



# Agenda

## Ordinary Meeting of Council

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Wednesday, 23 June 2021, 6.00pm

**CITY OF FREMANTLE**  
**NOTICE OF AN ORDINARY MEETING OF COUNCIL**

Elected Members

An Ordinary Meeting of Council of the City of Fremantle will be held on **Wednesday, 23 June 2021** in the North Fremantle Community Hall, located at 2 Thompson Road, North Fremantle commencing at 6.00 pm.

A handwritten signature in dark ink, appearing to read 'Glen Dougall', with a large, stylized flourish at the end.

Glen Dougall  
**A/Chief Executive Officer**

18 June 2021

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**CITY OF FREMANTLE**

**Ordinary Meeting of Council**

**Agenda**

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**1. Official opening, welcome and acknowledgement**

We acknowledge the Whadjuk people as the traditional owners of the greater Fremantle/Walyalup area and we recognise that their cultural and heritage beliefs are still important today.

**2. Attendance, apologies and leave of absence**

[Insert any known apologies or previously approved leaves of absence OR]  
There are no previously received apologies or approved leave of absence.

**3. Applications for leave of absence**

\_\_\_\_\_ requests a leave of absence from \_\_\_\_\_ to \_\_\_\_\_ inclusive.

**4. Disclosures of interest by members**

Elected members must disclose any interests that may affect their decision-making. They may do this in a written notice given to the CEO; or at the meeting.

**5. Responses to previous public questions taken on notice**

The following questions were taken on notice at the Ordinary Meeting of Council held on 26 May 2021:

**Questions from Andrew Luobikis**

I don't feel my questions were answered in the response to the previous meeting.

**Question 1**

(Question 1 FPOL2104-12)

- A) The advertised rates (Which was actually in the Herald on 8 May 2021) did not reflect the increase from last year or the increase for this year as indicated last year on the website. This should be more transparent in the newspaper advertising.

**Proposed differential rates for 2021-22**

In accordance with Section 6.36 of the *Local Government Act 1995*, the City of Fremantle advises its intention to levy the following differential rates in 2021-22:

**City of Fremantle**

Differential rate category	Proposed rate in the dollar (\$)	Proposed minimum payment
Residential improved	0.084602	\$1,388
Commercial and industrial general	0.089890	\$1,388
Vacant commercial and industrial	0.162689	\$1,388
City centre commercial	0.097922	\$1,388
Nightclubs	0.115945	\$1,388
Vacant residential land	0.128111	\$1,344
Residential short term accommodation	0.094477	\$1,388

(\*\*NOTE: The proposed rate in the dollar and minimum payment amounts may be varied by council when adopting the annual budget.)

A statement outlining the objects and reasons for adopting the differential rates is available at [fremantle.wa.gov.au/budgetandfinances](http://fremantle.wa.gov.au/budgetandfinances) or from the customer service centre.

Any submissions by electors or ratepayers on the proposed rates and any related matters must be made in writing and received by the City by 5pm, Tuesday 8 June 2021 to:

**By mail**  
Chief Executive Officer  
City of Fremantle  
PO Box 807  
Fremantle WA 6959

**In person**  
70 Parry Street  
Fremantle WA

**By email**  
[info@fremantle.wa.gov.au](mailto:info@fremantle.wa.gov.au)

All submissions will be considered by council prior to adoption of the budget for 2021-22.

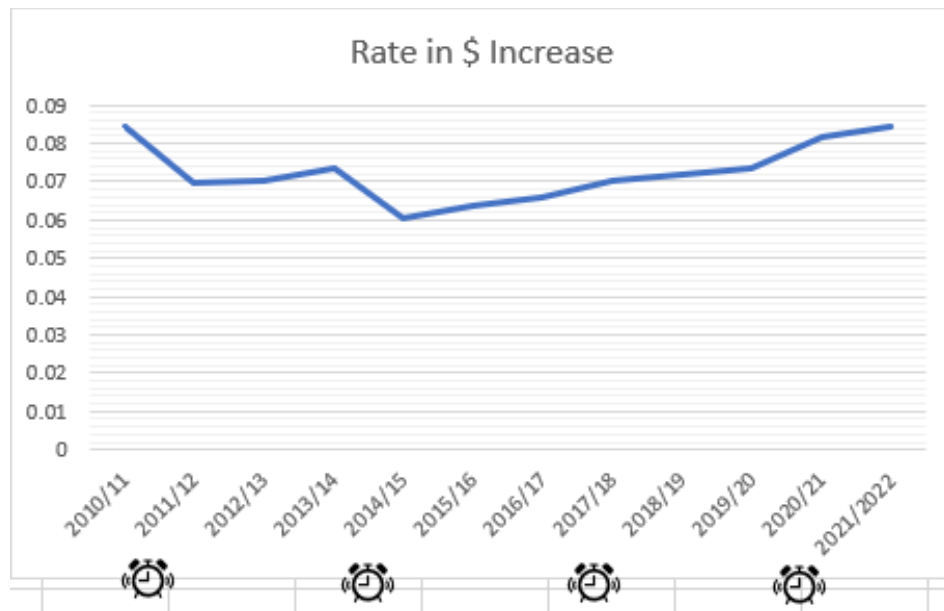
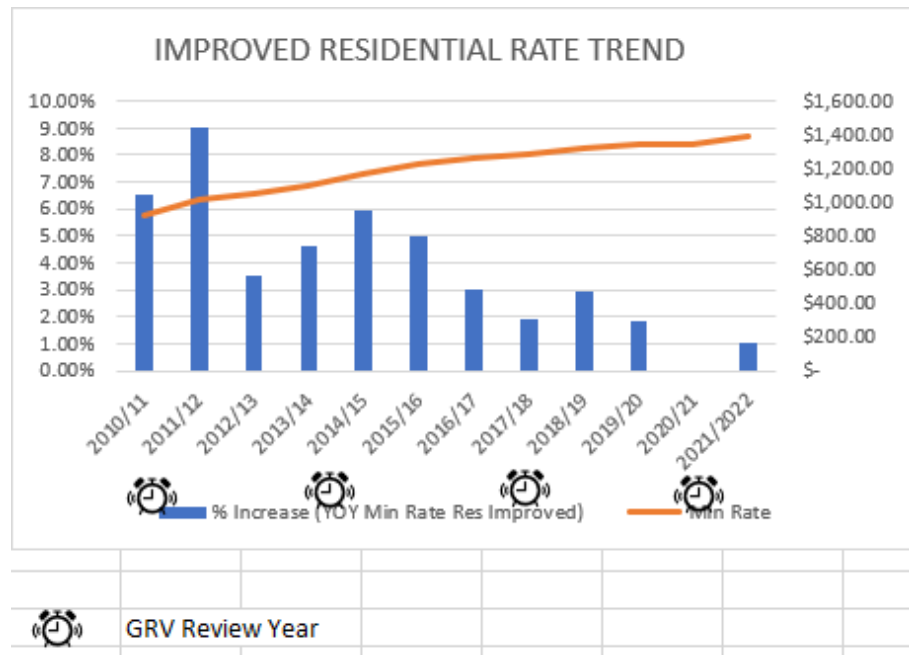
**Philip St John**  
Chief Executive Officer

[fremantle.wa.gov.au/budgetandfinances](http://fremantle.wa.gov.au/budgetandfinances)

Page 4 - The Herald, Saturday May 8, 2021

- B) The true reflection of increase is as below in the graphs. The orange line in the second chart shows a constant increase on the Improved Residential rate trend line (Not including commercial or other special rates categories). This includes the GRV calculations and rate in the dollar increase over the 11 year period. I am asking please for the City to present me with a NPV on this period to reflect the true increase at today's value.
- C) I was referring to a comparison that other City councils offered payment terms without penalty for every ratepayer, not just a selected few. What the City of Fremantle offered is no different to any other year outside COVID.

Year	% Increase (YOY Min Rate Res Improved)	Min Rate	rate in \$	GRV Rate	
2010/11	6.50%	\$ 922.00	0.08448		
2011/12	9.00%	\$ 1,014.00	0.06781	39%	GRV review year
2012/13	3.50%	\$ 1,050.00	0.07018		
2013/14	4.65%	\$ 1,099.00	0.07344		
2014/15	5.90%	\$ 1,164.00	0.060709	33%	GRV review year
2015/16	5.00%	\$ 1,222.00	0.063744		
2016/17	3.00%	\$ 1,259.00	0.065656		
2017/18	1.90%	\$ 1,283.00	0.07	-3.25%	GRV review year
2018/19	2.90%	\$ 1,320.00	0.07203		
2019/20	1.80%	\$ 1,340.00	0.073327		
2020/21	0%	\$ 1,344.00	0.081939	tbc	-10% GRV review year
2021/2022	1%	\$ 1,388.00	0.084602		



## Response

- A) Noted – the advert includes only the proposed RIDs and minimums for the new financial year as required
- B) The City does not have an NPV calculation for past rate increase
- C) Noted

### **Question 2**

(Question 3 FPOL2104-3) – Wouldn't the city gain revenue from paid parking for a new underground parking site at South Fremantle oval?

### **Response**

The City generates revenue from the provision of all publicly available paid parking options

### **Question 3**

(Question 4 PC2104-9) – With regard to the city response *"The Roe Highway was planned as part of a cross-metropolitan regional road network, and freight route - it was not intended to service local mainly residential movement and cannot be regarded as a solution for localised congestion and traffic concerns."* On surveying people on a Build Roe 8 Facebook site and including my own experience residents and visitors are using local roads to get out of the area instead of the "transport road". Public transport does not help residents wanting to get to work in the Eastern Suburbs or well away from the normal public transport, especially shift workers, sales reps, and tool of trade vehicle users.

It is only logical that if you increase the density and amount of residents living in Fremantle (plus Heart of Beaconsfield) you are going to get more traffic. It is nonsense to think everyone is going to use public transport all the time. I would request that the City ensures proper traffic modelling is done when the time comes to implement the Heart of Beaconsfield.

### **Response**

Any new structure plan(s) advancing implementation of the Heart of Beaconsfield masterplan would involve an assessment of traffic and transport implications.

### **Question 4**

#### **FPOL2105-7 GRANTS AND SPONSORSHIP POLICY**

Recommend that 6. Neighbourhood Quick Response grants are not ongoing due to budget constraints and that to be eligible for any City grants you must be an incorporated group. We cannot afford to be funding boozy street parties when residents like myself can't even get a street tree planted because of funding issues. It is essential that these are not available in the lead up to Local, State or Federal elections to avoid covert campaigning using Ratepayers funds.

### **Response**

The purpose of the Quick Grants program is to support diverse activities, build community networks and build capacity. Grant applications are assessed using adopted guidelines and criteria to ensure alignment to the City's goals and objectives.



## **Question 5**

### **C2105-1 KINGS SQUARE – ‘WHAT’S IN A NAME?’ PROJECT FINDINGS**

I do not support the renaming of King’s Square. After consulting a Noongar Elder they are of the opinion that this particular site has no cultural or spiritual significance to their heritage. In fact they say it would be offensive after colonial settlement had establish its own use for the site and would only be a slap in the face to the reconciliation that has been achieved so far. It is perhaps different for a significant site or area that hold meaning to the Wadjuk people. For example the Flinders Ranges National Park was officially renamed to incorporate the traditional Aboriginal name of the area. The park was renamed Ikara - Flinders Ranges National Park, incorporating the Adnyamathanha word 'Ikara' which is their name for Wilpena Pound and broadly means 'meeting place'.

### **Response**

Opinion noted.

The City consulted with Traditional Owners, nominated through South West Aboriginal Land and Sea Council, as well as Elders and local Aboriginal representatives through the Walyalup Reconciliation Action Plan reference group. This resulted in full support from all Aboriginal people we consulted with to change the name.

## **Question 6**

### **Cash for Cans**

What other councils in WA contribute to this program?

### **Response**

Bunbury Harvey Regional Council	City of Swan	Shire of Irwin
City of Bunbury	Shire of Chittering	Shire of Leonora
City of Fremantle	Shire of Corrigin	Shire of Mundaring
City of Perth	Shire of Denmark	Shire of Quairading
City of Stirling	Shire of East Pilbarra	Shire of York

## **Question from Elisabeth Megroz (taken on notice)**

### **Question 1**

C2105-1 Kings Square – “Whats in a Name?” Project Findings

Please explain why was the wider community of Fremantle, give they are the major financial stakeholders in the entire project, excluded from the initial discussions about place names in February 2019?

### **Response**

The topic of the name of Kings Square arose as part of general discussion about the Public Realm Concept Plan in 2018-19. This was formally considered by council in May 2019, when Council resolved to note continuation of investigations into opportunities to incorporate Whadjuk Noongar culture in the public realm project. There was no formal decision that re-naming should progress as a specific project until February 2020 when the Council considered the naming of the building and potentially renaming the public space. At this meeting the council decided to consult broadly to understand community sentiment around making a change to the name – before any formal decision was to be contemplated.

### **Question 2**

Who specifically was included in the initial conversations about place names in February 2019?

### **Response**

Elected Members, staff and community members who engaged with the City in the early development stages of the Public Realm Concept Plan.

### **Question 3**

On what basis did Council conclude that they were justified in imposing a name change for Kings Square as a forgone conclusion on the community?

### **Response**

The council made a decision to support the idea of changing the name and to seek State Government approval, following broad community engagement. The final responsibility for approving a name change rests with the Minister for Lands.

**Questions on behalf of the Greater Fremantle Community and Business Association (taken on notice)**

**Question 1**

The previous questions asked by John Dowson by the FS are supposedly answered per page 4 of the Council Agenda by reference to “the attached spreadsheets”. There do not appear to be any spreadsheets attached, are they available?

**Response**

These have been provided directly to Mr. Dowson on 8 June 2021 & again on 16 June 2021. They are also available online

**Question 2**

Is the art portfolio of \$2,647,954 at 30 June 201 still in existence? If so, what are the art works and where are they kept? Why is it no longer disclosed in its own right but has been absorbed into Fixtures and fittings?

**Response**

The City of Fremantle Art Collection is still in existence. The Collection was established in 1958. The collection has holdings of paintings, prints, drawings, ceramics and sculpture tracking the development of artists and visual arts practice in Fremantle over the last sixty years.

Fremantle Arts Centre is the primary exhibitor of the Collection with its dedicated gallery and program of Collection Exhibitions. The Collection is stored at an offsite specialist facility.

The development of the Collections WA portal is progressing and will make the entire Fremantle Art Collection available digitally.

A review of the Financial Assets structure was conducted year ending 2018 to align the financial asset classes with the Department of Local Government “*WA Local Government Accounting Manual*”.

As part of this change Art was included under the new asset class of Furniture and Fittings

### **Question 3**

Per note 9 (a) of the 2020 Financial Report, in the 4<sup>th</sup> column, buildings non-specialised, the gross carrying amount brought forward at 1 July 2019 was \$125,492,999. Additions were \$25,843,811 and disposals were \$6,841,877. This would give a gross carrying amount at 30 June 2020 of \$134,494,933. Why is the gross carrying amount shown as \$265,143,718? Where has the gain of \$120,648,785 come from?

**Note:** A copy of the spreadsheets referred to in question 1 (above), is provided in Attachment 1 of the Minutes of the Ordinary Meeting of Council 26 May 2021.

### **Response**

This appears to be a miscalculation on behalf of the requestor.

Please refer to working below.

125,492,999

+25,843,811

-6,841,877

**\$144,494,933**

### **Questions from Mark Woodcock (taken on notice)**

#### **Question 1**

When will the council know the cost of the tent city expenses and when will the rate payers be informed, refer to my questions from February 2021 and April 2021, How can it take the council so long to establish amount of money spent on tent city debacle, considering it was 3 Months ago?

### **Response**

A cost of \$10,322 to the City was incurred for activities required over and above normal operations. A breakdown of these costs has been provided below.

Maintenance and repair required

- Staff costs - \$2,872
  - Staff costs included site inspections; correspondence and liaison with the users of the reserve; and coordination of required maintenance with contractors.
- Contractor costs - \$3,047
  - Contractor costs included engagement of an electrical contractor to address issues with usage of power; out of schedule mowing required due to significant pressure placed on turf, in areas that became inaccessible within normal mowing schedules; and over seeding due to damage incurred on the turf.
- Waste Management Costs - \$4,403
  - Waste Management costs included labour cost for collection of additional waste created over the period of the event; disposal cost of additional waste and labour cost associated with the close and removal of the event.

## **Question 2**

Can the City explain why the annual general electors meeting has still not been announced considering it is now months late, why is it taking so long?

### **Response**

The City experienced a considerable delay in obtaining the results of its 2020 financial audit from the Auditor General which delayed the production of the Annual Report and hence the setting of the date for the Annual General Meeting of Electors.

The City's Annual Report and date for the Annual General Meeting of Electors have now been approved by Council, at its Ordinary Meeting of Council held on 26 May 2021.

The City of Fremantle Annual General Meeting of Electors will be held on 21 June 2021, at 6.00pm in the North Fremantle Community Hall, in accordance with Part 5, Division 2, Subdivision 4 of the Local Government Act 1995 and Part 3 of the Local Government (Administration) Regulations 1996

## **Question 3**

Considering the council has stated it has not sought any professional advice on the positive and negative impacts of changing the name of Kings Square and the impact it would have on the CBD businesses, visitors and foot traffic numbers for the city? How council assure its Kings Square and surrounding businesses will not be negatively impacted by councillor's agenda, to change the name of Kings Square?

