this demand driven pricing mechanism, the City is projecting an additional return of approximately \$150-\$200k or the equivalent of almost **0.5%** of rates.

10.4.3 Adoption of the Annual Budget 2023/24

This budget also proposes to create the Collier Park Golf Course Reserve, this reserve quarantine funds to fund future capital expenditure at the Golf Course. The reserve is funded by an amount equal to 50% of the annual net profit of the Collier Park Golf Course.

With Council's approval, this new charging regime will be implemented during July 2023 with the intention of all tee times (excluding Twilight Golf which will remain a static fee) being transitioned by August 2023.

Consultation with tee time booking agent, MiClub, is already complete and plans in place for implementation.

A full communications plan is being collaboratively designed between Clublinks and City of South Perth Marketing/Communications personnel to include consistent messaging across all media, updates to webpages, proactive external communications to customers and on-going messaging via Clublinks owned systems and channels.

Example Pricing Schedule

Pricing Structure	Premium	Peak	Standard	Off-peak	Twilight
Weekday 18 holes	\$42.00	\$39.00	\$36.00	\$35.00	
Weekday 9 holes	\$31.00	\$29.00	\$28.00	\$26.00	
9 holes concession	\$24.00	\$22.00	\$21.00	\$20.00	
18 holes concession	\$30.00	\$29.00	\$28.00	\$27.00	
Weekend 18 holes	\$49.00	\$47.00	\$45.00	\$43.00	
Weekend 9 holes	\$35.00	\$33.00	\$31.50	\$30.00	
Twilight golf					18

It is worth noting that, even with this premium pricing on selected times, prices remain comparable (and still cheaper in places) than proposed pricing for the 2023/24 financial year at other comparable Perth Metro Council owned venues.

Collier Park Village (CPV) maintenance fees

Given the City is currently undertaking a request for proposal process for a new owner/operator for Collier Park Village, it is recommending to Council that there be no increase in CPV resident's maintenance fee of \$480 per month. It is also recommended that there be no increase in rents for residents occupying short-term rental units at CPV.

In 2023/24, the four different pricing arrangements available to CPV residents are:

- \$480 per month.
- \$355 per month and have the remaining \$125 deducted from Refundable Monies held in the CPV Residents Offset Reserve to 30 June 2024.
- \$345 per month and have the remaining \$135 deducted from Refundable Monies held in the CPV Residents Offset Reserve to 30 June 2024.
- \$300 per month and have the remaining \$180 deducted from Refundable Monies held in the CPV Residents Offset Reserve to 30 June 2024.

The Annual Amenities Charge is \$540 for the 2023/24 year, (\$540 in 2022/23).

Sustainability Implications

The City of South Perth recognised some years ago that its financial position needed to improve in order for it to remain financially sustainable into the future. Accordingly, this budget is framed with the City's long-term financial sustainability in mind and focuses on the need to reduce the City's ongoing operating deficit whilst continuing to deliver the level of service expected by the Community. Compared to the 2022/23 Budget the 2023/24 Budget forecasts an operating deficit of \$1.01m vs. \$2.21m a \$1.2m improvement.

Overall, this is positive result confirms the City's commitment to an improved net operating result and Financial Health Indicator (FHI) score. It should be noted that the ratios from which the FHI score are derived have been removed from legislation and have not been replaced yet. However using those same ratios, the 2023/24 Budget results in a forecast FHI of 70 achieving the now obsolete benchmark standard.

Consultation

Given the complexity of this year's budget, the City held four workshops with elected members to fully explain the City's long term financial position and explain the importance of putting in place measures in this budget to help restore the City's financial position over the longer term.

The first of these workshops was also attended by an independent financial analyst with significant experience in local government finances, who presented an analysis of the City's current financial position as well as financial modelling over the next ten years.

Policy and Legislative Implications

Local Government Act 1995

Financial Management Regulations 1996

Financial Implications

The financial implications of adopting the 2023/24 Budget are as disclosed in **Attachment (a)** of this report.

Key Risks and Considerations

Risk Event Outcome	<p>Financial Loss</p> <p>An adverse monetary impact on the City as a consequence of a risk event occurring. A grading is assigned to different levels of potential loss relative to the significance of the impact on the City's ongoing operations and its ability to deliver expected services</p> <p>Legislative Breach</p> <p>Refers to failure to comply with statutory obligations in the manner in which the City, its officers and Elected Members conduct its business and make its decisions and determinations. This embraces the full gamut of legal, ethical and social obligations and responsibilities across all service areas and decision making bodies within the collective organisation</p>
Risk rating	High
Mitigation and actions	<p>Five budget workshops held with Council since February 2022 to ensure the City's financial position and all aspects of the budget are fully understood.</p> <p>Independent financial analysis of the City's forecast financial position over the next ten years.</p> <p>Rate modelling at different levels to show the financial effects of higher or lower rate rises.</p> <p>Implementation of cost saving measures and future revenue generating measures to improve the City's financial position.</p> <p>Budget ready to be adopted prior to statutory deadline.</p>

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2021-2031](#):

Strategic Direction:	Leadership
Aspiration:	A local government that is receptive and proactive in meeting the needs of our community
Outcome:	4.3 Good governance
Strategy:	4.3.1 Foster effective governance with honesty and integrity and quality decision making to deliver community priorities

Attachments

10.4.3 (a):	Draft Annual Budget 2023/24
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10.5 MATTERS REFERRED FROM COMMITTEE MEETINGS

10.5.1 Risk Management and Business Continuity Activity Report

File Ref: D-23-27308
Author(s): Christine Lovett, Senior Governance Officer
Reporting Officer(s): Garry Adams, Director Corporate Services

Summary

This report outlines the activities undertaken by the City of South Perth's (the City) Risk Management Function for the period of March 2023 to June 2023 and to provide an overview of the activities planned for the first quarter of the 2023/24 Financial Year.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf
Seconded: Mr Aswin Kumar

The Audit Risk and Governance Committee recommends to Council that it:

1. Notes the Risk Management and Business Continuity Activity Report as contained in the body of the report;
2. Notes the changes to the Corporate Operational Risk Register as contained within the report;
3. Notes the contents contained in **Confidential Attachment (a)**; and
4. Endorses the Strategic Risk Register as contained in **Confidential Attachment (b)**.

CARRIED (7/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis, Mary Choy, Glenn Cridland and Jennifer Nevard, Mr Aswin Kumar and Ms Shona Zulsdorf.

Against: Nil.