### **Response**

The City consulted with stakeholders in the immediate surroundings of Kings Square, as well as inviting key stakeholders, including the Fremantle Chamber of Commerce, to be part of the process. This process of including key stakeholders arrived at a recommendation to council to proceed with supporting a name change. This is in addition to publicly inviting the broader community to participate in the debate

## **Question 4**

Why has the city not done a cost benefits analysis to the city for the expense of changing Kings Square name to justify the expense of the changing of Kings Square name?

### **Response**

It is not considered to be a good spend of ratepayers money when the engagement process provided a clear indication of community sentiment in support of changing the name

### **Question 5**

In this week's agenda the city has stated there is not significant cos to the name change. Considering the hundred of staff hours needed to produce the survey mail outs, it sent to some residents, printing cost of the Kings Square booklet, the cost of the survey monkey, cost of multiple stake holders events, that had no real representation from the general rate payers or historical groups like the Fremantle society. Can the council inform the rate payers of the combined costs of aforementioned expenses and under what cost centre such expenses are charged without a dedicated budget?

### **Response**

Costs incurred specific to this engagement were:

- Postage \$1300.00 \*
- Printing costs \$2000 \*
- above costs rounded to nearest \$100

These costs fall into the overall Communications budget and are approved by Council on an annual basis. The engagement process made use of existing platforms and the only other costs are associated with staff time to run the process. The City does not identify these costs separately on a task by task basis as it is all part of the City's ongoing function of consulting with its community and the budget for all staffing costs is approved by Council on an annual basis.

### **Question 6**

On page 3 of this weeks, Agenda 26 May 2021, council has stated *"The Roe Highway was planned as part of a cross-metropolitan regional road network, and freight route-it was not intended to service local mainly residential movement and cannot be regarded as a solution for localised congestions and traffic concerns."* Can council explain the logic of this statement as Roe 8&9 was clearly designed to improve traffic flow, lower congestion and improve safety, by removing traffic that simply travels thru Fremantle suburbs, to go east, north or south, which have no choice other then to drive on roads like Carrington Street, South Street, Hampton Road, High Street etc, to complete their journey. How would Roe 8&9 not help fix local traffic congestion, getting cars and trucks off local roads and making our community safer, as there would far less private vehicles and port traffic, on local suburban roads? As their choice would be traffic light free connection like Roe8&9 if it was available, to Stock Road, the Freeway, or crossing over on to Roe7. This clearly would remove traffic from local roads, contrary to council's statement, or can council explain why it wouldn't, as that's the logic behind the current government and the last government logic for billion in new road infrastructure?

### **Response**

Traffic modelling and behaviour is complex, influenced by many factors. Access and connections into new freeways, for example, frequently experience increased volumes, whilst severance of local road connections through the construction of new regional linkages can increase local travel distances. Both High Street and South Street are regional roads for the majority of their length.

### **Question 7**

What is the latest date for the Council's new Civic Centre to open?

### **Response**

An estimated opening date for the Walyalup Civic Centre will be confirmed upon the appointment of a new main contractor for the project.

## **6. Public question time**

Members of the public have the opportunity to ask a question or make a statement at council and committee meetings during public question time.

Further guidance on public question time can be viewed [here](#), or upon entering the meeting.

## **7. Petitions**

Cr Doug Thompson will present a petition including 88 signatures from dog owners requesting an area for small dog to be off lead at all times in North Fremantle.

Petitions may be tabled at the meeting with agreement of the presiding member.

## **8. Deputations**

### **8.1 Special deputations**

A special deputation may be made to the meeting in accordance with the City of Fremantle Meeting Procedures Policy 2018.

### **8.2 Presentations**

Elected members and members of the public may make presentations to the meeting in accordance with the City of Fremantle Meeting Procedures Policy 2018.

## **9. Confirmation of minutes**

## **OFFICER'S RECOMMENDATION**

**Council confirm the minutes of the Ordinary Meeting of Council dated 26 May 2021**

## **10. Elected member communication**

Elected members may ask questions or make personal explanations on matters not included on the agenda.

## **11. Reports and recommendations from committees**

### **11.1 Planning Committee 2 June 2021**

#### **PC2106-1 HIGH STREET, NO.162 (LOT 464), FREMANTLE – FOUR STOREY EDUCATIONAL ESTABLISHMENT BUILDING – (CS DA0370/20)**

<b>Meeting Date:</b>	2 June 2021
<b>Responsible Officer:</b>	Manager Development Approvals
<b>Decision Making Authority:</b>	Committee
<b>Agenda attachments:</b>	1. Amended Development Plans
<b>Additional information:</b>	1. Applicants Amended Submission 2. Superseded Development Plans 3. Site Photos

### **SUMMARY**

Approval is sought for the construction of a four storey education building at 162 High Street, Fremantle.

The application was referred to Planning Committee on 7 April 2021, where the Committee resolved to defer the application and invite the applicant to submit amended plans that reduce the overall bulk and scale of the development and its impact on the High Street public realm and Dalkeith House. Amended Plans have been received to address the reasons for deferral from the April Planning Committee. An additional section to the report has been added at the end of this report to address these changes.

The original proposal was referred to the Planning Committee (PC) due to the nature of some discretions being sought and comments received during the notification period that cannot be addressed through conditions of approval. The application seeks discretionary assessments against the Local Planning Scheme No. 4 (LPS4) and Local Planning Policies. These discretionary assessments include the following:

- Building height
- Bicycle parking

Officers recommended that the original proposal, on balance, be refused as the proposal is not considered to effectively graduate the scale of buildings within the locality, thereby failing to satisfy all of the discretionary criteria relating to building height under LPS4. Officers consider the proposed amendments adequately address the design elements and areas of concern as raised by the Committee in its reasons for deferral. However the amended plans do not address the issue of height, relevant to the LPS4 test to graduate the height of buildings in the immediate locality, therefore the Officer's recommendation remains unchanged for this reason alone. If the amended plans satisfy the Committee's concerns in relation to bulk and scale, an alternative recommendation for approval is provided in this report.



## **PROPOSAL**

### **Detail**

Approval is sought for the construction of a four storey educational building on an existing vacant site at 162 High Street, Fremantle.

The building includes a learning centre to be used alongside the existing facilities on campus at Christian Brothers College (CBC), with facilities including a number of adaptable learning spaces and breakout areas for smaller group work, an auditorium / performance space with stage and backstage areas, toilets and other facilities, and basement level car and bicycle parking.

The applicant submitted amended plans on 21 December 2020 including the following:

- Modified internal layout to ensure more activation of the front elevation and engagement with the street, including improved circulation space
- Reduced building height by lowering the basement level and reduced ceiling heights of other levels
- Changes to the design including:
  - Increased lot boundary setbacks (to the north and west)
  - Tree retention (northern side)
  - Changed materials
  - Increased the number/size of openings
  - Introduced lightwells along the east and west boundaries to improve internal natural light
  - Improved landscaping to front elevation
  - Addition of 'green wall' to front elevation



**Image 1:** Original Proposal (as viewed from High Street)



**Image 2:** Amended Proposal (as viewed from High Street)

On 7 May 2021, the applicant submitted amended plans including the following:

- Increased street setback from High Street from 1.35m to 3.4m – 4.0m
- Decreased rear setback from 3.0m to between 1.5m – 2.7m
- Increased western boundary setback for levels 2 and 3
- Increased landscaping on the High Street elevation/within street setback area
- Further articulation of the elevations by a range of increased setbacks, increased depth, use of materials and finishes.
- Internal layout reconfiguration

Amended development plans are included as attachment 1.

### **Site/application information**

Date received:	7 September 2020
Owner name:	Trustees of Edmund Rice Education Australia T/As CBC Fremantle
Submitted by:	Roberts Day/Hatch
Scheme:	Mixed Use
Heritage listing:	Not Individually Listed but adjacent to State Heritage Listed Dalkeith House
Existing land use:	Vacant lot
Use class:	Education Establishment
Use permissibility:	P



## CONSULTATION

### External referrals

The amended plans did not trigger the need to re-refer the application to the Heritage Services team at DPLH or Fremantle Ports. As such, their advice on the original proposal as detailed below remains the same.

#### *Heritage Service (DPLH)*

The application was referred to Heritage Services twice (original and amended plans) as the subject site is adjacent to a State Heritage Listed place, Dalkeith House. The following comments were provided:

- The referral is for amended plans for a proposed four storey educational establishment adjacent to Dalkeith House.
- Dalkeith House is a two-storey brick and limestone building and is an excellent and substantially intact example of a mansion built in the Federation Queen Anne style, constructed in the centre of Fremantle during the gold boom. It is important for its landmark qualities.
- The amended design responds to the articulation and fenestration of Dalkeith House. The overall height of the new development has been reduced, and the projecting west roof has been deleted from the proposal.

Heritage Services have advised that they have no objection to the proposal subject to the following conditions:

- A dilapidation survey of Dalkeith House shall be prepared prior to any works being undertaken, by a suitably qualified professional.
- A program of monitoring any structural movement and potential vibration impacts on Dalkeith House shall be implemented at the commencement of works. The Heritage Council is to be notified immediately if any impact occurs and advised on a recommended course of action by a suitably qualified structural engineer.

Should the proposal be approved, these matters can be dealt with as relevant conditions and advice notes.

### *Fremantle Ports*

The application was referred to Fremantle Ports as the subject site is located within Fremantle Port Buffer Area 2. The FP have advised that they have no objection to the proposal subject to compliance with the standard built form requirements for Area 2. Should the proposal be approved, these matters can be dealt with as relevant conditions and advice notes.

### **Community**

The original application was advertised in accordance with Schedule 2, clause 64 of the Planning and Development (Local Planning Schemes) Regulations 2015, as discretion is sought on the building height and car parking provision. The advertising period concluded on 8 October 2020, and seven (7) submissions were received. The following issues were raised (summarised):

Issue	Comment	Officer Comment
Streetscape	The proposed development does not fit with the current (predominantly two storey) streetscape	See further detail under Officer Assessment
Traffic Movement	Concern regarding driveway with poor sight lines on to busy street/footpaths	The proposal has been reviewed by the City's Infrastructure team and no issue has been raised in relation to the driveway or sight lines (noting a separate crossover application would be also be required)
Car Parking	The proposed development only provides for four car bays, which is insufficient for a building of this size, capable of holding >200 people	See further detail under Officer Assessment
Building Height	The proposed building will be much larger than any other building in the street	See further detail under Officer Assessment
Heritage	The proposed development will dwarf Dalkeith House The proposed development will cause damp issues / other damage to adjacent heritage property	See further detail under External Referrals
Overshadowing	The overshadowing will impact the properties across the road	Overshadowing falls only into the road reserve.
Noise	Concern about noise from potential evening/out of hours events that might be held by the school and/or external groups	Normal noise regulations would apply.

The remaining comments are addressed in the officer comment below.

In accordance with LPP1.3, as the amended plans do not introduce any new LPS4 or Council Policy discretions the plans were not required to be re-advertised.

## **OFFICER COMMENT**

### **Statutory and policy assessment**

#### Planning and Development (Local Planning Schemes) Regulation 2015 (WA):

- Clause 67 – Matters to be considered by local government; and

#### City of Fremantle LPS4 Provisions:

The following Scheme provisions are considered the most relevant in the consideration of the planning application:

- Clause 3.2.1(e) - Objectives of the Mixed Use Zone;
- Table 2 – Vehicle parking requirements;
- Table 1 – Zoning;
- Schedule 7 – Local Planning Area 2 - Fremantle;
- Clause 4.8.1 – Variation to height requirements;
- Clause 4.8.2 - Variation to other requirements;
- Local Planning Policy 1.9 – Design Advisory Committee and Principles of Design
- Local Planning Policy 2.13 – Sustainable Buildings Design Requirements
- Local Planning Policy 2.19 – Contributions for Public Art and/or Heritage Works

Should the proposal be supported, relevant conditions to ensure compliance with the above-mentioned Council Policies should be imposed.

The proposal has been assessed against the relevant provisions of LPS4 and relevant Council local planning policies. In this particular application the areas outlined below do not meet policy or Scheme provisions and need to be assessed under the Discretionary criteria of the Scheme and policy:

- Building height
- Bicycle parking

The above matters are discussed below.

### **Background**

The subject site is located on the northern side of High Street, Fremantle. The site has a land area of approximately 640m<sup>2</sup> and is currently a vacant site, with the previous commercial building being demolished in 2019. The site is zoned as Mixed Use. The application site is separated from the main Christian Brothers College (CBC) campus by one lot currently occupied by a single storey commercial building currently occupied by a Physiotherapist.

The site is not individually heritage listed but is located directly adjacent to No.160 High Street, known as Dalkeith House, which is on the State Register of Heritage Places.

The site is higher at the southern boundary, with approximately 1.7m sloping down towards the rear (north) of the site.

### Land Use

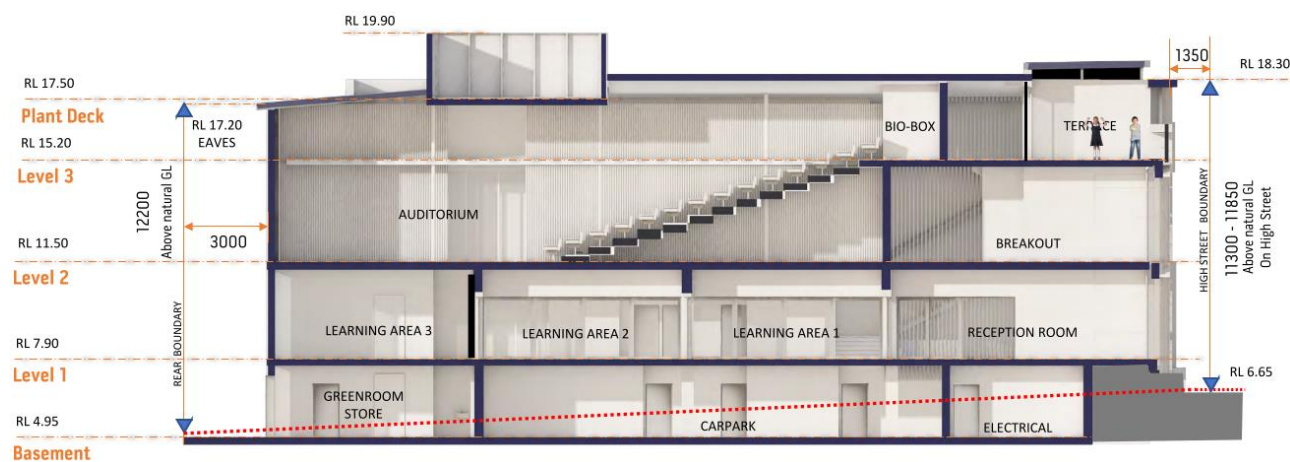
An Education Establishment is a 'P' use in the Mixed Use Zone. The use is permitted in this zone.

### Building Height

The amended proposal which includes an increased street setback results in some very minor changes (approximately 100mm in parts) to the overall height of the building. The Officer's assessment below is still considered appropriate.

The site is located within Local Planning Area 2 – Fremantle under LPS4. The maximum permitted wall height within the Mixed Use Zone of this LPA is 7.5m.

Clause 4.8.1.2 allows the permitted maximum external wall height to be increased by 0.5m where there is a variation in ground level of more than one metre. The section below shows the southern end of the site (fronting High Street) is approximately 1.7m higher than the northern end of the site. There is a basis to allow a maximum 8.0m wall height using this clause.



**Image 3:** Cross section of subject site (North to South)

A maximum wall height of 8.0m would therefore be supported as compliant with the heights of LPS4. The proposal seeks an additional 3.3 – 4.2m height (excluding minor projections for the plant equipment).

Element	Requirement	Proposed	Extent of Variation
Wall Height	8m	11.2m - 12.3m	3.2m – 4.3m

As the proposed development exceeds the maximum permitted wall height, the proposal is required to be assessed against clause 4.8.1.1 of LPS4 which states:



*“Where sites contain or are adjacent to buildings that depict a height greater than that specified in the general or specific requirements in schedule 7, Council may vary the maximum height requirements subject to being satisfied in relation to all of the following—*

- (a) the variation would not be detrimental to the amenity of adjoining properties or the locality generally,*
- (b) degree to which the proposed height of external walls effectively graduates the scale between buildings of varying heights within the locality,*
- (c) conservation of the cultural heritage values of buildings on-site and adjoining, and*
- (d) any other relevant matter outlined in Council’s local planning policies.”*

For discretionary assessment under clause 4.8.1.1 to be ‘triggered’, one of the following must occur:

- 1) The subject site must contain a building that depicts a height greater than that specified in the general or specific requirements in schedule 7; or
- 2) The subject site must be adjacent to a building that depicts a height greater than that specified in the general or specific requirements in schedule 7

The applicant has submitted that the following buildings exceed the permitted wall height requirements of schedule 7 and therefore cl 4.8.1.1 can be triggered:

- 160 High Street, Fremantle (known as Dalkeith House)
- 166 High Street, Fremantle being the CBC Gymnasium building
- 185 High Street, Fremantle.

Officers agree that the adjoining building at 160 High Street (Dalkeith House) exceeds the permitted wall height of schedule 7 and thereby triggers an assessment under cl 4.8.1.1 of LPS4. It is however noted that the other two buildings identified by the applicant being No.185 High Street and the CBC Gymnasium are not considered to trigger the clause as the former is located approximately 200m away from the application site and therefore not considered ‘adjacent’, and the Gymnasium is not subject to specific height provisions under LPS4 (being a Community Facility Reserve for a High School) respectively.

Given the above, officers have assessed the proposal in accordance with cl. 4.8.1.1 (a) to (d) and can provide the following comments:

- (a) the variation would not be detrimental to the amenity of adjoining properties or the locality generally*

The amended design has increased the rear (northern) lot boundary setback to 3.0m, which assists in reducing the impact of the bulk and height of the building to the residents to the north/west of the site. The applicant also intends to retain and/or provide additional planting along the rear boundary to further improve this. The orientation of the site is also beneficial in that all overshadowing (at midday on 21 June) will fall within the High Street road reserve rather than onto residential properties.

The proposed building would be the tallest building in the immediate locality, with surrounding properties predominantly a maximum of two storeys. However, the increased rear setback, and improvements to the side and front elevations as per the recommendations of the DAC, minimises the potential impacts on the amenity of neighbouring properties.

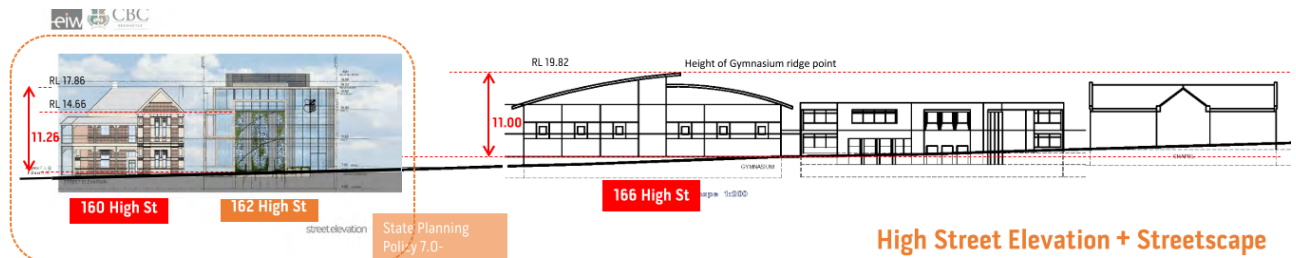
*(b) degree to which the proposed height of external walls effectively graduates the scale between buildings of varying heights within the locality,*

To assist in considering the degree to which the proposal effectively graduates the scale of buildings in the locality the table below depicts overall height and wall heights of the proposed development as well as a number of buildings within the locality within approximately 200m of the subject site:

<b>Address</b>	<b>Building height</b>	<b>Wall height</b>	<b>Relative direction</b>	<b>Distance from site</b>	<b>Zoning</b>
162 High Street (subject site)	11.3 -12.2m (excluding plant)	11.3 – 12.2m	n/a	n/a	Mixed Use
160 High Street (Dalkeith House)	~11.4m	~8.5m	West	Adjacent	Mixed Use
41-51 Ellen Street (sports hall)	~11.0m	~8.0m	East	25m	Community Facility – High School Reserve
41-51 Ellen Street (student services)	~11.5m	~11.5m	East	~150m	Community Facility – High School Reserve

In support of the proposal the applicant has submitted the following streetscape views below (Image 4). The first streetscape view aims to demonstrate that the scale and height of the proposed development is not entirely out of scale with the existing buildings on the northern side of High Street, noting that the subject site sits at the lower end of High Street which slopes up from west to east. It is noted that a single storey building is located between the subject site and the existing CBC gymnasium (not shown in the image below).





**Image 4: High Street Streetscape (West to East)**

Similarly, the second streetscape view (Image 5) aims to demonstrate that the scale and height of the proposed development is not entirely out of scale in relation to the existing height of Dalkeith House immediately adjacent to the subject site. The amended design, including the High Street elevational treatment has been designed to respond to the horizontal emphasis and proportions of Dalkeith House including the ridge line of the existing roof.



**Image 5: High Street Streetscape (West to East)**

Although the above analysis of the existing streetscape is considered to have some merit, the proposed wall height of the development, being slightly above the roof height of Dalkeith House and all the other adjoining buildings on the northern side of High Street, is not considered to not effectively graduate the scale of buildings in the locality as the proposed development will be the tallest building in the locality. The proposed building is four storeys including an auditorium on levels 2 and 3. Because of this, the applicant has been unable to reduce the overall height or increase the setback of the side walls on upper floors which may have assisted in a more 'graduated' appearance. The building is box-like with boundary walls on both the east and west side boundaries, which results in a building which does not have a 'graduated' appearance, and creates a wall height difference of 3.3m to the west (at the High Street frontage), but in excess of 6m to the east which is a single storey building. The proposal is not considered to effectively graduate the scale between buildings of varying heights within the locality. The proposal is therefore inconsistent with the intent of this provision to assist in graduating the scale of existing over height buildings in the locality back towards the desired future scale of buildings as prescribed under the Scheme.

(c) *conservation of the cultural heritage values of buildings on-site and adjoining, and*

The subject site is not individually heritage listed nor is located within a prescribed Heritage Area under LPS4. The site is however located adjacent to a State Registered heritage property being Dalkeith House and as such the potential impact on the heritage significance of this building must be considered. As noted by the Heritage Services Team at DPLH, the amended design, which reduced the overall height of the development and the extent to which the roof projected towards Dalkeith House, is considered to more appropriately respond to the articulation and fenestration of Dalkeith House and as such, is not considered to have an adverse impact on its heritage significance.

*(d) any other relevant matter outlined in Council's local planning policies.*

The proposed development is not subject to any specific Local Planning Policies.

In conclusion, the design has been significantly improved with increased rear lot boundary setbacks, changes to the articulation and materials of the elevations, and increased landscaping. However, in order for Council to vary the height considerations, all four of the above must be met. Despite the much improved design of the proposal, cl 4.8.1.1 (b) is not considered by officers to have been met for the reasons above.

### **Car and Bicycle Parking**

As detailed in the applicant's submission, the proposed development is to operate in conjunction with the existing CBC School Campus located to the east of the subject site. The applicant also confirms that the application does not proposed to increase the number of student enrolments at the CBC Campus. The applicant has advised that 71 car parking bays and numerous bicycle racks are currently provided on the main campus site. The proposed development includes the provision of four (4) car parking bays and 16 bicycle bays in a basement level accessible from High Street.

The application has been considered against the car and bicycle parking requirements for an Education Establishment under LPS4. In accordance with LPS4, the car parking calculation is based on the number of classroom spaces provided and the number of year 12 students. As such, the proposal is determined to require a minimum of three car parking bays (for three classrooms) and therefore deemed to satisfy the minimum requirements of LPS4.

Although the car parking is deemed to satisfy the requirements of LPS4, it is noted that the development has the potential to attract a number of visitors to the building, other than students that already attend the CBC Campus, and a number of adjoining residents/occupants raised their concerns in regard to the lack of available parking in the immediate locality.

It is noted that current site and design constraints, including limited frontage/access from High Street, ramping requirements to access the basement and a water pipe easement across the rear of the site, restrict the ability to lower the basement and also provide any significant amount of on-site car parking.

It is acknowledged that on a normal school day, all-day car parking demands would generally be confined to the needs of staff/teachers and potentially some year 12

students. Therefore the only instances likely to result potential traffic and car parking issues are those where an event is held such as an assembly or theatre production where an audience other than current students is in attendance. In this instance, the school/applicant would be required to provide a detailed management plan to show where vehicles would be expected to park (for example the school has an agreement with the City of Fremantle for overflow parking onto Fremantle Park on certain occasions), and how the influx of patrons would not impact the amenity of residential properties across the road or to the rear, or result in increased traffic pressures on High Street. This requirement could be controlled via a condition of planning approval.

In summary, the development is considered to have an acceptable impact in relation to traffic and car parking for the following reasons:

- The proposed education establishment will be used as an extension of the existing school site. It will be an additional facility but will not result in increased student numbers.
- The main school site provides for significant staff parking, with an additional four bays provided in the basement of the new building.
- Students do not require car bays, and as the number of students will not increase, there is not expected to be an increased demand in car parking.
- Any events that are held in the auditorium that utilise external persons (non-students) will be required to provide a parking management plan to ensure neighbouring residents are not impacted. This process exists for other events on the main school site.
- The subject site is well served by public transport facilities, with bus services available on High Street.

### **Bicycle Parking**

The original proposal included 16 bicycle parking bays in the basement. The amended proposal no longer illustrates these bays on the plan, however the area where the bays were located is still proposed therefore Officers have considered that there is the ability to provided these bays, therefore the Officer's assessment below is still considered appropriate.

<b>Element</b>	<b>Requirement</b>	<b>Proposed</b>	<b>Extent of Variation</b>
Bicycle Parking 1 class 2 per 5 students (200 students)	40	16	24

In addition to the 16 bays provided in the basement of the proposed development, the applicant has provided an assessment of the number of students utilising bicycle bays and a maximum of 40 bicycle bays are used in summer, and 10 in winter, primarily because of the good public transport options available to students.

The applicant advises that additional covered bike racks will be provided on the main campus, and that the new building is not intended to be the first destination for students. They will attend classrooms on the main campus with certain classes walked to the new

building as required. Start and end of the day will usually be on the main site, where the existing (and new) bicycle bays are provided.

Given the above, the shortfall of bicycle bays is considered supportable in this instance.

### **Design Advisory Committee**

The proposal was referred to the Design Advisory Committee (DAC) for comment as to the proposed development being 11m or three storeys in height (or greater) in any zone other than Residential or Industrial zones (Local Planning Policy 1.9 – Design Advisory Committee and Principles of Design).

The proposal was presented to the DAC on 12 October 2020 and 11 January 2021.

At its meeting held on 12 October 2020 the Panel made the following comment regarding to proposed development:

*The proposal was considered to demonstrate the following strengths, which the panel encouraged the applicant to continue to carry through in any future amendments of the design:*

- *The proposed car park is recessed and is largely screened from the public domain.*
- *The design and fenestration of the northern elevation respectfully takes its cues from the adjoining Dalkeith House.*
- *The proposed minor setbacks in the east and west elevations offer the opportunity to introduce light, ventilation and fenestration into the facades.*
- *The bulk and scale of the proposal is generally considered appropriate within its context by the Panel.*
- *The proposed education use auditorium space adds diversity to the location whilst complementing the main CBC Campus.*

*The Panel encouraged the applicant to amend the proposal to improve the developments engagement with the immediate locality particularly High Street, enhance the external treatment of the building and investigate further opportunities to include greater student amenities. In particular the Panel encouraged the applicant to consider the following:*

- *Consideration should be given to relocating the car parking spaces to a full underground level to release the opportunity for a less constrained ground floor design which can interact with, and be on the same level as, the streetscape.*
- *Subject to comments from City Officers, consideration could be given to relocating the cars off-site in a reciprocal arrangement with the main campus.*
- *Consider revising the layout and function of the ground floor level to create a larger, more generous and legible main entry that complements the auditorium space and the ability to interact with the streetscape.*
- *Consider relocating the WC's/amenities from the front facade to allow active spaces to interact with the street and provide passive surveillance.*
- *Reconsider the proposed elevational treatments to the east, west, and north to the same level as the considerations given to the design of the southern elevation, which takes cues from the immediate locality and adjoining state heritage building.*

- *Consider the opportunity for breakout spaces to support the adjacent learning spaces.*

In response to the DAC's comments, the applicant submitted amended plans on 21 December 2020 including the following:

- Modified internal layout to ensure more activation of the front elevation and engagement with the street, including improved circulation space
- Reduced building height by lowering the basement level and reduced ceiling heights of other levels
- Changes to the design including:
  - Increased lot boundary setbacks (to the north and west)
  - Tree retention (northern side)
  - Changed materials
  - Increased the number/size of openings
  - Introduced lightwells along the east and west boundaries to improve internal natural light
  - Improved landscaping to front elevation
  - Addition of 'green wall' to front elevation

The amended plans were considered by the DAC at its meeting held on 11 January 2021, where the DAC provided the following comments (Minutes reproduced below):

#### **WHAT ARE THE STRENGTHS**

*The amended proposal was considered to demonstrate the following strengths, which should continue to carry through in any future amendments of the design:*

- *The proposed amendments, specially the reduction in height of the ground floor level, results in an enhanced and improved ground floor streetscape condition.*
- *Enhanced visual permeability has been achieved through the relocation of the amenities from the front facade to an internalised and central location.*
- *Further planning refinements have resulted in a clearer and more legible sequence of spaces as well as the co-location of circulation and break-out spaces which have the capacity to better interact with learnings areas and the auditorium.*
- *The approach to facade proportion as a way of mediating the bulk and scale between the existing heritage building and the new build is supported, however the Panel acknowledge that the amended plans have been re-referred to the State Heritage Office.*
- *The driveway has been successfully set back and the built form over the driveway reads as a smaller volume with a successful glazed element adjacent to the heritage building.*
- *The driveway is also a single lane width which successfully minimises the impact of a vehicular cross-over on the public domain.*
- *The enhanced northern boundary set back is a positive improvement and has successfully resulted in tree retention.*
- *Modestly scaled light-wells have the capacity to add a sense of light and space to the deeper plan areas.*
- *Materiality, articulation and reveals in flank walls have the capacity to add texture scale, detail and modelling to the appearance of the facade.*

- *A top floor generous balcony and outdoor space is oriented towards the street and assists with creating a vibrant and engaged streetscape.*

### CABE DESIGN PRINCIPLES

#### *CHARACTER (A place with its own identity)*

- *Whilst the ground floor level has been further reduced there remains a concerning disconnect between the ground floor and the public domain creating congestion and inefficiency at the building entry and creating the sense of a detached building within its context.*
- *Whilst the green wall is supported there is some concern in relation to its viability given its southern orientation and the limited soil depth available.*
- *The majority of the High Street façade demonstrates a controlled and well-proportioned design. The western side of the façade could be refined further to achieve the same outcome.*

#### *CONTINUITY AND ENCLOSURE (A place where public and private spaces are clearly distinguished)*

- *Access to and security for the basement parking area remain unclear.*

#### *EASE OF MOVEMENT (A place that is easy to get to and move through) and LEGIBILITY, ADAPTABILITY, DIVERSITY (A place that is easy to navigate, a place that can change, a place with variety and choice, is easy to navigate)*

- *The proposed planters immediately adjacent to the entry serve to separate the entry from the streetscape and compromise legibility.*
- *The Main Street entry lobby remains ungenerous given the quantum of people expected to enter and egress under normal operations. The small flight of stairs resolving the street level with the ground floor level is of particular concern creating a circulation 'pinch point'.*
- *An ESD narrative remains absent. Given this building will be owned, occupied and operated by the client there remains a real potential to explore low energy and resource design strategies to mitigate operational and lifecycle cost.*
- *It is not clear how bicycles will access the bicycle bays in the basement safely and conveniently.*

#### *HOW CAN THE PROPOSAL BE IMPROVED*

- *The applicant is strongly encouraged to reduce the basement level further to allow the ground floor to engage directly with the street. This modification will benefit the development to further enhance the streetscape and assist to solve the potential congestion associated with the entry lobby and narrow flight of stairs.*
- *Removing the planters directly adjacent to the building entry will assist with entry generosity and legibility and may provide the opportunity to consider seating.*
- *Refine the treatment and pallet of materials for the western side of the High Street elevation to reflect the control and well proportioned design of the rest of the façade.*

- *The applicant is encouraged to engage a landscape design professional to review green wall design and viability.*
- *The applicant is encouraged to engage an ESD professional to evaluate sustainability initiatives that could reduce life-cycle and operation costs as well as improved indoor environment quality. Initiative could include, but not be limited to, mixed-mode natural ventilation, PV's and current or future provision for battery location.*

### **RECOMMENDATION**

*The Design Advisory Committee, having considered the revised proposal for 162 High Street, Fremantle, supports the design improvements to the development and invites the applicant to consider further amending the proposal to:*

- 1. Further enhance the streetscape and the legibility and generosity of the ground floor level by reducing the basement level further and removing the planters directly adjacent to the building entry.*
- 2. Refine the treatment and pallet of materials for the western side of the High Street elevation to reflect the control and well proportioned design of the rest of the façade.*

In response to the final recommendation of the DAC, the applicant advised that the basement level was dropped by 250mm, with the building and floor levels of the other levels also reduced in height by reducing internal ceiling heights in response to the first DAC meetings comments, however due to the existing sewer easement constraint along the rear of the site, it was not possible to lower the basement (or overall height) any further. In addition to this the amended proposal, dated 7 May is considered to improve both the street legibility and ground level generosity as well as improving the treatment of the street façade adjacent to Dalkeith House, to be more consistent with the treatment of the rest of the facade.

It is considered that the proposed development presents an acceptable design quality in accordance with SPP7.0 Design of the Built Environment and the CABA principles of good design, subject to the submission of final details of the proposed materials, finishes and landscaping details to ensure that the quality of the development is carried through to construction.