Background

The Council is responsible for the strategic direction of the City. The City's Audit, Risk and Governance Committee (ARGC) is a Committee of Council in accordance with the *Local Government Act 1995* (the Act) and is responsible for providing guidance, assistance and oversight to the Council, in relation to matters which include risk management.

The responsibility of the ARGC in relation to the risk management program includes overseeing the strategic risk management process and ensuring that the administration has a robust and structured process for identifying and managing strategic risks.

This activity report outlines the risk and business continuity management activities undertaken.

Comment

Risk Management and Business Continuity Management activities for the period of March 2023 to June 2023:

1. Fraud and Corruption

The City has a Fraud and Corruption Control Plan (Plan) which was developed and endorsed by the Executive Management Team in October 2022. The primary objective of this Plan is to protect resources, including information, and safeguard the integrity and reputation of the City. This Plan includes the City's Fraud & Corruption Prevention Policy and sets out the arrangements for the overall management of the risks and any instances of fraud and/or corruption. The Fraud and Corruption Prevention Policy P694 was endorsed by Council in December 2022.

There have been no reported incidents of alleged fraud and/or corruption in the current quarter.

2. Business Continuity Management Framework (BCMF)

The Business Continuity Management Framework (BCMF) is now finalised and has been circulated to the Management Team for review prior to endorsement by the Executive Management Team. Development of the BCMF and associated processes were guided by the following standards and good practices:

- ISO 22301:2019 Societal security - business continuity management systems – requirements
- AS/NZS 5050 (Int):2020 Managing disruption-related risks
- ISO 31000:2018 Risk management
- WA Government Business Continuity Management Guidelines

The goals of the BCMF is to increase the adaptive capacity of the City's entire operations (i.e., its resilience) and to ensure the effective management of an incident or series of events which may damage our business or impact quality of our services.

3. Internal Risk Management Committee

The Internal Risk Management Committee (IRMC) met on 2 May 2023 at which time the Operational Risk Register was presented for review.

The following two risks having been reviewed and remain at a high risk rating. In accordance with the requirements of the Risk Management Framework 2021 these risks are presented to the Audit, Risk and Governance Committee for review.

These risks relate to the availability of contractors or staff to carry out required activities to meet the expectations of our community. While the residual rating of the risks are high, it is considered that all available mitigation strategies are in place to reduce the outcome of this risk impacting the City's community.

Where necessary, key communication methods are utilised to inform our community of any delays/interruption to the expected delivery of a project or service.

i. Corp Risk 5.0 Dependency on contractors to deliver key project/services.

Outcome: Service Interruption

Due to the current labour market the residual likelihood of this event occurring remains as Possible, with the risk rating remaining as High.

Controls

- Robust supplier selection
- Use of WALGA preferred suppliers
- Procurement Management provided by the Finance Services Business Unit
- Relationship management

ii. **Corp Risk 5.4 Employee attraction and retention**

Outcome: Service Interruption

Due to the current labour market the residual likelihood of this event occurring remains as Possible, with the risk rating remaining as High.

Controls

Established Corporate policies, management practices, procedures and strategies including:

- Flexible working arrangements and working from home arrangements
- Learning and development opportunities
- Equal Opportunity Employer
- Phased retirement
- Health and Wellbeing Program for employees
- Reward and Recognition Program
- Superannuation benefits
- Performance Management Framework
- Annual performance reviews
- Learning & Development Framework
- Workforce Plan
- Secondment opportunities.
- Mentorship program and internal training to staff so they are interchangeable, as required.
- Advertised positions to be reviewed against the current market, so that position description is aligned with the offered remuneration package, including market supplements.

4. Strategic Risk Register

The Strategic Risk Register (register) has been developed in consultation with the City's Council and external members of the Audit Risk and Governance Committee (the Committee), with Cohesive Leadership being an identified risk. Cohesive Leadership is described as failure of Council to work effectively with the Administration.

For the 2022/23 financial year, there has been a significant number of complaints against Council Members being received as detailed in **Confidential Attachment (a)**.

While there are multiple measures that can be used to assess Cohesiveness of Council, and the effectiveness of the relationships between Council and the Administration, the significant volume of complaints is a concern for the City both reputationally and financially. As such, it is proposed that the likelihood of this risk occurring be increased from possible to likely. The reassessment of the likelihood of this risk occurring has not amended the risk rating, which remains at a High Level.

The Strategic Risk Register, as contained in **Confidential Attachment (b)**, has been updated to reflect the City's current environment with all amendments being highlighted in red text.

This updated register is presented to the ARGC for review and recommendation to Council for endorsement.

The following Risk Management and Business Continuity Management activities are planned (subject to the availability of organisational officers) for the period ending September 2023:

Risk Management Activities	Expected Outcome
Operational risks to be reviewed on a quarterly basis	The City's Corporate Operational Risk register to be as current as reasonably practicable.
Development of further fraud and corruption training.	Increased knowledge within the City's business units in order to further protect resources and information and safeguard the integrity and reputation of the City.
Business Continuity Plans to be reviewed in accordance with the requirements of the Business Continuity Management Framework.	The City's Business Continuity Plans to be as current as reasonably practicable.
Updated Management Practice M695 Risk Management to be rolled out across all Business Units.	Sound risk management practices and procedures to be further integrated into the City's strategic and operational planning process and day to day business practices.
Implement training program for identified officers	Provide support and guidance to officers ensuring they have familiarity with the City's risk management practices.

Consultation

Relevant City officers were consulted in order to identify and review all risks across all City operations.

Policy and Legislative Implications

Reg 17 (1) (a) Local Government (Audit) Regulations 1996

17. CEO to review certain systems and procedures

- (1) The CEO is to review the appropriateness and effectiveness of a local government’s systems and procedures in relation to –
 - (a) risk management

Financial Implications

Nil.

Key Risks and Considerations

Risk Event Outcome	Legislative Breach Refers to failure to comply with statutory obligations in the manner in which the City, its officers and Elected Members conduct its business and make its decisions and determinations. This embraces the full gamut of legal, ethical and social obligations and responsibilities across all service areas and decision making bodies within the collective organisation
Risk rating	Low
Mitigation and actions	Continuous review and improvement in relation to all Risk Management activities.