### **ADDITIONAL OFFICERS COMMENT**

The application was referred to Planning Committee on 7 April 2021, where the Committee resolved to defer the application and invite the applicant to submit amended plans that:

- Minimise the impact of the street setback and boundary walls on the High Street streetscape and public realm
- Minimise the impact on the setting of Dalkeith House
- Reduce the overall bulk and scale of the development





**Image 6:** Plans presented to Planning Committee in April



**Image 7:** Amended Plans received in response to the Committee's deferral.

In response to the Committee's deferral, amended plans have been provided, with the applicant providing the following summary in support of the changes to address the above points.

Design Element to be reviewed	Elevations have been modified to provide both the articulation and response to the comments made by the Planning Committee.
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	<p>The design features a 1.5m setback on the western side, which has been treated with more articulation.</p> <p>Both side elevations provide more articulation, recognising the visibility of side setbacks and their contributions to the streetscape.</p> <p>The front setback of the building has been setback substantially, picking up on cues from the school gym and Dalkeith House.</p> <p>The entrance level has been lowered to RL 7.27 from 7.90. This allows stepless entry and consequently reduced the impact of the front elevation on the streetscape, and also increases the opportunity to gather outside the building entrance without impacting the adjacent footpath, whilst increasing the provision of landscaping.</p>
Minimising the impact on the setting of Dalkeith House	<p>The building has been set back further, variously aligning with the front building setbacks of the school gym building (4.0m) and Dalkeith House (3.42m).</p> <p>Further detailed articulation and architectural resolution has been achieved with building elements on the western side of the front elevation, enhancing the relationship with Dalkeith House.</p> <p>The proposed building retains a distinctive contemporary architectural style, subtly repeating key elements of the architecture of Dalkeith House while being careful to avoid pastiche and mimicry.</p>
Reduce the overall bulk and scale of the development	<p>A number of design elements address the actual and perceived bulk and scale of the development, as mentioned above, including:</p> <ul style="list-style-type: none"> <li>• Increased front setback in keeping with the setbacks of Dalkeith House and the school gym.</li> <li>• Modifications to side elevations and setback treatments to provide articulation and break up massing.</li> <li>• Additional attention to the front elevation and its composition to reduce perceived bulk.</li> <li>• By changing the building disposition and increasing the building setback, the entrance to the building has been lowered, providing a more engaging opportunity for activation at a</li> </ul>

	human scale, reducing perceived mass of the building, especially for pedestrians.
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In summary, the changes comprise of the following:

- Increased street setback from High Street from 1.35m to 3.4m – 4.0m
- Decreased rear setback from 3.0m to between 1.5m – 2.7m
- Increased western boundary setback for levels 2 and 3
- Increased landscaping on the High Street elevation/within street setback area
- Further articulation of the elevations by a range of increased setbacks, increased depth, use of materials and finishes.
- Internal layout reconfiguration

The amended proposal is not considered to alter the discretionary assessment for land use, overall building height or car and bicycle provision as discussed in the report above.

Officers are of the view that the proposed amendments adequately address the design elements and areas of concern as raised by the Committee as detailed in the reason for deferral.

The increased street setback reduces the dominance of the building bulk on the High Street public realm, consistent with the setback of Dalkeith House and the existing CBC Gym. The setback also provides additional circulation and gathering space in front of the building which is also considered an improvement given the expected use of the building and the narrow High Street footpath. The setback is also considered to reduce any impact on Dalkeith House by setting it back in line with the existing building.

The additional setback to portions of the building from the western boundary and the design changes to add further articulation and interest to each of the facades is also considered to appropriately mitigate the bulk and scale of the development. Officers acknowledge that the Planning Committee did not explicitly refer to a reduction in building height as part of the amendments the applicant was requested to consider in the Committee's deferral resolution of 7 April. Because no amendment to building height was specifically requested by the Committee or has been made for any other reason, officers' assessment of height against the provisions of LPS4 has remained unchanged on grounds of consistency.

Notwithstanding the officers' assessment, if the Committee is of the view that the proposed height is comparable to the height of the adjacent property and is generally consistent with heights within the nearby school campus and the two-storey Victorian era dwellings to the rear on Ellen Street and the amended proposal address their concerns about bulk and scale, an alternative recommendation to approve the amended application (with relevant conditions) could be considered appropriate. Suggested wording is provided below:

**APPROVE**, under the Metropolitan Region Scheme and Local Planning Scheme No. 4, the Four Storey Education Establishment at No. 162 High Street (Lot 464), Fremantle, subject to the following conditions:

1. This approval relates only to the development as indicated on the approved plans dated 7 May 2021. It does not relate to any other development on this lot and must substantially commence within 4 years from the date of the decision letter.
2. All storm water discharge shall be contained and disposed of on-site unless otherwise approved by the City of Fremantle.
3. Prior to the issue of a building permit for the development hereby approved, storm water disposal plans, details and calculations must be submitted for approval by the City of Fremantle and thereafter implemented, constructed and maintained to the satisfaction of the City of Fremantle.
4. The approved development shall be wholly located within the cadastral boundaries of the subject site including any footing details of the development, to the satisfaction of the City of Fremantle.
5. This development approval does not relate to any works within the road reserve.
6. Prior to the issue of a Building Permit for the development hereby approved, final details of the external materials, colours and finishes of the proposed development, including a physical sample board or materials is to be submitted and approved to the satisfaction of the City of Fremantle, on the advice of the City's Design Advisory Committee.
7. Prior to the issue of a Building Permit for the development hereby approved, 16 Class 2 or Class 3, as defined in LPS4, bicycle racks shall be provided, to the satisfaction of the City of Fremantle. Prior to occupation of the development the approved bicycle racks must be installed and thereafter be maintained for the life of the development, to the satisfaction of the City of Fremantle.
8. Prior to the issue of a Building Permit for the development hereby approved, the applicant is to submit, and have approved to the satisfaction of the City of Fremantle, a detailed parking plan design which complies with the Australian Standard AS/NZS 2890 and AS/NZS 1428, including parking bays, aisle widths, circulation areas, driveway/s and points of ingress and egress.
9. Prior to the issue of a building permit a dilapidation survey of 160 High Street, Fremantle (Dalkeith House) shall be prepared and submitted to the satisfaction of the City of Fremantle, on the advice of the Heritage Services Team at Department of Planning, Lands and Heritage.
10. Prior to the commencement of works, the applicant/owner is to submit a report, outlining an approach to monitor any structural movement and vibration impacts at the adjoining property at 160 High Street, Fremantle (Dalkeith House) that may result from excavation of the subject site and construction of the subject development. The report is to also include a process to immediately notify the Heritage Services Team at Department of Planning, Lands and Heritage if any impact occurs and the steps to be taken to rectify any such impacts. The report is to be submitted to the satisfaction of the City of Fremantle, on the advice of the Heritage Services Team at Department of Planning, Lands and Heritage.

11. Prior to issue of a building permit of the development hereby approved, the owner is to submit a waste management plan for approval by the City, detailing at a minimum the following:
  - Estimated waste generation
  - Proposed storage of receptacles
  - Collection methodology for waste
  - Additional management requirements to be implemented and maintained for the life of the development.

The waste management plan should give consideration to the fact the City is required to manage residential waste. As a result, the waste management plan will need to align with the waste services available to residents. The Waste Management Plan must be implemented at all times to the satisfaction of the City of Fremantle.
12. Prior to the occupation of the development hereby approved, vehicle crossovers shall be constructed to the City's specification and thereafter maintained to the satisfaction of the City of Fremantle.
13. Prior to the occupation of the development hereby approved, any redundant crossovers shall be removed and the verge and kerbing reinstated to the City's specifications, at the expense of the applicant and to the satisfaction of the City of Fremantle.
14. Prior to the issue of a building permit, a detailed landscaping plan, including information relating to species selection, reticulation, details of existing vegetation to be retained, and treatment of landscaped surfaces (i.e. mulch, lawn, synthetic grass etc), shall be submitted to and approved by the City of Fremantle.
15. Prior to the issue of a building permit, the applicant/owner is to submit a copy of documentation from the Green Building Council of Australia or a suitably qualified professional stating how the development will achieve a Green Star rating of at least 4 Stars or equivalent, to the satisfaction of the City of Fremantle.
16. Prior to occupation, the applicant/owner is to submit a copy of documentation from the Green Building Council of Australia or a suitably qualified professional stating that the development as constructed achieves a Green Star rating of at least 4 Stars or equivalent, to the satisfaction of the City of Fremantle.
17. Prior to the occupation/ or issue of a building permit for the development hereby approved, the owner shall contribute a monetary amount equal in value to one percent of the estimated development cost, as indicated on the Form of Application for Planning Approval, to the City of Fremantle for development of public art works and/or heritage works to enhance the public realm in accordance with LPP 2.19: Contributions for Public Art and/or Heritage Works and to the satisfaction of the City of Fremantle. Based on the estimated cost of the development being \$5,750,000 the contribution to be made is \$57,500.
18. Prior to the issue of a Building Permit for the development hereby approved, the design and materials of the development shall adhere to the requirements set out

within City of Fremantle policy L.P.P2.3 - Fremantle Port Buffer Area Development Guidelines for properties contained within Area 2. Specifically, the development shall provide the following:

- i) Glazing to windows and other openings shall be laminated safety glass of minimum thickness of 6mm or “double glazed” utilising laminated or toughened safety glass of a minimum thickness of 3mm.
- ii) Air conditioners shall provide internal centrally located ‘shut down’ points and associated procedures for emergency use.
- iii) Roof insulation in accordance with the requirements of the Building Codes of Australia.

19. Prior to the issue of a Building Permit for the development hereby approved, all piped, ducted and wired services, air conditioners, hot water systems, water storage tanks, service meters and bin storage areas must be located to minimise any visual and noise impact on the occupants of nearby properties and screened from view from the street. Design plans for the location, materials and construction for screening of any proposed external building plant must be submitted to and approved by the City of Fremantle.

20. Prior to the issue of a Building Permit for the development hereby approved, a Construction Management Plan shall be submitted and approved, to the satisfaction of the City of Fremantle addressing, but not limited to, the following matters:

- a) Use of City car parking bays for construction related activities;
- b) Protection of infrastructure and street trees within the road reserve;
- c) Security fencing around construction sites;
- d) Gantries;
- e) Access to site by construction vehicles;
- f) Contact details;
- g) Site offices;
- h) Noise – construction work and deliveries;
- i) Sand drift and dust management;
- j) Waste management;
- k) Dewatering management plan;
- l) Traffic management; and
- m) Works affecting pedestrian areas

The approved Construction Management Plan shall be adhered to throughout the construction of the new development.

#### ADVICE NOTE(S):

- i. A Building permit is required for the proposed Building Works. A certified BA1 application form must be submitted and a Certificate of Design Compliance (issued by a Registered Building Surveyor Contractor in the private sector) must be submitted with the BA1.
- ii. Prior to commencement of development, an arborcultural report shall be undertaken of the existing tree within the site, as shown on the approved plans, to determine its health and viability to retain due to construction constraints, and shall then be protected through the implementation of a Tree Protection Zone for

protection during construction. Additional information with regard to the tree protection zone requirements can be found here:

<https://www.fremantle.wa.gov.au/residents/trees-and-verges>.

- iii. The proponent must make application to Environmental Health Services via Form 1 - *Application to construct, alter or extend a public building* as a requirement of the Health (Public Buildings) Regulations 1992. Once construction has been completed, make application to Environmental Health Services via Form 2 - *Application for a public building certificate*. For further information and a copy of the application form contact Environmental Health Services on 9432 9856 or via [health@fremantle.wa.gov.au](mailto:health@fremantle.wa.gov.au).
- iv. If construction works involve the emission of noise above the assigned levels in the Environmental Protection (Noise) Regulations 1997, they should only occur on Monday to Saturday between 7.00 am and 7.00 pm (excluding public holidays). In instances where such construction work needs to be performed outside these hours, an Application for Approval of a Noise Management Plan must be submitted to the City of Fremantle Environmental Health Services for approval at least 7 days before construction can commence.
- v. In relation to the condition relating to the public art contribution, the applicant is advised that Council may waive the requirement for the public art/heritage work contribution in accordance with clause 6 of LPP 2.19 where the development incorporates public art in the development to the same value as that specified in Condition 17 that is located in a position clearly visible to the general public on the site of the development. Should artwork be incorporated in the development a public art strategy for the site must be submitted to and approved prior to the issue of a Building Permit, to the satisfaction of the City of Fremantle. Please contact the City's Public Arts Coordinator on 9432 9999 for further information on this process. Prior to occupation of the development, the approved artwork must be installed and thereafter maintained to the satisfaction of the City of Fremantle. In determining the appropriateness and artistic merit of the public art, council shall seek relevant professional advice.
- vi. The applicant is advised that a crossover permit must be obtained from the City's Engineering Department. New/modified crossover(s) shall comply with the City's standard for crossovers, which are available on the City of Fremantle's web site.
- vii. This approval does not authorise the removal or modification of verge infrastructure and/or verge trees within the verge area. Written approval is to be obtained for removal or modification of verge infrastructure and/or verge trees within the verge area from the relevant City of Fremantle department or relevant service authority, before construction commences. Please refer to the City's Tree Planting and Vehicle Crossings Policies (SG28 and MD0015) for further information.
- viii. The applicant is advised that any signage may be subject to a separate application for planning approval.

## **CONCLUSION**

It is acknowledged that the applicant has made substantial effort to improve the design of the development further to discussions at the DAC, and after advertising to adjoining properties and in response to the Committee's deferral. The increased front setback helps to ameliorate the impact of the four storey building on the High Street public realm and adjoining properties.

As the amended proposal does not specifically address the Officer's assessment against the building height provisions of LPS4, the proposal is still not considered to satisfy the test of effectively graduating the scale between buildings of varying heights within the locality for the reasons discussed in the original assessment above. As such, the application is still recommended, on balance, for refusal. Should the Committee be satisfied that the amended development design addresses their previous concerns, an alternative approval recommendation is provided as discussed above.

## **STRATEGIC IMPLICATIONS**

Nil

## **FINANCIAL IMPLICATIONS**

Nil

## **LEGAL IMPLICATIONS**

Nil

## **OFFICER'S RECOMMENDATION**

**Moved: Cr Bryn Jones**

**Seconded: Nil**

Council:

REFUSE, under the Metropolitan Region Scheme and Local Planning Scheme No. 4, the Four Storey Educational Establishment Building at No. 162 (Lot 464) High Street, Fremantle, as detailed on plans dated 7 May 2021, for the following reasons:

1. The proposal is inconsistent with the requirements of the City of Fremantle Local Planning Scheme No. 4 in respect to building height requirements of Local Planning Area 2 and does not satisfy the discretionary criteria of clause 4.8.1.1(b).

**Lapsed due to lack of seconder**

## **ALTERNATIVE RECOMMENDATION**

**Moved by Cr Jones**

**Seconded Cr Sullivan**

APPROVE, under the Metropolitan Region Scheme and Local Planning Scheme No. 4, the Four Storey Education Establishment at No. 162 High Street (Lot 464), Fremantle, subject to the following conditions:

1. This approval relates only to the development as indicated on the approved plans dated 7 May 2021. It does not relate to any other development on this lot and must substantially commence within 4 years from the date of the decision letter.
2. All storm water discharge shall be contained and disposed of on-site unless otherwise approved by the City of Fremantle.
3. Prior to the issue of a building permit for the development hereby approved, storm water disposal plans, details and calculations must be submitted for approval by the City of Fremantle and thereafter implemented, constructed and maintained to the satisfaction of the City of Fremantle.
4. The approved development shall be wholly located within the cadastral boundaries of the subject site including any footing details of the development, to the satisfaction of the City of Fremantle.
5. This development approval does not relate to any works within the road reserve.
6. Prior to the issue of a Building Permit for the development hereby approved, final details of the external materials, colours and finishes of the proposed development, including a physical sample board or materials is to be submitted and approved to the satisfaction of the City of Fremantle, on the advice of the City's Design Advisory Committee.
7. Prior to the issue of a Building Permit for the development hereby approved, 16 Class 2 or Class 3, as defined in LPS4, bicycle racks shall be provided, to the satisfaction of the City of Fremantle. Prior to occupation of the development the approved bicycle racks must be installed and thereafter be maintained for the life of the development, to the satisfaction of the City of Fremantle.
8. Prior to the issue of a Building Permit for the development hereby approved, the applicant is to submit, and have approved to the satisfaction of the City of Fremantle, a detailed parking plan design which complies with the Australian Standard AS/NZS 2890 and AS/NZS 1428, including parking bays, aisle widths, circulation areas, driveway/s and points of ingress and egress.
9. Prior to the issue of a building permit a dilapidation survey of 160 High Street, Fremantle (Dalkeith House) shall be prepared and submitted to the satisfaction of the City of Fremantle, on the advice of the Heritage Services Team at Department of Planning, Lands and Heritage.



10. Prior to the commencement of works, the applicant/owner is to submit a report, outlining an approach to monitor any structural movement and vibration impacts at the adjoining property at 160 High Street, Fremantle (Dalkeith House) that may result from excavation of the subject site and construction of the subject development. The report is to also include a process to immediately notify the Heritage Services Team at Department of Planning, Lands and Heritage if any impact occurs and the steps to be taken to rectify any such impacts. The report is to be submitted to the satisfaction of the City of Fremantle, on the advice of the Heritage Services Team at Department of Planning, Lands and Heritage.
11. Prior to issue of a building permit of the development hereby approved, the owner is to submit a waste management plan for approval by the City, detailing at a minimum the following:
  - Estimated waste generation
  - Proposed storage of receptacles
  - Collection methodology for waste
  - Additional management requirements to be implemented and maintained for the life of the development.The waste management plan should give consideration to the fact the City is required to manage residential waste. As a result, the waste management plan will need to align with the waste services available to residents. The Waste Management Plan must be implemented at all times to the satisfaction of the City of Fremantle.
12. Prior to the occupation of the development hereby approved, vehicle crossovers shall be constructed to the City's specification and thereafter maintained to the satisfaction of the City of Fremantle.
13. Prior to the occupation of the development hereby approved, any redundant crossovers shall be removed and the verge and kerbing reinstated to the City's specifications, at the expense of the applicant and to the satisfaction of the City of Fremantle.
14. Prior to the issue of a building permit, a detailed landscaping plan, including information relating to species selection, reticulation, details of existing vegetation to be retained, and treatment of landscaped surfaces (i.e. mulch, lawn, synthetic grass etc), shall be submitted to and approved by the City of Fremantle.
15. Prior to the issue of a building permit, the applicant/owner is to submit a copy of documentation from the Green Building Council of Australia or a suitably qualified professional stating how the development will achieve a Green Star rating of at least 4 Stars or equivalent, to the satisfaction of the City of Fremantle.
16. Prior to occupation, the applicant/owner is to submit a copy of documentation from the Green Building Council of Australia or a suitably qualified professional stating that the development as constructed achieves a Green Star rating of at least 4 Stars or equivalent, to the satisfaction of the City of Fremantle.

17. Prior to the occupation/ or issue of a building permit for the development hereby approved, the owner shall contribute a monetary amount equal in value to one percent of the estimated development cost, as indicated on the Form of Application for Planning Approval, to the City of Fremantle for development of public art works and/or heritage works to enhance the public realm in accordance with LPP 2.19: Contributions for Public Art and/or Heritage Works and to the satisfaction of the City of Fremantle. Based on the estimated cost of the development being \$5,750,000 the contribution to be made is \$57,500.
18. Prior to the issue of a Building Permit for the development hereby approved, the design and materials of the development shall adhere to the requirements set out within City of Fremantle policy L.P.P2.3 - Fremantle Port Buffer Area Development Guidelines for properties contained within Area 2. Specifically, the development shall provide the following:
- i) Glazing to windows and other openings shall be laminated safety glass of minimum thickness of 6mm or “double glazed” utilising laminated or toughened safety glass of a minimum thickness of 3mm.
  - ii) Air conditioners shall provide internal centrally located ‘shut down’ points and associated procedures for emergency use.
  - iii) Roof insulation in accordance with the requirements of the Building Codes of Australia.
19. Prior to the issue of a Building Permit for the development hereby approved, all piped, ducted and wired services, air conditioners, hot water systems, water storage tanks, service meters and bin storage areas must be located to minimise any visual and noise impact on the occupants of nearby properties and screened from view from the street. Design plans for the location, materials and construction for screening of any proposed external building plant must be submitted to and approved by the City of Fremantle.
20. Prior to the issue of a Building Permit for the development hereby approved, a Construction Management Plan shall be submitted and approved, to the satisfaction of the City of Fremantle addressing, but not limited to, the following matters:
- a) Use of City car parking bays for construction related activities;
  - b) Protection of infrastructure and street trees within the road reserve;
  - c) Security fencing around construction sites;
  - d) Gantries;
  - e) Access to site by construction vehicles;
  - f) Contact details;
  - g) Site offices;
  - h) Noise – construction work and deliveries;
  - i) Sand drift and dust management;
  - j) Waste management;
  - k) Dewatering management plan;
  - l) Traffic management; and
  - m) Works affecting pedestrian areas
- The approved Construction Management Plan shall be adhered to throughout the construction of the new development.

ADVICE NOTE(S):

- i. A Building permit is required for the proposed Building Works. A certified BA1 application form must be submitted and a Certificate of Design Compliance (issued by a Registered Building Surveyor Contractor in the private sector) must be submitted with the BA1.
- ii. Prior to commencement of development, an arborcultural report shall be undertaken of the existing tree within the site, as shown on the approved plans, to determine its health and viability to retain due to construction constraints, and shall then be protected through the implementation of a Tree Protection Zone for protection during construction. Additional information with regard to the tree protection zone requirements can be found here:  
<https://www.fremantle.wa.gov.au/residents/trees-and-verges>.
- iii. The proponent must make application to Environmental Health Services via Form 1 - *Application to construct, alter or extend a public building* as a requirement of the Health (Public Buildings) Regulations 1992. Once construction has been completed, make application to Environmental Health Services via Form 2 - *Application for a public building certificate*. For further information and a copy of the application form contact Environmental Health Services on 9432 9856 or via [health@fremantle.wa.gov.au](mailto:health@fremantle.wa.gov.au).
- iv. If construction works involve the emission of noise above the assigned levels in the Environmental Protection (Noise) Regulations 1997, they should only occur on Monday to Saturday between 7.00 am and 7.00 pm (excluding public holidays). In instances where such construction work needs to be performed outside these hours, an Application for Approval of a Noise Management Plan must be submitted to the City of Fremantle Environmental Health Services for approval at least 7 days before construction can commence.
- v. In relation to the condition relating to the public art contribution, the applicant is advised that Council may waive the requirement for the public art/heritage work contribution in accordance with clause 6 of LPP 2.19 where the development incorporates public art in the development to the same value as that specified in Condition 17 that is located in a position clearly visible to the general public on the site of the development. Should artwork be incorporated in the development a public art strategy for the site must be submitted to and approved prior to the issue of a Building Permit, to the satisfaction of the City of Fremantle. Please contact the City's Public Arts Coordinator on 9432 9999 for further information on this process. Prior to occupation of the development, the approved artwork must be installed and thereafter maintained to the satisfaction of the City of Fremantle. In determining the appropriateness and artistic merit of the public art, council shall seek relevant professional advice.
- vi. The applicant is advised that a crossover permit must be obtained from the City's Engineering Department. New/modified crossover(s) shall comply with the City's standard for crossovers, which are available on the City of Fremantle's web site.

- vii. This approval does not authorise the removal or modification of verge infrastructure and/or verge trees within the verge area. Written approval is to be obtained for removal or modification of verge infrastructure and/or verge trees within the verge area from the relevant City of Fremantle department or relevant service authority, before construction commences. Please refer to the City's Tree Planting and Vehicle Crossings Policies (SG28 and MD0015) for further information.
- viii. The applicant is advised that any signage may be subject to a separate application for planning approval.

### **AMENDMENT 1**

**Moved: Cr Bryn Jones**

**Seconded: Cr Rachel Pemberton**

**Amend condition 9 to read as follows:**

- 9. Prior to the ~~issue of a building permit~~ **commencement of works**, a dilapidation survey of 160 High Street, Fremantle (Dalkeith House) shall be prepared and submitted to the satisfaction of the City of Fremantle, on the advice of the Heritage Services Team at Department of Planning, Lands and Heritage.

**Amendment carried: 7/0**

**Cr Bryn Jones, Cr Geoff Graham, Cr Andrew Sullivan,  
Cr Su Groome, Cr Rachel Pemberton, Cr Frank Mofflin, Cr Marija Vujcic**

### **AMENDMENT 2**

**Moved: Cr Andrew Sullivan**

**Seconded: Cr Su Groome**

**Add a condition 21, to read as follows:**

- 21. Prior to the issue of a building permit, the wall of the southern elevation of the third floor level, west of the terrace, is to be setback a minimum of 9 metres from the High Street boundary, to the satisfaction of the City of Fremantle.

**Amendment carried: 4/3**

**For**  
**Cr Bryn Jones, Cr Andrew Sullivan, Cr Su Groome, Cr Rachel Pemberton,**  
**Against**  
**Cr Geoff Graham, Cr Frank Mofflin, Cr Marija Vujcic**

### **AMENDMENT 3**

**Moved: Cr Rachel Pemberton**

**Seconded: Cr Andrew Sullivan**

**Add an Additional condition 22 to read as follows:**

- 22. Prior to the issue of a Building Permit, a Parking Management Plan detailing the availability of car parking in the immediate area, including the provision of car parking on the main CBC Campus, including measures to make visitors of the development aware of the availability of and access to and from these bays is to be submitted and approved to the satisfaction of the City of Fremantle.**

**Amendment carried: 7/0**

**Cr Bryn Jones, Cr Geoff Graham, Cr Andrew Sullivan,  
Cr Su Groome, Cr Rachel Pemberton, Cr Frank Mofflin, Cr Marija Vujcic**

### **COMMITTEE RECOMMENDATION ITEM PC2106-1** **(Amended officer's recommendation)**

**Moved: Cr Bryn Jones**

**Seconded: Cr Andrew Sullivan**

**APPROVE, under the Metropolitan Region Scheme and Local Planning Scheme No. 4, the Four Storey Education Establishment at No. 162 High Street (Lot 464), Fremantle, subject to the following conditions:**

- 1. This approval relates only to the development as indicated on the approved plans dated 7 May 2021. It does not relate to any other development on this lot and must substantially commence within 4 years from the date of the decision letter.**
- 2. All storm water discharge shall be contained and disposed of on-site unless otherwise approved by the City of Fremantle.**
- 3. Prior to the issue of a building permit for the development hereby approved, storm water disposal plans, details and calculations must be submitted for approval by the City of Fremantle and thereafter implemented, constructed and maintained to the satisfaction of the City of Fremantle.**
- 4. The approved development shall be wholly located within the cadastral boundaries of the subject site including any footing details of the development, to the satisfaction of the City of Fremantle.**
- 5. This development approval does not relate to any works within the road reserve.**
- 6. Prior to the issue of a Building Permit for the development hereby approved, final details of the external materials, colours and finishes of the proposed**

development, including a physical sample board or materials is to be submitted and approved to the satisfaction of the City of Fremantle, on the advice of the City's Design Advisory Committee.

7. Prior to the issue of a Building Permit for the development hereby approved, 16 Class 2 or Class 3, as defined in LPS4, bicycle racks shall be provided, to the satisfaction of the City of Fremantle. Prior to occupation of the development the approved bicycle racks must be installed and thereafter be maintained for the life of the development, to the satisfaction of the City of Fremantle.
8. Prior to the issue of a Building Permit for the development hereby approved, the applicant is to submit, and have approved to the satisfaction of the City of Fremantle, a detailed parking plan design which complies with the Australian Standard AS/NZS 2890 and AS/NZS 1428, including parking bays, aisle widths, circulation areas, driveway/s and points of ingress and egress.
9. Prior to *commencement of works* a dilapidation survey of 160 High Street, Fremantle (Dalkeith House) shall be prepared and submitted to the satisfaction of the City of Fremantle, on the advice of the Heritage Services Team at Department of Planning, Lands and Heritage.
10. Prior to the commencement of works, the applicant/owner is to submit a report, outlining an approach to monitor any structural movement and vibration impacts at the adjoining property at 160 High Street, Fremantle (Dalkeith House) that may result from excavation of the subject site and construction of the subject development. The report is to also include a process to immediately notify the Heritage Services Team at Department of Planning, Lands and Heritage if any impact occurs and the steps to be taken to rectify any such impacts. The report is to be submitted to the satisfaction of the City of Fremantle, on the advice of the Heritage Services Team at Department of Planning, Lands and Heritage.
11. Prior to issue of a building permit of the development hereby approved, the owner is to submit a waste management plan for approval by the City, detailing at a minimum the following:
  - Estimated waste generation
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  - Additional management requirements to be implemented and maintained for the life of the development.The waste management plan should give consideration to the fact the City is required to manage residential waste. As a result, the waste management plan will need to align with the waste services available to residents. The Waste Management Plan must be implemented at all times to the satisfaction of the City of Fremantle.
12. Prior to the occupation of the development hereby approved, vehicle crossovers shall be constructed to the City's specification and thereafter maintained to the satisfaction of the City of Fremantle.

13. Prior to the occupation of the development hereby approved, any redundant crossovers shall be removed and the verge and kerbing reinstated to the City's specifications, at the expense of the applicant and to the satisfaction of the City of Fremantle.
14. Prior to the issue of a building permit, a detailed landscaping plan, including information relating to species selection, reticulation, details of existing vegetation to be retained, and treatment of landscaped surfaces (i.e. mulch, lawn, synthetic grass etc), shall be submitted to and approved by the City of Fremantle.
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16. Prior to occupation, the applicant/owner is to submit a copy of documentation from the Green Building Council of Australia or a suitably qualified professional stating that the development as constructed achieves a Green Star rating of at least 4 Stars or equivalent, to the satisfaction of the City of Fremantle.
17. Prior to the occupation/ or issue of a building permit for the development hereby approved, the owner shall contribute a monetary amount equal in value to one percent of the estimated development cost, as indicated on the Form of Application for Planning Approval, to the City of Fremantle for development of public art works and/or heritage works to enhance the public realm in accordance with LPP 2.19: Contributions for Public Art and/or Heritage Works and to the satisfaction of the City of Fremantle. Based on the estimated cost of the development being \$5,750,000 the contribution to be made is \$57,500.
18. Prior to the issue of a Building Permit for the development hereby approved, the design and materials of the development shall adhere to the requirements set out within City of Fremantle policy L.P.P2.3 - Fremantle Port Buffer Area Development Guidelines for properties contained within Area 2. Specifically, the development shall provide the following:
  - i) Glazing to windows and other openings shall be laminated safety glass of minimum thickness of 6mm or "double glazed" utilising laminated or toughened safety glass of a minimum thickness of 3mm.
  - ii) Air conditioners shall provide internal centrally located 'shut down' points and associated procedures for emergency use.
  - iii) Roof insulation in accordance with the requirements of the Building Codes of Australia.
19. Prior to the issue of a Building Permit for the development hereby approved , all piped, ducted and wired services, air conditioners, hot water systems, water storage tanks, service meters and bin storage areas must be located to

minimise any visual and noise impact on the occupants of nearby properties and screened from view from the street. Design plans for the location, materials and construction for screening of any proposed external building plant must be submitted to and approved by the City of Fremantle.

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- h) Noise – construction work and deliveries;
- i) Sand drift and dust management;
- j) Waste management;
- k) Dewatering management plan;
- l) Traffic management; and
- m) Works affecting pedestrian areas

The approved Construction Management Plan shall be adhered to throughout the construction of the new development.

21. *Prior to the issue of a building permit, the wall of the southern elevation of the third floor level, west of the terrace, is to be setback a minimum of 9 metres from the High Street boundary, to the satisfaction of the City of Fremantle.*

22. *Prior to the issue of a Building Permit, a Parking Management Plan detailing the availability of car parking in the immediate area, including the provision of car parking on the main CBC Campus, including measures to make visitors of the development aware of the availability of and access to and from these bays is to be submitted and approved to the satisfaction of the City of Fremantle.*

**ADVICE NOTE(S):**

- i. A Building permit is required for the proposed Building Works. A certified BA1 application form must be submitted and a Certificate of Design Compliance (issued by a Registered Building Surveyor Contractor in the private sector) must be submitted with the BA1.
- ii. Prior to commencement of development, an arborcultural report shall be undertaken of the existing tree within the site, as shown on the approved plans, to determine its health and viability to retain due to construction constraints, and shall then be protected through the implementation of a Tree Protection Zone for protection during construction. Additional



information with regard to the tree protection zone requirements can be found here: <https://www.fremantle.wa.gov.au/residents/trees-and-verges>.

- iii. The proponent must make application to Environmental Health Services via Form 1 - *Application to construct, alter or extend a public building* as a requirement of the Health (Public Buildings) Regulations 1992. Once construction has been completed, make application to Environmental Health Services via Form 2 - *Application for a public building certificate*. For further information and a copy of the application form contact Environmental Health Services on 9432 9856 or via [health@fremantle.wa.gov.au](mailto:health@fremantle.wa.gov.au).
- iv. If construction works involve the emission of noise above the assigned levels in the Environmental Protection (Noise) Regulations 1997, they should only occur on Monday to Saturday between 7.00 am and 7.00 pm (excluding public holidays). In instances where such construction work needs to be performed outside these hours, an Application for Approval of a Noise Management Plan must be submitted to the City of Fremantle Environmental Health Services for approval at least 7 days before construction can commence.
- v. In relation to the condition relating to the public art contribution, the applicant is advised that Council may waive the requirement for the public art/heritage work contribution in accordance with clause 6 of LPP 2.19 where the development incorporates public art in the development to the same value as that specified in Condition 17 that is located in a position clearly visible to the general public on the site of the development. Should artwork be incorporated in the development a public art strategy for the site must be submitted to and approved prior to the issue of a Building Permit, to the satisfaction of the City of Fremantle. Please contact the City's Public Arts Coordinator on 9432 9999 for further information on this process. Prior to occupation of the development, the approved artwork must be installed and thereafter maintained to the satisfaction of the City of Fremantle. In determining the appropriateness and artistic merit of the public art, council shall seek relevant professional advice.
- vi. The applicant is advised that a crossover permit must be obtained from the City's Engineering Department. New/modified crossover(s) shall comply with the City's standard for crossovers, which are available on the City of Fremantle's web site.
- vii. This approval does not authorise the removal or modification of verge infrastructure and/or verge trees within the verge area. Written approval is to be obtained for removal or modification of verge infrastructure and/or verge trees within the verge area from the relevant City of Fremantle department or relevant service authority, before construction commences. Please refer to the City's Tree Planting and Vehicle Crossings Policies (SG28 and MD0015) for further information.