Strategic Implications

This matter relates to the following Strategic Direction identified within Council’s [Strategic Community Plan 2021-2031](#):

- Strategic Direction: Leadership
- Aspiration: A local government that is receptive and proactive in meeting the needs of our community
- Outcome: 4.3 Good governance
- Strategy: 4.3.4 Maintain a culture of continuous improvement

Attachments

- 10.5.1 (a): Complaints (*Confidential*)
- 10.5.1 (b): Strategic Risk Register (*Confidential*)

10.5.2 Delegation DC690 Town Planning Scheme 6

File Ref: D-23-27309
Author(s): Fiona Mullen, Manager Development Services
Reporting Officer(s): Donna Shaw, Director Development and Community Services

Summary

This report responds to a Councillor request to review Delegation DC690, following consideration of the Annual Review of Council Delegations at the Ordinary Council Meeting held 28 March 2023. The report considers the five proposed conditions as included in the amended motion and recommends the inclusion of three conditions.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf

Seconded: Mr Aswin Kumar

That the Audit Risk and Governance Committee recommends to Council that it notes that in accordance with Section 5.46(2) of the *Local Government Act 1995*, Delegation DC690 Town Planning Scheme 6 has been reviewed with the inclusion of the following amendments to Schedule 1, Conditions of Delegation:

3. Developments involving the exercise of a discretionary power

This power of delegation does not extend to approving development applications involving the exercise of a discretionary power in the following categories:

- e) Applications for Heritage Listed properties or within a Heritage Area except, in the opinion of the delegated officer, the proposal is minor in nature.
- f) Applications on City owned or managed land by a private entity; and
- g) Applications for illuminated signage opposite (directly or diagonally) to or adjoining a residential zone.

CARRIED (7/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis, Mary Choy, Glenn Cridland and Jennifer Nevard, Mr Aswin Kumar and Ms Shona Zulsdorf.

Against: Nil.

Absolute Majority required

Background

At its meeting held 28 March 2023, Council reviewed the delegations in accordance with the *Local Government Act 1995* (the Act).

At that meeting Councillor Stephen Russell moved an amendment which was lost to amend Schedule 1, Conditions of Delegation to DC690 Town Planning Scheme 6 to include the following:

- i) Inclusion of 3(e) to state “Applications for Heritage Listed properties or areas, other than City deemed minor alterations.”
- ii) Inclusion of 3(f) to state “Applications where the proposed development, from a non-public entity, results in the permanent development or utilisation, of City owned lands or lands vested in the City to manage. At-grade crossovers or utility services are excluded.”
- iii) Inclusion of 3(g) to state “Applications resulting in a cash-in-lieu as a condition of approval”.
- iv) Inclusion of 3(h) to state “Applications for signage within residential zone lots or within non-residential zone lots, opposite (directly or diagonally) to or adjoining a residential zone lot.”
- v) Inclusion of 3(i) to state “When during the advertising period, the Mayor or two Councillors have requested that the application be referred to the Council for determination.

The reasons for the amendment were as follows:

- “1. For items 3(i) to 3(iv) the determination of applications needs to consider the expectations of the community as a due regard consideration as laid out in the Deemed Provisions for Local Planning Scheme. With respect to the City, this is best addressed via Council and therefore the purpose of these amendments.
2. With regards to 3(v), it is the opinion that Elected Members as decision makers should have the authority to call in applications, where they deem appropriate. This should be considered as a mandatory clause for any decision-making body which delegates its authority.”

Comment

Section 5.42 of the Act provides for Council to delegate to the Chief Executive Officer (CEO) the exercise of any of its powers or the discharge of any of its duties under the Act, other than a small number of functions which may not be delegated.

The Act further provides for the CEO to sub-delegate some of its powers to another employee, which must be in writing. The CEO may place conditions on any sub-delegations, if required. Delegations assist local governments to efficiently deal with a wide range of operational matters that are minor and/ or administrative in nature. By incorporating conditions into delegations, such as limiting the use of when a delegation can be exercised, Council can set parameters to the extent in which its decision-making powers can be exercised by its delegates and sub-delegates.

As it relates to planning, section 5.42 of the Act only applies to the delegation of section 214 – Illegal development provisions of the *Planning and Development Act 2005*. Other matters are dealt with via the Planning and Development (Local Planning Schemes) Regulations 2015 (the Regulations). Regulation 82 of the Regulations provides the power to discharge any of the local government’s duties under the Regulations other than the power of delegation.

Officers have considered the proposed additional conditions and provide the following comment:

- i) Inclusion of 3(e) to state “Applications for Heritage Listed properties or areas, other than City deemed minor alterations.”

Whilst the intent of this delegation is supported, the wording has been modified in accordance with the Officer’s Recommendation for the following reasons:

- To ensure consistency with the Regulations, the full terminology of ‘Heritage Area’ has been included;
 - ‘In the opinion of the delegated officer’ has been used in lieu of ‘City’ for consistency with existing delegations and to clarify that only the officer to whom the power has been delegated can exercise such discretion; and
 - Applications that are ‘minor in nature’ instead of ‘minor alterations’ has been used to capture all incidental development (small outbuildings, structural repair work etc.) instead of solely alterations to a dwelling.
- ii) Inclusion of 3(f) to state “Applications where the proposed development, from a non-public entity, results in the permanent development or utilisation, of City owned lands or lands vested in the City to manage. At-grade crossovers or utility services are excluded.”

Whilst the intent of this delegation is supported, the wording has been modified for simplification. At-grade crossovers and public works such as utility services require approval under local laws or are exempt from development approval as they are public works respectively, and therefore do not need to be included in the delegation.

- iii) Inclusion of 3(g) to state “Applications resulting in a cash-in-lieu as a condition of approval”.

Schedule 2, Part 9A of the Regulations comes into effect on 1 July 2023, after which time local governments cannot impose cash-in-lieu parking conditions on a development approval unless a Payment in Lieu of Parking Plan(s) has been adopted.

A delegation is therefore not required, as Council will either determine the locations where payment-in-lieu can be sought, or no ability to impose such a condition will exist.

The inclusion of 3(g) is therefore not supported by officers.

- iv) Inclusion of 3(h) to state “Applications for signage within residential zone lots or within non-residential zone lots, opposite (directly or diagonally) to or adjoining a residential zone lot.”

3(h) is supported subject to the inclusion of the word ‘illuminated’ and minor rewording (residential zone lots or non-residential zone lots captures all zoned land within the City, and therefore reference is not required in this respect).

- v) Inclusion of 3(i) to state “When during the advertising period, the Mayor or two Councillors have requested that the application be referred to the Council for determination.

The inclusion of 3(i) would introduce a delay to the determination of applications by the City where an application is not otherwise ‘called in’ for a Council determination under the specific conditions of delegation. Under the Act, delegations are made by absolute majority of Council and as such, inclusion of ‘call in’ provisions would empower the Mayor or two Elected Members to circumvent the delegation, which would be inconsistent with the role of the Council as the delegator.