- viii. The applicant is advised that any signage may be subject to a separate application for planning approval.

Carried 5/2

For

Cr Bryn Jones, Cr Andrew Sullivan, Cr Su Groome, Cr Rachel Pemberton, Cr Frank Mofflin,

Against

Cr Geoff Graham, Cr Marija Vujcic

Cr Geoff Graham requested the item be referred to the Ordinary Meeting of Council. Seconded by Cr Marija Vujcic.

#### ADDITIONAL OFFICER COMMENT

As part of Planning Committee's consideration of the application on 2 June, the Committee resolved to recommend Council to approve the application subject to a design change to increase the setback of a small portion of the top floor of the building from High Street. This was recommended to be achieved via a condition of planning approval (condition no. 21 of the Committee's recommendation as set out above). The wording of the condition is:

*Prior to the issue of a building permit, the wall of the southern elevation of the third floor level, west of the terrace, is to be setback a minimum of 9 metres from the High Street boundary, to the satisfaction of the City of Fremantle.*

On 16 June the applicants advised City officers that they were willing to amend the design of the building in compliance with the above condition, and provided officers with plans showing the setback of the relevant part of the building at 9 metres (increased from the previously proposed 6.5 metres). Officers consider the amended design would satisfy the requirements of the condition. Officers do not propose any change to the Committee recommendation – if Council resolves to approve the application subject to the conditions recommended by the Planning Committee, the administration can clear the above condition (along with other conditions which require submission of further information prior to issue of a building permit) following Council's decision and the issuing of the planning approval.

**PC2106-5 FIELD STREET, NO. 12 AND 14 AND LEWINGTON STREET, NO. 17 AND 19 (LOTS 6, 7, 51 AND 52) BEACONSFIELD – DEMOLITION OF FOUR SINGLE HOUSES (TG DA0530/20, DA0531/20, DA0532/20 AND DA0533/20)**

**Meeting Date:** 2 June 2021  
**Responsible Officer:** Manager Development Approvals  
**Decision Making Authority:** Committee  
**Agenda attachments:** 1. Demolition Plan  
**Additional information:** 1. City's Heritage Assessments  
2. Site photos

## **SUMMARY**

Approval is sought for the demolition of the existing Single houses and associated outbuildings at 12 and 14 Field Street, and 17 and 19 Lewington Street, Beaconsfield (Lots 6, 7, 51, and 52). Separate development applications have been submitted for demolition of each of these four properties, and each has been individually assessed. However, as all four properties directly adjoin one another and are in the same ownership, all four applications are considered in this report. A separate recommendation is provided for each application.

The proposal is referred to the Planning Committee (PC) as the proposal includes the demolition of a dwelling in a heritage area.

The applications are recommended for conditional approval.

## **PROPOSAL**

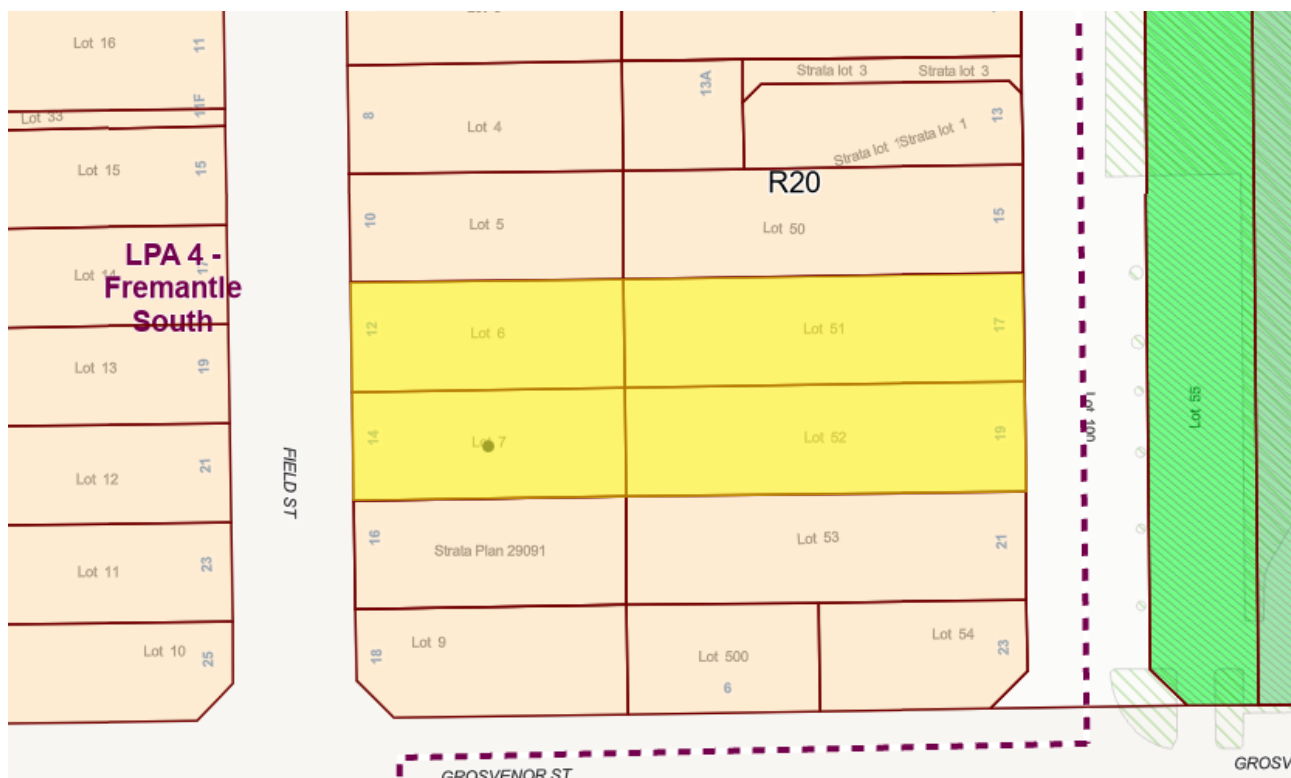
### **Detail**

Approval is sought for demolition of the Single houses, outbuildings, and all structures on the subject lots. No future development plans for the sites have been received to date.

Demolition plans are included as attachment 1.

### **Site/application information**

Date received: 4 December 2020  
Owner name: Antonino and Rosalina Lenzo  
Submitted by: MarketPlace Consulting  
Scheme: Residential R20  
Heritage listing: South Fremantle Heritage Area  
Existing land use: Single house  
Use class: n/a  
Use permissibility: n/a



\*The four lots, the subject of this report are shown above in yellow.

## CONSULTATION

### External referrals

Nil required.

### Community

The applications were advertised in accordance with Schedule 2, clause 64 of the Planning and Development (Local Planning Schemes) Regulations 2015, as the proposals included the demolition of a dwelling in a Heritage Area. The advertising period concluded on 20 January 2021, and no submissions were received.

## OFFICER COMMENT

### Statutory and policy assessment

The proposals have been assessed against the relevant provisions of LPS4 in regard to the heritage significance of each place individually and as it relates to the South Fremantle Heritage Area.

### Background

The subject sites are located on the block between Field Street and Lewington Street and back onto one another. The Lewington Street sites are located opposite Bruce Lee Reserve. The sites have the following areas:

- 12 Field Street – 792m<sup>2</sup>
- 14 Field Street – 789m<sup>2</sup>
- 17 Lewington Street – 1158m<sup>2</sup>

- 19 Lewington Street – 1158m<sup>2</sup>

The four sites are zoned Residential and have a density coding of R20. The sites are not individually identified on the City's heritage list but are located within the South Fremantle Heritage Area.

The sites were developed with Single houses and associated outbuildings and additions constructed over the mid to late twentieth century. The City does not have a record of recent development applications associated with any of the subject properties, however the following is noted from what records do exist and/or an analysis of aerial photography in the area:

<b>Site</b>	<b>Development history</b>
12 Field Street	A concrete veneer residence was constructed on the site between 1956 and 1960. In 1963 a sewing room and verandah were constructed at the rear of the site.
14 Field Street	A two bedroom, one bathroom timber framed residence was constructed on the site by 1953/54.
17 Lewington Street	The City does not have records of the construction of the original dwelling, with aerial photos indicating the building was constructed between 1953 and 1965, however in 1977 a license was issued for an asbestos clad games room, toilet and laundry to the rear of the site which can be seen at the rear of the house.
19 Lewington Street	The City does not have records of the construction of the original dwelling, however in 1964 a license was issued for a carport addition to the southern side of the house. As with No. 17, aerial photography shows that the dwelling was constructed between 1953 and 1965.

### **Heritage and Demolition**

Demolition of any place requires careful consideration because it potentially removes all its heritage significance except for intangible historical and social values that are not dependant on physical fabric. In considering these applications, in accordance with clause 4.14 of LPS4, Council must be satisfied that *the building or structure:*

- (a) *has limited or no cultural heritage significance, and*
- (b) *does not make a significant contribution to the broader cultural heritage significance and character of the locality in which it is located.*

The subject properties are located in the far north-eastern corner of the South Fremantle Heritage Area and have a different character to the majority of the Heritage Area which was largely developed between 1890 and 1930.

In regard to Officers' assessment of the significance of each individual place, the following comments are provided:

#### 12 Field Street

12 Field Street is a modest, concrete veneer house with a tiled gabled roof which was constructed in 1956 and shows the influence of residential styles popular in the immediate Post-War era. The unusual concrete veneer construction is interesting as it demonstrates the way new building materials and techniques were explored at this time but as the building looks like any other standard rendered masonry house of the era its ability to demonstrate this historic value is limited. Concrete veneer construction never became popular in Perth, so this building is not an early example or a benchmark of a building type. The house at 12 Field Street does not meet the threshold for inclusion on the Heritage List as it has limited aesthetic, historic and social value.

#### 14 Field Street

14 Field Street is a modest, asbestos sheet clad timber framed house with a tiled hipped roof which was constructed in 1952 and shows the influence of residential styles popular in the immediate Post-War era. The plan, style and materials have much in common with houses built at this time for the State Housing Commission in the neighbouring suburb of Hilton, however, 14 Field Street is not part of a planned garden suburb or a government programme to address social inequality and housing shortages. The house at 14 Field Street does not meet the threshold for inclusion on the Heritage List as it has limited aesthetic, historic and social value.

#### 17 Lewington Street

17 Lewington Street is a modest, face brick house with a tiled gabled roof which was constructed in 1958 and shows the influence of residential styles popular in the immediate Post-War era. The house at 17 Lewington Street does not meet the threshold for inclusion on the Heritage List as it has limited aesthetic, historic and social value.

#### 19 Lewington Street

19 Lewington Street is a modest, brick house with an asbestos cement sheet gabled roof which was constructed in 1962/63 and shows the influence of the International Style of architecture with its low-pitched unbroken gable roofs and planar treatment of walls with contrasting areas of face brick and rendered brick. The house at 19 Lewington Street is close to meeting the threshold for inclusion on the Heritage List for its aesthetic value but it has limited historic and social value. Therefore overall 19 Lewington Street does not meet the threshold for individual listing.

In regard to Officers' assessment of the contribution of the four dwellings to the broader cultural heritage significance and character of the locality, the following comments are provided:

Unlike much of South Fremantle which was developed in the Gold Rush and Inter-War eras, Field and Lewington Streets were developed in the Post War era and have a different built character. The statement of significance for the South Fremantle Precinct Heritage Area was taken from the 1993 study which informed the original Municipal Heritage Inventory, and which focussed (as most work of the time did) on the Pre-War period and does not explicitly recognise Post-War development as one of the significant elements. So, while the demolition of the four dwellings may be considered to have an impact upon the reasonably intact Post-War residential streetscape of Field Street, its

impact on the identified significance of the South Fremantle Precinct Heritage Area is limited.

Given the above, the four dwellings are not considered to contribute to the character of an identified significant streetscape in the South Fremantle Heritage Area or meet the threshold for individual listing, therefore their demolition is considered acceptable in the context of the 'test' set out in clause 4.14 of LPS4. It is recommended that an archival record of each place be required as a condition of approval for the City's records.

#### **Future development of the sites**

Although the applicant has not confirmed the future intended development outcome for the sites, based on an overall site area of 3897m<sup>2</sup> and a residential density coding of R20, approximately eight new dwellings could be developed across the subject properties. Any future development, will be subject to a separate application for approval.

#### **STRATEGIC IMPLICATIONS**

Nil

#### **FINANCIAL IMPLICATIONS**

Nil

#### **LEGAL IMPLICATIONS**

Nil

#### **COMMITTEE DECISION ITEM PC2106-5** **(Officer's recommendation)**

**Moved: Cr Bryn Jones**

**Seconded: Cr Su Groome**

#### **Council:**

**A. APPROVE, under the Metropolitan Region Scheme and Local Planning Scheme No. 4, the demolition of the existing single house and outbuildings at No. 12 (Lot 6) Field Street, Beaconsfield, subject to the following condition(s):**

- 1. This approval relates only to the development as indicated on the approved plans, dated 4 December 2020. It does not relate to any other development on this lot and must substantially commence within four years from the date of this decision letter.**
- 2. Prior to the issue of a demolition permit or a building permit, a "Detailed" archival record, as defined in the Heritage Council of WA's Guide to preparing an Archival Record, is to be submitted and approved by the City of Fremantle.**

#### **ADVICE NOTES:**

- i. A demolition permit is required to be obtained for the proposed demolition work. The demolition permit must be issued prior to the removal of any structures on site.
- ii. In regards to the Archival Record Brief, the documentation required for the “detailed” archival record can be found here:  
<https://www.dplh.wa.gov.au/getmedia/8ffcb91d-93cf-4478-ba68-1b96de5efc6a/HER-Guide-to-Preparing-an-Archival-Record-2019>
- iii. Any removal of asbestos is to comply with the following –  
  
Under ten (10) square metres of bonded (non-friable) asbestos can be removed without a license and in accordance with the *Health (Asbestos) Regulations 1992* and the *Environmental Protection (Controlled Waste) Regulations 2001*. Over 10 square metres must be removed by a licensed person or business for asbestos removal. All asbestos removal is to be carried out in accordance with the *Occupational Safety and Health Act 1984* and accompanying regulations and the requirements of the *Code of Practice for the Safe Removal of Asbestos 2nd Edition [NOHSC: 2002 (2005)]*;  
  
*Note:* Removal of any amount of friable asbestos must be done by a licensed person or business and an application submitted to WorkSafe, Department of Commerce. <http://www.docep.wa.gov.au>
- iv. It is recommended that the applicant liaise with the adjoining property owner(s) regarding the possible retention or replacement of the existing dividing fence, and the probable removal of the tree along the common lot boundary. Please refer to the Dividing Fences Act 1961 for the rights and responsibilities of land owners regarding dividing fences. Information is available at the following website:  
[http://buildingcommission.wa.gov.au/bid/Dividing\\_Fences.aspx](http://buildingcommission.wa.gov.au/bid/Dividing_Fences.aspx).