The appropriate means of ensuring circumstances where Council considers the City should not be determining development applications under delegated authority is to include conditions/ limitations within the delegation, ensuring relevant decisions are referred to Council for consideration, as is contained within the current Scheme of Delegation.

Notwithstanding this point, Section 59(1)(a) of the *Interpretation Act 1984*, provides that where a delegation has been provided, it does not preclude the delegator from exercising or performing at any time the delegated power or duty. In addition, the current delegation (DC690) includes conditions 3(c) and 4, whereby an officer may additionally refer items to Council for consideration.

Furthermore, to ensure oversight, the City is in the process of creating a publicly available report which will appear on the City’s website where delegation has been exercised.

The inclusion of 3(i) is therefore not supported.

Consultation

Nil.

Policy and Legislative Implications

Section 5.46(2) of the Act requires all delegations to be reviewed at least once each financial year.

Financial Implications

Nil.

Key Risks and Considerations

Risk Event Outcome	Legislative Breach Refers to failure to comply with statutory obligations in the manner in which the City, its officers and Elected Members conduct its business and make its decisions and determinations. This embraces the full gamut of legal, ethical and social obligations and responsibilities across all service areas and decision making bodies within the collective organisation.
Risk rating	Low
Mitigation and actions	Annual reviews in place

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2021-2031](#):

Strategic Direction:	Leadership
Aspiration:	A local government that is receptive and proactive in meeting the needs of our community
Outcome:	4.3 Good governance
Strategy:	4.3.1 Foster effective governance with honesty and integrity and quality decision making to deliver community priorities

Attachments

Nil.

10.5.3 Corporate Business Plan 2023/24 to 2026/27

File Ref: D-23-27310
Author(s): Pele McDonald, Manager People and Performance
Reporting Officer(s): Garry Adams, Director Corporate Services

Summary

This report presents the Draft Corporate Business Plan 2023/24 – 2026/27 for consideration by Council.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf
Seconded: Mr Aswin Kumar

That the Audit, Risk and Governance Committee recommends to Council that it adopts the Corporate Business Plan 2023/24 – 2026/27 as contained within **Attachment (a)**.

CARRIED (6/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis, Mary Choy and Jennifer Nevard, Mr Aswin Kumar and Ms Shona Zulsdorf.

Against: Nil.

Absolute Majority Required

Background

In accordance with the *Local Government Act 1995* (the Act) and the Local Government (Administration) Regulations 1996 (the regulations), the City of South Perth (the City) has developed an Integrated Planning and Reporting Framework (IPRF). The objective of this framework is to guide the City's planning and reporting processes to ensure alignment to, and delivery of the community's expectations.

Section 5.56(1) of the Act states that a local government is to "*plan for the future of the district*", and s5.56(2) states that the plans are to be made "*in accordance with any regulations made about planning for the future*". Division 3, 19C and 19DA of the regulations require a local government to prepare two documents to address s5.56(1):

- a. A 10-year strategic community plan that identifies the vision, aspirations and objectives of the community in the district (reg 19C).
- b. A four-year corporate business plan that sets out how the local government will respond to the vision, aspirations and objectives identified in the strategic community.

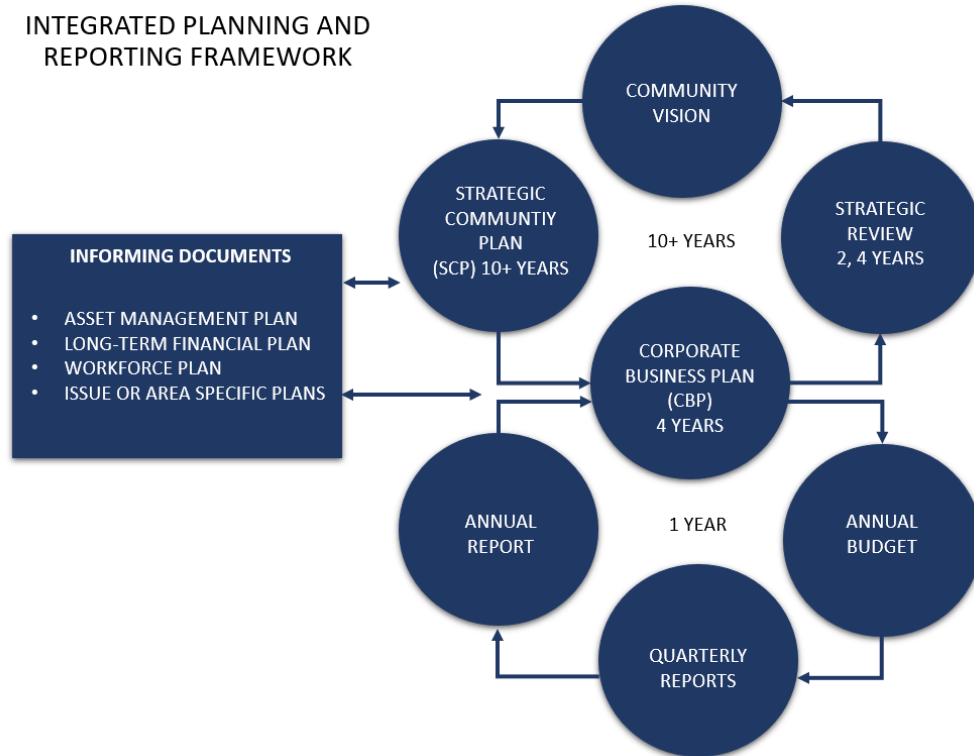
A major review of the City of South Perth's Strategic Community Plan (SCP), which included extensive community engagement was undertaken in 2021/22. Council adopted the City of South Perth SCP 2021-2031 at its meeting held 14 December 2021.

The Corporate Business Plan (CBP) 2022/23 – 2025/26 was adopted by Council at its meeting held 22 November 2022. In accordance with Regulation 19DA(4), the CBP is required to be reviewed annually.

Comment

The IPRF is the overarching framework that encompasses both the SCP and CBP and the informing documents; such as the Long Term Financial Plan (LTFP), Asset Management Plan and Workforce Plan.

The diagram below shows how all the elements of the IPRF connect together to deliver and report on Council priorities which are informed by the community vision and aspirations.



The CBP is the internal business planning tool that translates the SCP into operational requirements for the next four working years. The CBP provides key integration with the other elements of the IPRF including the Annual Budget and the various informing / resourcing plans.

Annual Review

The annual review and reset of the CBP is to drive the annual budgeting process and to continue the alignment of operational requirements to the SCP strategies and outcomes and other informing plans. As such it is planned for endorsement in June each year.

The revised CBP as provided in **Attachment (a)**, depicts the core services, projects and measures of success for the next four years (2023/24 to 2026/27) which have been guided by a comprehensive Business Unit planning process. This Business Unit planning process, whilst not a statutory requirement, is important in supporting the implementation of the CBP and enables prioritisation of workforce, asset, and financial resources through a consideration of each Business Unit services, projects or initiatives for the year.

New additions to the CBP from previous years include, a summary of the proposed projects and initiatives for the period of the plan, the addition of a small number of new projects and measures of success, removal of completed projects and superseded measures of success as well as minor amendments to the wording of some projects and measures of success.

The CBP is structured to align with the strategy level within the SCP, providing integration with the following areas:

1. **Services & Sub-Services:** A listing of the 101 services and sub-services provided by each Business Unit that are aligned to SCP strategies.
2. **Projects:** A listing of the 105 projects planned over the four-year period and aligned to the outcomes in the SCP.
3. **Measures of Success:** A breakdown of the 69 measures of success, otherwise known as Key Performance Indicators (KPI's), that will be used to measure progress of services provided to the community including link to the outcomes in the SCP.

Services & Sub-Services

The City delivers multiple services and programs that are provided to the community at an operational level and support delivery of the SCP. The CBP details these services and sub-services against each Business Unit. The mapping of the services against the strategies was completed through the Business Unit planning process, capturing the services delivered at a high level and ensuring alignment to the strategy level in the SCP, with some services crossing over multiple strategies.

Projects

The Business Unit planning process enables effective project planning for the next four years with a focus on delivering year one of the CBP. The 105 projects identified in the CBP enable the City to operationalise and deliver on the aspirations in the SCP. The projects are provided against each strategic direction with a link to the strategy level and responsible Business Unit. The projects are split into Corporate and Operational project types as described below:

- **63 Corporate Projects** - A Corporate project is a significant project that requires Council oversight. Corporate projects have a moderate to significant budget investment in either capital and/or operational funding. Corporate projects have a medium to high impact to the community and/or Council resources. Quarterly reporting review requirements are at the Council level.
- **42 Operational Projects** – An Operational project in nature, focuses on internal enhancements to service levels or delivery of ongoing programs to the community, with limited budget and/or resourcing impacts. Operational projects have either no external impact, and/or minor community impact. Quarterly reporting review requirements are at the Executive Management Team level.

Measures of Success (KPI's)

In developing the Measures of Success for the CBP, the objective was to provide measurable, meaningful and robust performance indicators, metrics that were within the control of the responsible Business Unit and that were the most predictive of success in delivering the applicable strategy in the SCP. Wherever possible, indicators and benchmark standards that are currently used in existing plans and/or for statutory reporting (such as financial health indicators) were used to ensure consistency and to streamline reporting.

Quarterly Reporting

Upon approval of the CBP, the City will commence the quarterly reporting process providing a quarterly update of the actions and KPIs identified in the CBP for delivery in 2023/24 at Quarter 1, which will be presented to the ARGC meeting in November 2023.

Consultation

Internal consultation occurred with the Leadership Team. Given the short period of time since the endorsement by Council of the current CBP in November 2022 and the subsequent minimal changes, the draft CBP was provided to Councillors via memo for review and feedback on 12 May 2023.

Policy and Legislative Implications

Local Government Act 1995
 Local Government (Administration) Regulations 1996

Financial Implications

The CBP 2023/24 – 2026/27 will help guide the City’s financial planning for the next four years, including integration with the City’s Long Term Financial Plan and Annual Budgets.

Key Risks and Considerations

Risk Event Outcome	Legislative Breach Refers to failure to comply with statutory obligations in the manner in which the City, its officers and Elected Members conduct its business and make its decisions and determinations.
Risk rating	Medium
Mitigation and actions	Undertake a yearly review of the Corporate Business Plan

Strategic Implications

This matter relates to the following Strategic Direction identified within Council’s [Strategic Community Plan 2021-2031](#):

- Strategic Direction: Leadership
- Aspiration: A local government that is receptive and proactive in meeting the needs of our community
- Outcome: 4.3 Good governance
- Strategy: 4.3.1 Foster effective governance with honesty and integrity and quality decision making to deliver community priorities

Attachments

10.5.3 (a): Corporate Business Plan 2023/24 to 2026/27

10.5.4 Audit Register Progress Report Q3

File Ref: D-23-27311
Author(s): Christine Lovett, Senior Governance Officer
Reporting Officer(s): Garry Adams, Director Corporate Services

Summary

This report provides an update on the progress of actions included in the Audit Register. The Audit Register includes all open audit findings that have previously been accepted by the Audit, Risk and Governance Committee and Council.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf
Seconded: Mr Aswin Kumar

That Audit, Risk and Governance Committee recommends to Council that it:

1. Notes the progress recorded against each item within the Audit Register in **Confidential Attachment (a)**;
2. Approves the findings marked as Complete (100%) in the Audit Register, to be registered as closed and no longer reported to the Committee;

CARRIED (6/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis, Mary Choy and Jennifer Nevard, Mr Aswin Kumar and Ms Shona Zulsdorf.

Against: Nil.

Background

The confidential Audit Register lists internal and external audit findings and describes the progress of implementing improvements and the percentage completion. This report is prepared for noting the progress and completion of findings since the last meeting.

Comment

The Audit Register contained in **Confidential Attachment (a)** presents audit outcomes by 'Finding' numbers. Any given Finding may have more than one 'Recommendation' and associated 'Agreed Management Action'.

Only when all Agreed Management Actions related to a Finding are marked as 100% complete, will the report be presented to the Audit, Risk and Governance Committee, with a recommendation that the Finding be closed.

The Audit Register has been formatted to ensure clarity as detailed below:

1. Each Finding which has more than one Agreed Management Action is represented with double lines around that entire Finding.
Example:
Finding number IT005 has three Agreed Management Actions.
2. Updates in relation to each Finding are displayed in chronological order i.e. latest update appears at the bottom of each Finding.
3. Each Finding that is to be closed (i.e. 100% complete for all Agreed Management Actions) is represented by a purple 'Closed Tally' column on the right and numbered; and
4. All Findings that are being recommended for closure by the ARGC are filtered to the end of the register.

The March 2023 Audit Register Progress Report included eight open information systems audit findings. As detailed in the Information Systems Audit (External) Report presented to the March 2023 Audit, Risk and Governance Committee, these eight audit findings have now been closed and are incorporated in the 22 new Information Systems Audit identified in the 2021/22 external audit carried out by the OAG.