Carried: 7/0

Cr Bryn Jones, Cr Geoff Graham, Cr Andrew Sullivan,  
Cr Su Groome, Cr Rachel Pemberton, Cr Frank Mofflin, Cr Marija Vujcic

**COMMITTEE DECISION ITEM PC2106-5**  
**(Officer’s recommendation)**

Moved: Cr Bryn Jones

Seconded: Cr Su Groome

Council:

- C. APPROVE, under the Metropolitan Region Scheme and Local Planning Scheme No. 4, the demolition of the existing single house and outbuildings at



**No. 17 (Lot 51) Lewington Street, Beaconsfield, subject to the following condition(s):**

- 1. This approval relates only to the development as indicated on the approved plans, dated 4 December 2020. It does not relate to any other development on this lot and must substantially commence within four years from the date of this decision letter.**
- 2. Prior to the issue of a demolition permit or a building permit, a “Detailed” archival record, as defined in the Heritage Council of WA’s Guide to preparing an Archival Record, is to be submitted and approved by the City of Fremantle.**

**ADVICE NOTES:**

- i. A demolition permit is required to be obtained for the proposed demolition work. The demolition permit must be issued prior to the removal of any structures on site.**
- ii. In regards to the Archival Record Brief, the documentation required for the “detailed” archival record can be found here:  
<https://www.dplh.wa.gov.au/getmedia/8ffcb91d-93cf-4478-ba68-1b96de5efc6a/HER-Guide-to-Preparing-an-Archival-Record-2019>**
- iii. Any removal of asbestos is to comply with the following –**

**Under ten (10) square metres of bonded (non-friable) asbestos can be removed without a license and in accordance with the *Health (Asbestos) Regulations 1992* and the *Environmental Protection (Controlled Waste) Regulations 2001*. Over 10 square metres must be removed by a licensed person or business for asbestos removal. All asbestos removal is to be carried out in accordance with the *Occupational Safety and Health Act 1984* and accompanying regulations and the requirements of the *Code of Practice for the Safe Removal of Asbestos 2nd Edition [NOHSC: 2002 (2005)]*;**

**Note: Removal of any amount of friable asbestos must be done by a licensed person or business and an application submitted to WorkSafe, Department of Commerce. <http://www.docep.wa.gov.au>**
- iv. It is recommended that the applicant liaise with the adjoining property owner(s) regarding the possible retention or replacement of the existing dividing fence, and the probable removal of the tree along the common lot boundary. Please refer to the Dividing Fences Act 1961 for the rights and responsibilities of land owners regarding dividing fences. Information is available at the following website:  
[http://buildingcommission.wa.gov.au/bid/Dividing\\_Fences.aspx](http://buildingcommission.wa.gov.au/bid/Dividing_Fences.aspx).**

Carried: 7/0

Cr Bryn Jones, Cr Geoff Graham, Cr Andrew Sullivan,  
Cr Su Groome, Cr Rachel Pemberton, Cr Frank Mofflin, Cr Marija Vujcic

**COMMITTEE DECISION ITEM PC2106-5**  
**(Officer's recommendation)**

Moved: Cr Bryn Jones

Seconded: Cr Su Groome

**Council:**

**D. APPROVE, under the Metropolitan Region Scheme and Local Planning Scheme No. 4, the demolition of the existing single house and outbuildings at No. 19 (Lot 52) Lewington Street, Beaconsfield, subject to the following condition(s):**

- 1. This approval relates only to the development as indicated on the approved plans, dated 4 December 2020. It does not relate to any other development on this lot and must substantially commence within four years from the date of this decision letter.**
- 2. Prior to the issue of a demolition permit or a building permit, a "Detailed" archival record, as defined in the Heritage Council of WA's Guide to preparing an Archival Record, is to be submitted and approved by the City of Fremantle.**

**ADVICE NOTES:**

- i. A demolition permit is required to be obtained for the proposed demolition work. The demolition permit must be issued prior to the removal of any structures on site.**
- ii. In regards to the Archival Record Brief, the documentation required for the "detailed" archival record can be found here:  
<https://www.dplh.wa.gov.au/getmedia/8ffcb91d-93cf-4478-ba68-1b96de5efc6a/HER-Guide-to-Preparing-an-Archival-Record-2019>**
- iii. Any removal of asbestos is to comply with the following –**  
  
**Under ten (10) square metres of bonded (non-friable) asbestos can be removed without a license and in accordance with the *Health (Asbestos) Regulations 1992* and the *Environmental Protection (Controlled Waste) Regulations 2001*. Over 10 square metres must be removed by a licensed person or business for asbestos removal. All asbestos removal is to be carried out in accordance with the *Occupational Safety and Health Act 1984* and accompanying regulations and the requirements of the *Code of Practice for the Safe Removal of Asbestos 2nd Edition [NOHSC: 2002 (2005)]*;**

**Note:** Removal of any amount of friable asbestos must be done by a licensed person or business and an application submitted to WorkSafe, Department of Commerce. <http://www.docep.wa.gov.au>

- iv. It is recommended that the applicant liaise with the adjoining property owner(s) regarding the possible retention or replacement of the existing dividing fence, and the probable removal of the tree along the common lot boundary. Please refer to the Dividing Fences Act 1961 for the rights and responsibilities of land owners regarding dividing fences. Information is available at the following website:  
[http://buildingcommission.wa.gov.au/bid/Dividing\\_Fences.aspx](http://buildingcommission.wa.gov.au/bid/Dividing_Fences.aspx).

**Carried: 7/0**

Cr Bryn Jones, Cr Geoff Graham, Cr Andrew Sullivan,  
Cr Su Groome, Cr Rachel Pemberton, Cr Frank Mofflin, Cr Marija Vujcic

**COMMITTEE RECOMMENDATION ITEM PC2106-5**  
**(Officer's recommendation)**

**Moved: Cr Bryn Jones**

**Seconded: Cr Su Groome**

**Council:**

**B. APPROVE, under the Metropolitan Region Scheme and Local Planning Scheme No. 4, the demolition of the existing single house and outbuildings at No. 14 (Lot 7) Field Street, Beaconsfield, subject to the following condition(s):**

- 1. This approval relates only to the development as indicated on the approved plans, dated 4 December 2020. It does not relate to any other development on this lot and must substantially commence within four years from the date of this decision letter.**
- 2. Prior to the issue of a demolition permit or a building permit, a "Detailed" archival record, as defined in the Heritage Council of WA's Guide to preparing an Archival Record, is to be submitted and approved by the City of Fremantle.**

**ADVICE NOTES:**

- i. A demolition permit is required to be obtained for the proposed demolition work. The demolition permit must be issued prior to the removal of any structures on site.**
- ii. In regards to the Archival Record Brief, the documentation required for the "detailed" archival record can be found here:  
<https://www.dplh.wa.gov.au/getmedia/8ffcb91d-93cf-4478-ba68->**

[1b96de5efc6a/HER-Guide-to-Preparing-an-Archival-Record-2019](#)

iii. Any removal of asbestos is to comply with the following –

Under ten (10) square metres of bonded (non-friable) asbestos can be removed without a license and in accordance with the *Health (Asbestos) Regulations 1992* and the *Environmental Protection (Controlled Waste) Regulations 2001*. Over 10 square metres must be removed by a licensed person or business for asbestos removal. All asbestos removal is to be carried out in accordance with the *Occupational Safety and Health Act 1984* and accompanying regulations and the requirements of the *Code of Practice for the Safe Removal of Asbestos 2nd Edition [NOHSC: 2002 (2005)]*;

**Note:** Removal of any amount of friable asbestos must be done by a licensed person or business and an application submitted to WorkSafe, Department of Commerce. <http://www.docep.wa.gov.au>

iv. It is recommended that the applicant liaise with the adjoining property owner(s) regarding the possible retention or replacement of the existing dividing fence, and the probable removal of the tree along the common lot boundary. Please refer to the Dividing Fences Act 1961 for the rights and responsibilities of land owners regarding dividing fences. Information is available at the following website:  
[http://buildingcommission.wa.gov.au/bid/Dividing\\_Fences.aspx](http://buildingcommission.wa.gov.au/bid/Dividing_Fences.aspx).

Carried: 5/2

For

Cr Bryn Jones, Cr Geoff Graham, Cr Rachel Pemberton,  
Cr Frank Mofflin, Cr Marija Vujcic

Against

Cr Andrew Sullivan Cr Su Groome,

Cr Andrew Sullivan requested the item be referred to the Ordinary Meeting of Council. Seconded by Cr Frank Mofflin.

**11.2 Finance, Policy, Operations and Legislation Committee 9 June 2021**  
**FPOL2106-1 SWAN RIVER CROSSING ALIGNMENT**

**Meeting date:** 9 June 2021  
**Responsible officer:** Manager City Design and Projects  
**Decision making authority:** Council  
**Attachments:** 1. 4 Options by Swan River Crossing Alliance  
**Additional information:** Nil

**SUMMARY**

This report presents analysis of the four bridge alignment options that have been subject to recent community engagement, managed by the Swan River Crossing Alliance (SRCA), on behalf of the State Government. Each option has been reviewed in light of the previous Council resolution in June 2020. It is noted that prior to the Alliance being formed, there was only one alignment option being proposed by Main Roads Western Australia (MRWA).

The report concludes that option 1 appears to be best of the four options to be progressed in more detail. Option 4 has some appeal in terms of potential design opportunities and project timing, however, it comes with significant challenges that would need resolution before it could be supported as a viable option. Options 2 and 3 have been assessed as having little merit and the recommendation is that they are not progressed any further.

**BACKGROUND**

Between 11 May 2021 and 1 June 2021, the SRCA team consulted with the community through various forums, surveys and online discussion. The focus was to gain feedback from the community to assist with arriving at a preferred bridge alignment. Information that was provided to the community looked at the key aspects of each option and did not include any analysis regarding long-term planning and transport scenarios for the North Fremantle peninsula. The narrative that framed the discussion on the four options was consistently around the need to replace the existing traffic bridge, and to improve the capacity / facilities for rail, cycling and pedestrians.

At its meeting on **24<sup>th</sup> June 2021**, the council passed the following resolutions:

1. Welcomes the Federal and State funding commitment of \$230m for the Swan River Crossing project, a project that will see major infrastructure delivered that will have an asset life in excess of 100 years;
2. Adopts the following principles to assist with the City's analysis and feedback to Government as the project unfolds and develops:
  - a. PLANNING – That the State Government provides clarity around how this project supports the long-term strategic planning scenarios for the region and how transport planning is fully integrated within this, and specifically how options will address:

- the recommendations of the Westport Taskforce in relation to the future of the Inner Harbour of Fremantle Port;
  - land use, traffic, freight and passenger rail planning options for the areas on the north and south of the proposed new crossing;
- b. ALIGNMENT & CONNECTIONS – That the new bridge alignment(s) are optimised in terms of:
- long-term planning scenarios;
  - uninterrupted flow / connectivity of the state's Principle Shared Path (PSP) to Fremantle and North Fremantle Rail Stations.
  - low-speed cycling and pedestrian connectivity and amenity;
  - cultural heritage and place-making, in particular, impact on Fremantle Traffic Bridge.
- c. DESIGN – That the Swan River Crossing demonstrates excellence in design – delivering infrastructure through a multi-discipline design process that celebrates contemporary bridge design and creates a memorable gateway experience and a place for people.
- d. HERITAGE – That a significant portion of the Fremantle Traffic Bridge is preserved at both ends – especially on the southern end – and adapted in a manner that:
- retains pedestrian and cycling functions on its top deck;
  - retains a section over Beach Street, including its abutment and architectural embellishments;
  - is activated, connected and generates a destination for people on the foreshore;
  - remains an asset of the State Government.
- e. CULTURE – That the Aboriginal significance of this river crossing / location is clearly understood, respected and interpreted in the design and deliverables. This could be a major component of the % for Art program associated with this project.
- f. PUBLIC REALM & PLACE – That all public realm either created or modified by this project is safe, attractive, connected and inviting – with the potential to be extended and further connected with future riverside enhancements and developments – specifically:
- that increased curtilage is created in front of the Naval Stores building on Canning Highway to assist with activating this building and connection to foreshore
  - *That the character of the North Fremantle Townsite is protected and extended towards the river, and in particular that no additional traffic is planned through this historic local centre.*
3. Requests that MRWA commence community engagement as soon as possible, and that this engagement process includes a full and transparent evaluation of design options and bridge alignments that respond to the principles noted above *and that at least two distinctly different alignment options with a transparent,*

*holistic explanation of the pros and cons of each option be presented in full for community and Council consideration;*

4. Determines a final position on the various aspects of the Swan River Crossing in light of the comments and results that arise during the community engagement process.

## **FINANCIAL IMPLICATIONS**

No financial implications to this report.

## **LEGAL IMPLICATIONS**

No legal implications to this report.

## **CONSULTATION**

As a State Government project, the newly formed SRCA team has conducted the recent community consultation on bridge alignment. Information regarding the project and the various consultation processes and results are updated on the Main Roads website at:

<https://www.mainroads.wa.gov.au/projects-initiatives/projects/metropolitan/Swan-River-Crossings/>

On an informal basis, senior staff and elected members have been involved in a range of project meetings and community forums to debate the wide range of issues associated with this complex project.

The City has actively promoted State Government engagement forums to the community to encourage Fremantle citizens to have their say on the Swan River Crossing project.

## **OFFICER COMMENT**

Refer to **Attachment 1** for a copy of the document used by the SRCA in recent community engagement, illustrating the four bridge alignment options.

As a result of the feedback to a single alignment option by MRWA in the second half of 2020, it is encouraging to see Government supporting the Alliance in exploring four different alignment options. This is a welcomed and positive response to the Council resolution in June 2020.

The pros and cons of each of the four alignment options, in terms of community benefits, are discussed below. This analysis has been undertaken based on the following assumptions:

- The existing Fremantle Traffic Bridge cannot be retained in full and is essentially at the end of its asset life in terms of carrying traffic.
- The project is essentially an infrastructure replacement exercise and its scope is limited to approximately the location of the existing road and rail reserves.
- Other critical elements of the project, e.g., connectivity and alignment of cycling infrastructure, are not the subject of this current engagement exercise and will be looked at in more detail once the basic alignment of the new bridge is fixed.

- Construction is scheduled to commence in 2022.

### **Option 1 (West of Existing, 2 New Rail)**

- PROS:** New infrastructure and traffic impact furthest away from existing residents on north bank.  
Optimises space east of bridges for place-making and public realm improvements.  
Enables retention of a portion of heritage bridge to be integrated with foreshore and public realm improvements, east of crossings.  
Two new rail tracks provide long-term continuity of service for passenger trains and allow greater capacity for freight in short/medium term.  
Potential to investigate changing the 'T' intersection at Canning/Queen Victoria Streets to put priority movement along Queen Victoria St.  
May also increase the possibilities of gaining additional space in front of Naval Stores building.
- CONS:** Being the most complex option to construct, the works will take the longest to deliver. (Estimate completion in late 2025.)  
The heritage listed capstan base would be impacted and would need relocation or re-interpreted.
- SUMMARY:** Considered to be the preferred option out of the four and aligns most closely with previous feedback from the City to MRWA around optimising the heritage, public realm and place-making opportunities as well as keeping the overall impact of new infrastructure as far west as practicable.

### **Option 2 (West of Existing, 1 New Rail)**

- PROS:** ***Similar to Option 1, and:***  
Slightly less complex to construct than Option 1 - may bring about a community benefit re timing of works or minor improvements to place-making opportunities – although this has not been identified by SRCA.
- CONS:** ***Similar to Option 1, and:***  
This option only proposes one new rail track that means that northbound trains would need to use existing bridge (shared with freight). When the existing rail bridge needs replacement, significant disruption to passenger services are probable.
- SUMMARY:** Demonstrates no clear community benefits over and above option 1 but will likely result in major disruption to rail services in the future when the existing rail bridge needs replacing.

### **Option 3 (East of Existing, 2 New Rail)**

- PROS:** Enables retention of a portion of heritage bridge.  
Two new rail tracks provide long-term continuity of service for passenger trains and allow greater capacity for freight in short/medium term.



Construction timing is an improvement to Options 1 and 2, estimated for completion in late 2024.

**CONS:** Although part of the heritage bridge can be retained, it is located between the bridges thereby limiting its ability to be accessed and integrated with improvements to the foreshore and the public realm. The proposed new traffic bridge moves closer to existing residents that has the potential to negatively impact on their amenity. Provides no opportunity to investigate changing the 'T' intersection of Canning/Queen Victoria Streets to put the priority movement along Queen Victoria Street. The overall footprint of new infrastructure would widen and necessitate the loss of public open space on the east side.

**SUMMARY:** Assessed with having little merit. It is a complex solution driven by retaining part of the old Traffic Bridge structure 'locked' between two new bridges, and moves new infrastructure and traffic impacts further east towards existing residents.

#### **Option 4 (Full Demolition/Same Alignment, 2 New Rail)**

**PROS:** Construction time reduced by 12 months (estimated to be completed in 2024). Potential to 'open up' bridge design thinking, as major design constraints (existing bridge and constructing with traffic still flowing) have been removed. Depending on final location of new bridge, it has the opportunity to:

- locate traffic impact away from existing residents on north bank;
- optimise space east of bridges for place-making;
- investigate changing the 'T' intersection at Canning/Queen Victoria Streets to put priority movement along Queen Victoria St and gain additional space in front of Naval Stores building.

Two new rail tracks provide long-term continuity of service for passenger trains and allow greater capacity for freight in short/medium term.

**CONS:** No ability to retain a portion of the heritage bridge structure. Traffic congestion associated with access to/from Stirling Highway during the works – this has the potential to be significant as the priority movement will be to keep the north-south traffic on Stirling Highway flowing. This will require temporary removal/restrictions to various turns on/off Stirling Highway, especially at the intersection with Canning Highway. As a result, significant diversions and redistribution of traffic will be required. Potential negative economic impact to local businesses on Queen Victoria Street (north and south of river) as a result of a significant drop in passing vehicle numbers.

**SUMMARY:** Has the potential to reduce the construction time by 12 months and open up possibilities for greater flexibility in bridge design, however, it has significant risks and challenges. Before this option gains City of

Fremantle support, the City will need evidence that the following matters are fully addressed:

- That the State Government resolves the fact that the existing traffic bridge structure is listed on the State Heritage Register and that its full demolition is acceptable.
- Traffic redistribution and local diversions during construction will be managed to tolerable levels of congestion – as indicated by transparent modelling and education on travel behaviour change shared with the community through consultation.
- Businesses along Queen Victoria Street (on both sides of the river) agree to the proposed traffic management plans – noting that there is likely to be a significant reduction in passing traffic during the construction phase.
- The financial gains achieved with this quicker and simpler option are significant and measurable and will fund a noticeably better bridge design and improved place-making outcomes for the community.