The Audit, Risk and Governance Committee is requested to recommend that Council note the progress and officer comments. In addition, it is recommended all Findings marked as complete (100%) in the Audit Register be registered as closed. All closed items will not form part of the Audit Register report for future meetings.

It is requested to note the Audit Register in **Confidential Attachment (a)**.

Strategic Internal Audit Plan

The revised Strategic Internal Audit Plan was presented to the 13 March 2023 Audit, Risk and Governance Committee meeting for noting. Work has commenced in relation to the scheduled internal audits.

Consultation

Relevant City officers have been consulted.

Policy and Legislative Implications

The Internal Audit function is considered a business improvement process that will assist in compliance with Regulation 5 of the Local Government (Financial Management) Regulation 1996 (CEO's duties as to financial management) and Regulation 17 of the Local Government (Audit) Regulations 1996 (CEO to review certain systems and procedures).

Financial Implications

The Internal Audit function (Paxon) has a budget of \$40,000 for the 2022/23 financial year, and it is anticipated that a budget of a similar amount is to be adopted for future years. Officers' effort to undertake the improvements and report on progress has not been estimated.

The External Audit function (WA Auditor General) has a budget of \$70,000 for the audit work undertaken during the 2022/23 financial year.

Key Risks and Considerations

Risk Event Outcome	<p>Legislative Breach</p> <p>Refers to failure to comply with statutory obligations in the manner in which the City, its officers and Elected Members conduct its business and make its decisions and determinations. This embraces the full gamut of legal, ethical and social obligations and responsibilities across all service areas and decision making bodies within the collective organisation</p>
Risk rating	Medium
Mitigation and actions	<p>Quarterly reporting of progress on the Audit Register to the Audit, Risk and Governance Committee and Council. In the report, Officer comments on actions taken and progressive completion of Actions are noted. Actions which are 100% complete are closed out and reported to the Audit, Risk and Governance Committee. There is no future reported on closed out actions.</p>

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2021-2031](#):

Strategic Direction:	Leadership
Aspiration:	A local government that is receptive and proactive in meeting the needs of our community
Outcome:	4.3 Good governance
Strategy:	4.3.1 Foster effective governance with honesty and integrity and quality decision making to deliver community priorities

Attachments

10.5.4 (a): Audit Register (*Confidential*)

10.5.5 Policy Review

File Ref: D-23-27313
Author(s): Christine Lovett, Senior Governance Officer
Reporting Officer(s): Garry Adams, Director Corporate Services

Summary

The Terms of Reference of the Audit Risk and Governance Committee include responsibility for reviewing the City's policies. A number of policies are now presented for the consideration of the Committee and referral to Council for adoption.

Amended Substantive Motion and COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf
Seconded: Mr Aswin Kumar

That the Audit, Risk and Governance Committee recommends to Council that it:

1. Adopts the following revised policies with amendments as shown in **Attachment (a)**:

P605	Purchasing
P609	Management and Sale of City Property
P610	Collier Park Village – Financial Arrangements
P624	Media Communications
P625	Equal Employment Opportunity
P672	Agenda Briefings, Concept Forums and Workshops
P680	Electronic Devices
P695	Risk Management

2. Adopts the following new policies in **Attachment (b)**:

P601	Strategic Financial Management Preparation of Long Term Financial Plan
P671	Electronic Attendance and Meetings
P701	Variations to Contract

3. Revokes the following policies in **Attachment (c)**:

P108	Honorary Freeman of the City
P661	Complaints

CARRIED (6/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis, Mary Choy and Jennifer Nevard, Mr Aswin Kumar and Ms Shona Zulsdorf.

Against: Nil.

Officer Recommendation

That the Audit, Risk and Governance Committee recommends to Council that it:

- Adopts the following revised policies with amendments as shown in **Attachment (a)**:

- P101 Public Art & Art Collections
 - P605 Purchasing
 - P609 Management and Sale of City Property
 - P610 Collier Park Village – Financial Arrangements
 - P624 Media Communications
 - P625 Equal Employment Opportunity
 - P672 Agenda Briefings, Concept Forums and Workshops
 - P680 Electronic Devices
 - P695 Risk Management

Adopts the following new policies in **Attachment (b)**:

- P601 Strategic Financial Management Preparation of Long Term Financial Plan
 - P671 Electronic Attendance and Meetings
 - P701 Variations to Contract
- Revokes the following policies in **Attachment (c)**:
 - P108 Honorary Freeman of the City
 - P661 Complaints

Background

In line with contemporary organisational models, the policy framework aligns policies to the City's Strategic Directions as contained in the Community Strategic Plan 2021-2031.

In 2022 City Officers conducted a review of all policies with the exception of City Planning Policies. During the review process, policies were considered by the custodian business unit 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 following policies were removed from the 2022 policy review in accordance with Council's resolution from its meeting held 27 September 2022:

Policy No.	Name	Officer Recommendation
P101	Public Art & Art Collections	Amendment
P601	Strategic Financial Management Preparation of Long Term Financial Plan	New policy
P624	Media Communications	Amendment
P625	Equal Employment Opportunity	Amendment
P661	Complaints	Revocation

10.5.5 Policy Review

P672	Agenda Briefings, Concept Forums and Workshops	Amendment
P680	Electronic Agendas	Amendment
P701	Variations to Contract	New policy

The following policies have been updated or developed by City Officers since the September 2022 review:

Policy No.	Name	Officer Recommendation
P108	Honorary Freeman of the City	Amendment
P605	Purchasing	Amendment
P609	Management of City Property	Amendment
P610	Collier Park Village – Financial Arrangements	Amendment
P671	Electronic Attendance and Meetings	New policy
P695	Risk Management	Amendment

Comment

On 2 May 2023, a workshop was held with the Mayor and all available Councillors and External Audit, Risk and Government Committee Members, at which time all of the above mentioned policies were presented for discussion.

Subsequent to this workshop, the following recommendations are proposed:

Amendments

All policies have been amended to allow for consistent terminology when making reference to Council, The Mayor or Councillors:

Mayor	Mayor (as a publicly elected Mayor)
Councillor/s	Individual Councillor or Councillors
Council or Council Members	The collective group

These changes have been made following consultation with the Department of Local Government, Sport and Cultural Industries and are aligned with definitions contained in the *Local Government Act 1995*.

The policies listed below and at **Attachment (a)** are recommended with amendments as shown by track changes in each document.

A small summary explaining the amendments has been provided in the table below:

P101 Public Art & Art Collections

The policy has been amended as detailed below:

- Reference to City of South Perth Public Art Masterplan 2022-25 has been incorporated into the body of the policy;
- Acquisition of Public Art and Art Collections has been aligned with Government of Western Australia Department of Finance percent for art scheme guidelines. Therefore the contribution towards public art for construction projects with a value greater than \$2 million has been reduced from 2% to 1%.
- Management of Public Art and Art Collections has been amended to incorporate the provision for maintenance of the art.
- Further clarification provided in relation to the decommissioning of public art and art collections.

P605 Purchasing

Purchasing categories A and B have been updated to reflect current purchasing requirements.

P609 Management and Sale of City Property

This policy has been amended as detailed below:

- The name of the policy has been amended from Management of City Property to Management and Sale of City Property;
- Clarification that the principles of this policy will be considered where a licence is considered to be the most appropriate agreement;
- Calculation of annual rental amount amended.

P610 Collier Park Village – Financial Arrangements

This policy has been amended to reflect current financial arrangement requirements.

P624 Media Communications

This policy has been amended as detailed below:

- Updated to reflect current City practices in relation to media liaison; and
- Inclusion of information related to Media Events.

P625 Equal Employment Opportunity

This policy has been amended to include reference to the City of South Perth Innovate Reconciliation Action Plan July 2021-June 2023 and City of South Perth Access and Inclusion Plan 2022-2027.

P672 Agenda Briefings Concept Forums and Workshops

This policy has been amended to clarify the process required for the submission of notices of motions from Council Members, it provides a time limit and the reasoning behind it.

P680 Electronic Devices

The name of this policy has been amended from Electronic Agendas to Electronic Devices. Reference to '*Data Usage*' has been removed and clarification provided in relation to the treatment of the tablet/laptop device on the conclusion of a Councillors term.

P695 Risk Management

This policy has been amended as detailed below:

- Risk appetite statement has been updated; and
- Due to the vast range of projects conducted by City Officers, ranging from small to large projects, it is no longer considered to include Project TIME and Project COST as possible outcome in the policy.

The management of risks in the process of project management, will occur in accordance with the City's Risk Management Framework and Management Practice M694 Project Management Framework.

New Policies

The policies listed below and at **Attachment (b)** are new policies recommended for endorsement. A small summary explaining the new policy has been provided below:

P601 Strategic Financial Management Preparation of Long Term Financial Plan

This policy has been developed in accordance with Council's resolution from the Ordinary Council Meeting held 22 March 2022. The policy was subsequently amended following a policy workshop held with Council Members and external members of the Audit, Risk and Governance Committee on 2 May 2023.

P671 Electronic Attendance and Meetings

This policy has been developed to provide guidelines for council and committee members who are physically unable to attend a council or committee meeting. The Department of Local Government, Sport and Cultural Industries recommends that Council adopt such a policy for consistency and transparency.

P701 Variations to Contract

This policy has been developed in accordance with Council's resolution from the Ordinary Council Meeting held 22 March 2022. The policy was subsequently amended following a policy workshop held with Council Members and external members of the Audit, Risk and Governance Committee on 2 August 2022.

Policies to be revoked

The policies listed below and at **Attachment (c)** are recommended to be revoked for the reasons detailed below:

P108 Honorary Freeman of the City

The City offers a number of awards to recognise the achievements of the local community members and groups. These awards include the Community Citizen of the Year Awards, Volunteer of the Year Award, Annual Speak with Confidence Awards, South Perth Young Writers Award, and the Ted Maslen Award.

The awards apply to the wider community, recognise the outstanding achievements of members of the local community and contribute towards fostering a strong sense of community.

The assessment of nominees for all awards occur on an annual basis. As such, it is recommended that Policy P108 Honorary Freeman of the City be revoked.

P661 Complaints

The City's Councillor Code of Conduct guides decisions, actions and behaviours of council members, elected and unelected committee members and candidates in the local government elections, with all complaints received being managed in accordance with policy P699 Councillor Code of Conduct.

The City values complaints as they provide feedback on our operations which allows us to continuously improve. The City's Employee code of Conduct sets standards of behaviour that employees, volunteers, contractors and agency staff are to observe in relation to their conduct. The code is based on the City's values being Accountable, Respectful, Supportive and Unified. Administrative complaints received in relation to services provided by the City and or alleged behaviour of employees, volunteers and/or contractors will be processed in accordance with legislative requirements, the City's Customer Service Charter and best practice guidelines provided by Ombudsman WA. It is therefore recommended that the complaints management policy be revoked.

Consultation

The policies are considered by the custodian business unit 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.

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.

Key Risks and Considerations

Risk Event Outcome	<p>Legislative Breach</p> <p>Refers to failure to comply with statutory obligations in the manner in which the City, its officers and Elected Members conduct its business and make its decisions and determinations. This embraces the full gamut of legal, ethical and social obligations and responsibilities across all service areas and decision making bodies within the collective organisation.</p>
Risk rating	Low
Mitigation and actions	Review of all City policies on a regular basis.

Strategic Implications

This matter relates to the following Strategic Direction identified within Council’s [Strategic Community Plan 2021-2031](#):

Strategic Direction: Leadership
 Aspiration: A local government that is receptive and proactive in meeting the needs of our community
 Outcome: 4.3 Good governance
 Strategy: 4.3.4 Maintain a culture of continuous improvement

Attachments

10.5.5 (a): Amendments
 10.5.5 (b): New
 10.5.5 (c): Revoke

10.5.6 CEO's Performance Review Process and KPI Setting

File Ref: D-23-27317
Author(s): Pele McDonald, Manager People and Performance
Reporting Officer(s): Pele McDonald, Manager People and Performance

Summary

This report seeks the CEO Evaluation Committee's consideration of the Chief Executive Officers performance review for the period 1 July 2022 to 30 June 2023, a remuneration review and the proposed performance review process for 2023/24.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Mayor Greg Milner
Seconded: Councillor Blake D'Souza

That the CEO Evaluation Committee recommends to Council that it:

1. Endorses the Chief Executive Officer's Evaluation Report Annual Performance Review as contained in **Confidential Attachment (a)**.
Absolute Majority Required for 1.
2. Adopts the Key Performance Indicators for the period 1 July 2023 to 30 June 2024 as contained in **Confidential Attachment (b)**.
3. Adopts the Evaluation Instrument for the Annual Performance Review period 1 July 2023 to 30 June 2024 as contained in **Confidential Attachment (c)**.
4. Adopts the CEO Evaluation Committee Terms of Reference as contained in **Attachment (f)**.
5. Engages a suitably qualified external facilitator as per the criteria listed in **Confidential Attachment (a)** to assist with the Annual Performance Evaluation Process for the period 1 July 2023 to 30 June 2024.
6. Applies a remuneration increase to the Chief Executive Officers' total remuneration package, effective 1 July 2023 as contained in **Confidential Attachment (d)**.

CARRIED (4/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis, Glenn Cridland and Blake D'Souza

Against: Nil.

Background

The Chief Executive Officer presented to all Councillors on 15 May 2023 and the KPI Self-Assessment Report is shown in **Confidential Attachment (e)**.

In accordance with his contract of employment, the Council is required to undertake an annual performance review.

Comment

The following items have been provided for discussion and consideration:

- Councillors feedback on the CEO's performance as contained in the CEO Evaluation Report Annual Performance Review as contained in **Confidential Attachment (a)**.
- The Key Performance Indicators for the period 1 July 2023 to 30 June 2024 as contained **Confidential Attachment (b)**.
- The Evaluation Instrument for the Annual Performance Review period 1 July 2023 to 30 June 2024 as contained in **Confidential Attachment (c)**.
- The engagement of an external facilitator to assist with the annual performance evaluation process as contained in **Confidential Attachment (a)**.
- Remuneration increase effective 1 July 2023 as contained in **Confidential Attachment (d)**.
- The CEO Evaluation Committee Terms of Reference as shown in **Attachment (f)**.

Consultation

The CEO KPI Self Assessment report has been prepared in consultation with the City's Leadership Team.

Policy and Legislative Implications

The Local Government (Administration) Regulations 1996 provides:

18D. Performance review of CEO, local government's duties

A local government is to consider each review on the performance of the CEO carried out under s5.38 and is to accept the review, with or without modification, or to reject the review.

Clause 5.38 and 5.39 (3) of the *Local Government Act 1995* provides that there must be specified contract performance criteria for the purpose of reviewing the performance of the Chief Executive Officer at least once in relation to every year of employment.

Financial Implications

If Council approves a remuneration increase it will be captured in the 2023/24 budget.

Key Risks and Considerations

Risk Event Outcome	<p>Legislative Breach</p> <p>Refers to failure to comply with statutory obligations in the manner in which the City, its officers and Elected Members conduct its business and make its decisions and determinations. This embraces the full gamut of legal, ethical and social obligations and responsibilities across all service areas and decision making bodies within the collective organisation</p>
Risk rating	Low
Mitigation and actions	The CEO Recruitment, Performance and Termination Policy is adhered to and reviewed in accordance with legislation.

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2021-2031](#):

Strategic Direction:	Leadership
Aspiration:	A local government that is receptive and proactive in meeting the needs of our community
Outcome:	4.3 Good governance
Strategy:	4.3.1 Foster effective governance with honesty and integrity and quality decision making to deliver community priorities

Attachments

10.5.6 (a):	CEO Evaluation Report (<i>Confidential</i>)
10.5.6 (b):	CEO Key Performance Indicators 1 July 2023 to 30 June 2024 (<i>Confidential</i>)
10.5.6 (c):	CEO Evaluation Instrument 1 July 2023 to 30 June 2024 (<i>Confidential</i>)
10.5.6 (d):	CEO Remuneration Calculator (<i>Confidential</i>)
10.5.6 (e):	CEO KPI Self- Assessment Report (<i>Confidential</i>)
10.5.6 (f):	Terms of Reference

11. APPLICATIONS FOR LEAVE OF ABSENCE

12. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil.

13. QUESTIONS FROM MEMBERS

13.1 RESPONSE TO PREVIOUS QUESTIONS FROM MEMBERS TAKEN ON NOTICE

Responses to questions from members taken on notice at the May 2023 Ordinary Council Meeting can be found in the Appendix of this Agenda.

13.2 QUESTIONS FROM MEMBERS: 27 JUNE 2023

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 Waste to Energy Contract Amendments

15.1.1 Waste to Energy Contract Amendments

*This item is considered **confidential** in accordance with section 5.23(2)(d) and (e)(ii) of the Local Government Act 1995 as it contains information relating to "legal advice obtained, or which may be obtained, by the local government and which relates to a matter to be discussed at the meeting and a matter that if disclosed, would reveal information that has a commercial value to a person, where the information is held by, or is about, a person other than the local government"*

File Ref: D-23-27315

Author(s): Anita Amprimo, Director Infrastructure Services

Reporting Officer(s): Anita Amprimo, Director Infrastructure Services

16. CLOSURE



APPENDIX

13.1 QUESTIONS FROM MEMBERS taken on notice OCM 23 May 2023

Councillor Stephen Russell	Responses provided by: Toni Fry – Manager Governance
<p><i>[Preamble]</i></p> <p>So two queries on shopping trolleys and I'm sorry this hasn't been on notice.</p>	
<p>1. So two queries on shopping trolleys and I'm sorry this hasn't been on notice so the first one, could the City advise how it manages rogue shopping trolleys abandoned on its property and the cost to the city to re-home them?</p>	<p>Abandoned shopping trolley requests are actioned by Ranger Services who attend as soon as practicable. The process of removing shopping trolleys is in accordance with the Public Places and Local Government Property Local Law 2011.</p> <p>Abandoned trolleys are tagged and Shopping Centre Management are notified and requested to remove within 24 hours. If the trolleys are still present after 24 hours they are impounded. Once impounded the cost to get them out is \$200 per instance.</p> <p>If however the trolleys are not collected within two months of impoundment, they will then be disposed of in metal recycling for recoup of costs.</p>
<p>2. So if a shopping trolley which is obviously a property of a shop and that trolley was in effect abandoned on the City property, would the shop be in breach of any littering laws, the littering act and therefore subject to litter infringements?</p>	<p>The Shopping Centre personal (Management) cannot be held responsible under the <i>Litter Act 1979</i> as they were not the person that abandoned the trolley in public. It is very difficult to impose a penalty on a member of the public for abandoning a trolley unless it is witnessed and that witness is prepared to make a formal statement, where an infringement can then be issued.</p>

Councillor Ken Manolas	Response provided by: Anita Amprimo – Director Infrastructure Services
<p>1. I have had complaints from residents and business owners of Mends Street regarding the plane tree leaves on the footpath. Is there an increased road sweeping program when the leaves start to drop in Mends Street in particular?</p>	<p>Previously at this time of year it was swept daily but we now only sweep three times a week to work within the available budget. The leaves are dropping a bit more now so we will increase this to five times a week for a short period.</p>