### **Unresolved Matters**

There are several planning and design matters associated with this project that the City has previously raised for more discussion. These are summarised as:

- Long-term strategic planning and transport scenarios for the North Fremantle Peninsula, in light of Government's preferred option to relocate the container port.
- Separating the primary route for fast moving commuter cyclists from slower, recreational bike riders and pedestrians.
- How the primary cycling will connect to Beach Street/Fremantle Railway Station (in accordance with the City Bike Plan and State metropolitan cycle planning).
- Investigating changing the 'T' intersection of Canning/Queen Victoria Street to prioritise the movement along Queen Victoria Street.
- Achieving improved public space in front of the Naval Stores building, by re-aligning the roads / intersection.
- How the project will integrate urban design, cultural interpretation and public art to create a great place on and around the bridge including the adjacent foreshore at both ends.
- Ensuring that the new road / traffic bridge design aligns with the local street design, traffic speeds and character, and does not 'mirror' the high-speed high-capacity design character of Stirling Bridge.
- How the project intends to deal with State Government Heritage Listings of the existing traffic bridge and concrete plinth of the former capstan.

It is understood that most of the above issues will be looked at by the SRCA in the next stage of design development once an alignment is fixed. However, it is important to note that the first point – about long-term planning and transport scenarios – is out of scope for the project team. The over-arching narrative with the Swan River Crossing is that it is an infrastructure replacement project with added improvements, capacity and connectivity for rail, cycling and pedestrian movements. Essentially, these broader strategic matters will need to be raised with Government through other avenues.

## **VOTING AND OTHER SPECIAL REQUIREMENTS**

Simple majority required

### **OFFICER'S RECOMMENDATION**

**Moved: Cr Hannah Fitzhardinge**

**Seconded: Cr Jenny Archibald**

Council:

1. Provides the following summarised feedback to the Swan River Crossing Alliance on each of the four alignment options:
  - a. **OPTION 1** - is considered to be the preferred option out of the four and aligns most closely with previous feedback from the City to MRWA around optimising the heritage, public realm and place-making opportunities as well as keeping the overall impact of new infrastructure as far west as practicable.
  - b. **OPTION 2** - demonstrates no clear community benefits over and above option 1 but will likely result in major disruption to rail services in the future when the existing rail bridge needs replacing.
  - c. **OPTION 3** - assessed with having little merit. It is a complex solution driven by retaining part of the old Traffic Bridge structure 'locked' between two new bridges, and moves new infrastructure and traffic impacts further east towards existing residents.
  - d. **OPTION 4** - has some merit, having the potential to reduce the construction time by 12 months and open up possibilities for greater flexibility in bridge design. Before this option gains City of Fremantle support, the City will need evidence that the following matters are fully addressed:
    - That the State Government resolves the fact that the existing traffic bridge structure is listed on the State Heritage Register and that its full demolition is acceptable.
    - Traffic redistribution and local diversions during construction will be managed to tolerable levels of congestion – as indicated by transparent traffic modelling and education on travel behaviour change shared with the community through consultation.
    - Businesses along Queen Victoria Street (on both sides of the river) agree to the proposed traffic management plans – noting that there is likely to be a significant reduction in passing traffic during the construction phase.
    - The financial gains achieved with this quicker and simpler option are significant and measurable and will fund a noticeably better bridge design and improved place-making outcomes for the community.

2. Re-confirms that the 6 Principles adopted by Council on 24<sup>th</sup> June 2020 still remain applicable, and should guide the next phase of project design and expresses its desire to continue working with the State Government and its Alliance team on the Swan River Crossing project to achieve the best possible outcomes for the community.
3. Writes to the Hon. Rita Saffioti MLA, Minister for Transport, Planning and Ports to:
  - Thank the Government for re-opening the discussion with the community regarding multiple bridge alignment options;
  - Seek assurances that the City of Fremantle will receive early engagement from the Government regarding integrated longer-term planning for the North Fremantle peninsula, from economic, land use, place and transport perspectives.

### **AMENDMENT 1**

**Moved: Cr Jenny Archibald      Seconded: Cr Hannah Fitzhardinge**

**Minor amendment to include the following dot point to part 3 of the officer's recommendation:**

- ***The City welcomes the opportunity to continue to be involved in the design development process;***

**Amendment carried: 6/0**

**Cr Hannah Fitzhardinge, Cr Doug Thompson, Cr Adin Lang,  
Cr Sam Wainwright, Cr Jenny Archibald, Cr Andrew Sullivan**

### **PROCEDURAL MOTION**

**The following procedural motion was moved:**

### **COMMITTEE DECISION**

**Moved: Cr Andrew Sullivan      Seconded: Cr Doug Thompson**

**The item be referred to the next Ordinary Meeting of Council to consider additional changes to the recommendation foreshadowed at committee.**

**Carried: 6/0**

**Cr Hannah Fitzhardinge, Cr Doug Thompson, Cr Adin Lang,  
Cr Sam Wainwright, Cr Jenny Archibald, Cr Andrew Sullivan**

**FPOL2106-5 ADOPTION OF COMPLAINT OF THE COUNCIL CODE OF CONDUCT,  
DIVISION 3, COMPLAINT HANDLING POLICY'**

**Meeting date:** 9 June 2021  
**Responsible officer:** Manager Governance  
**Decision making authority:** Council  
**Attachments:** 1. Council code of conduct, Division 3, complaint handling Policy'  
**Additional information:** Nil

**SUMMARY**

**Legislative changes require local governments to adopt a policy to deal with complaints made under division 3 of the recently adopted (model) code of conduct for council members, committee members and candidates.**

**The code provides that procedures for dealing with complaints under division 3 of the code, may be determined by the local government.**

**A Council resolution is required to adopt the draft policy 'Council code of conduct Division 3 complaint handling Policy'.**

**BACKGROUND**

At the Ordinary Council Meeting held on 26 May 2021 Council adopted the City's Council Members, Committee Members and Candidates Code of Conduct (Code), incorporating the model code as required by the *Local Government (Model Code of Conduct) Regulations 2021* (Model Code).

Clause 11 of the adopted Code outlines a broad process for dealing with complaints regarding the behaviour of elected members and candidates under Division 3. However, the Code leaves it open for council to determine the most appropriate and effective process for *how* this is undertaken.

A draft complaint handling policy that relates to complaints made under division 3 of the code of conduct has been developed to address this and is attached to this report for consideration by council.

A further report will be presented to council to consider the appointment of a panel of investigators from which the Chief Executive Officer will use the most appropriate member to consider individual complaints received.

The policy outlines a process where all complaints are received by the City's Complaints Officer, are investigated by an independent and legally trained investigator, from the City's appointed panel, who will provide an opportunity for mediation between the parties and then a determination on the outcome of the complaint and a recommendation relating to any further action required, to be considered by council.

The Regulations do not specify a timeframe for the processing of complaints. However, in the interests of procedural fairness, it is considered that all complaints should be dealt with in a timely manner, while also allowing the parties involved an appropriate opportunity to respond to an alleged conduct breach, and this has been considered in the draft policy.

## **FINANCIAL IMPLICATIONS**

Provisions would need to be made in the City's operational budget to appoint any external party or investigator for complaints that are referred to those parties to manage. This could form part of the City's consultancy budget adopted annually.

## **LEGAL IMPLICATIONS**

Local Government (Model Code of Conduct) Regulations 2021 introduced a complaints mechanism for the council of a local government to consider and determine the outcome of certain behavioural complaints relating to its elected members.

## **CONSULTATION**

Consideration given to approaches taken by other local governments as well as advice from WALGA and the DLGSC.

## **OFFICER COMMENT**

The Code provides that procedures in dealing with complaints under the Code, may be determined by the local government to the extent that it is not provided for in the provisions around behaviour. There is currently no complaints process listed in the Code and therefore it is up to Council to determine that process.

In view of this and to ensure transparency in terms of how complaints are to be investigated, a draft 'Council code of conduct Division 3 complaint handling Policy' has been created.

It should be recognised that:

- minor behavioural matters within the code will be dealt with by the City, through the complaint and investigation process detailed in the draft Policy; and
- a breach of a rule of conduct within the Code, is deemed a minor breach which is to be investigated by the Local Government Standards Panel.

In this regard any complaints the City receives and investigates under the Code are only minor in nature with more significant complaints to continue to be investigated by the Local Government Standards Panel.

Any 'Division 3' complaints that are received between adoption of the Code and adoption of this policy will be acknowledged and accepted and the complainant will be advised that the complaint cannot be progressed until a policy is adopted.

## **VOTING AND OTHER SPECIAL REQUIREMENTS**

Absolute majority required

### **COMMITTEE RECOMMENDATION ITEM FPOL2106-5** **(Officer's recommendation)**

**Moved: Cr Hannah Fitzhardinge**

**Seconded: Cr Adin Lang**

**Council adopt the Council Code of Conduct Division 3 Complaint Handling Policy, provided in attachment 1.**

**Carried en bloc: 6/0**

**Cr Hannah Fitzhardinge, Cr Jenny Archibald, Cr Andrew Sullivan,  
Cr Doug Thompson, Cr Adin Lang, Cr Sam Wainwright**

## **FPOL2106-6 BUDGET AMENDMENTS - MAY 2021**

**Meeting date:** 9 June 2021  
**Responsible officer:** Manager Finance  
**Decision making authority:** Council  
**Attachments:** Nil  
**Additional information:** Nil

### **SUMMARY**

**To adopt various budget amendments to the 2020/2021 budget account numbers as detailed below in accordance with the Budget Management Policy. The budget amendments have nil effect to the overall budget.**

**This report recommends that Council approves the required budget amendments to the adopted budget for 2020/21 as outlined in the report.**

### **BACKGROUND**

In accordance with the Budget Management Policy this report provides details of proposed amendments to the 2020/2021 budget on a monthly basis to Council (via FPOL) to adopt budget amendments to:

1. Consider an additional purpose or grant acceptance or release of quarantined funds.
2. Reflect any expenditure above the budget amount agreed by the CEO in the previous month, and to adjust other accounts to accommodate the value of these.
3. Make amendments to the carried forward budget to reflect the final position at the end of financial year.

### **FINANCIAL IMPLICATIONS**

The financial implications are detailed in this report.

### **LEGAL IMPLICATIONS**

#### ***Local Government Act 1995:***

##### **Section 6.2 (1)**

The Council is required to prepare and adopt, by Absolute Majority, an annual budget for its municipal fund by 31<sup>st</sup> August each year.

##### **Section 6.8 (1) and (2)**

The Council cannot incur expenditure from its municipal fund for a purpose for which no expenditure estimate is included in the annual budget (known as an 'additional purpose') except where the expenditure —

- (a) is incurred in a financial year before the adoption of the annual budget by the local government;
- (b) is authorised in advance by resolution by Absolute Majority; or



(c) is authorised in advance by the July or president in an emergency.

Where expenditure has been incurred;

(a) under S 6.8 (1) (a) it is required to be included in the annual budget for that financial year; and

(b) under S 6.8 (1) (c), it is to be reported to the next ordinary meeting of the council

***Local Government (Financial Management) Regulations 1996:***

**Regulation 33A**

A formal review of the annual budget is to be presented and adopted by Council, by Absolute Majority, between 1<sup>st</sup> January and 31<sup>st</sup> March each year.

**CONSULTATION**

There are no community engagement implications as a result of this report.

**OFFICER COMMENT**

The following amendments to budget account numbers to the adopted budget for 2020/2021 are submitted to Council for approval as outlined below.

**1. Budget amendments for proposed expenditure for an additional purpose**

The proposed budget amendments below are for expenditure for an additional purpose to be determined by Council as required by S6.8 (1) (b) of the Act. The decision will amend the budget by creating a new budget account number to accommodate that proposed expenditure, and by transferring the required funds from one or more existing accounts to the new account.

Item	Account #	Account Details	2020/21 Adopted Budget	Increase/ (Decrease)	(Increase)/ Decrease	2020/21 Amended Budget
				Revenue	(Expenditure)	
1.1	Savings from the base operating fuel budget are being used to fund the purchase of two (2) energy efficient vehicles (scooters) for use as part of the fleet.					
Capex	300141.1608	P-11328 Purchase-Plant and Equipment	-	-	(10,452)	10,452
Opex	100345.6863	Maintain heavy vehicles – allocated	170,000		10,452	159,548
1.2	<p>In August 2020, the Library and Community Development were successful in obtaining grant funding via the Be Connected Program, which is aimed at supporting people to build and develop their digital skills. This was in line with item 1.4 of the City of Fremantle's Community Recovery Plan, <i>Explore ways to reduce the digital divide for those at risk of isolation and unable to access online services</i>. Council also approved a budget amendment increase of \$10,000 to the Lifelong Learning programming and activities budget to address the digital divide.</p> <p>This program has progressed, however, delays have been experienced during lockdowns and due to capacity restrictions, community reticence to attend in person programs and delivery delays of IT equipment. The Be Connected grant funding has been extended from 30 June 2021 to 31 December 2021 and a request submitted seeking approval for remaining project funds to be rolled over into next financial year.</p>					
Exp	100482.6868	Operate Library Fremantle	(40,000)		10,000	(30,000)
Exp	200491.6868	P-11954 Event - Building Digital Skills			(10,000)	(10,000)
1.3	Savings from the operation of the Fremantle Arts Centre are being used to fund the purchase of artwork that aligns with the City of Fremantle's WRAP to build stronger relationships with the Aboriginal community. The artwork is to be donated to the Public Art Collection of the Fremantle Arts Centre.					
Exp	100406.6823	Operate Fremantle arts centre	43,000		23,000	20,000
Exp	100415.6822	Coordinate arts centre exhibitions	66,500		(23,000)	89,500
1.4	Successful application for \$20k in grant funding from Department of Planning, Lands and Heritage Grant for review of a heritage area. The grant will cover 100% of the total cost of the heritage review.					
Rev	200xxx.4313	P- Contribution – Review Heritage Area	0	20,000		20,000
Exp	200xxx.6824	P- Contribution – Review Heritage Area	0		(20,000)	(20,000)

## **2. Budget amendments for proposed expenditure for a purpose identified within the budget for which there are insufficient funds allocated**

CEO has the delegated authority under the Budget Management Policy to incur expenditure for a purpose identified within the budget for which there is insufficient funds allocated, where:

- The proposed expenditure is a maximum of 5% or \$50,000 (whichever is the lesser) above the budgeted amount, and

- b) There are sufficient funds equivalent to the value proposed to be sent allocated to other budget line items within the overall budget, and which, in the opinion of the CEO, are not expected to be spent during that financial year.

The budget amendments below are to reflect any expenditure above the budget amount agreed by the CEO during the previous month, and to adjust other accounts to accommodate the value of those.

Item	Account #	Account Details	2020/21 Adopted Budget	Revenue Increase/ (Decrease)	Expenditure (Increase)/ Decrease	2020/21 Amended Budget
2.1	Additional budget required for Gil Fraser Lighting upgrade as the geotechnical investigation has identified the requirement for dewatering and an alternate footing construction to suit the site conditions. This increased cost is to be offset by savings of \$10,000 from Fremantle Leisure Centre leak monitoring due to more competitive pricing than had been expected and savings of \$12,940 from the parks irrigation program due to a reduction in scope of bore renewal in response to detailed investigation completed during the site works.					
Exp	300188.1606	Purchase - Leisure Centre - Leak Monitoring	30,000		10,000	20,000
Exp	300144.1606	Program-Parks - Irrigation	43,000		12,940	30,060
Exp	300186.1606	Design and construct-Gilbert Fraser - Lighting	260,000		(22,940)	282,940
2.2	Additional Budget of \$45,000 required due to increased level of leaf litter maintenance and one-off landscape works including planting and mulching, funded from Leighton Precinct Maintenance Reserve.					
Exp	100913.6823	Maintain Landscape - Leighton Precinct SAR	(45,000)		(45,000)	(90,000)
Rev	100913.3910		45,000	45,000		90,000

### 3. Carried forward projects estimate budget amendments

The budget amendments below are to adjust the carried forward project estimates and to amend the carried forward budget to reflect the final position at the end of financial year.

Item	Account #	Account Details	2020/21 Adopted Budget	Revenue Increase/ (Decrease)	Expenditure (Increase)/ Decrease	2020/21 Amended Budget
Nil						

End of financial year adjustments for 30 June 2020 are still ongoing therefore further budget amendments for carried forward projects will be presented to Council next month. Once completed the final overall effect on the end of year surplus, unspent grant funds

and reserve funds movements for carried forward projects will be reported to Council through the budget amendment report.

## **VOTING AND OTHER SPECIAL REQUIREMENTS**

Absolute majority required

### **COMMITTEE RECOMMENDATION ITEM FPOL2106-6** **(Officer's recommendation)**

**Moved: Cr Hannah Fitzhardinge**

**Seconded: Cr Jenny Archibald**

**Council approve the required budget amendments to the adopted budget for 2020/2021 as outlined below:**

Item	Account #	Account Details	2020/21 Adopted Budget	Revenue Increase/ (Decrease)	Expenditure (Increase)/ Decrease	2020/21 Amended Budget
1.1	Savings from the base operating fuel budget are being used to fund the purchase of two (2) energy efficient vehicles (scooters) for use as part of the fleet.					
Capex	300141.1608	P-11328 Purchase-Plant and Equipment	-	-	(10,452)	10,452
Opex	100345.6863	Maintain heavy vehicles - allocated	170,000		10,452	159,548
1.2	In August 2020, the Library and Community Development were successful in obtaining grant funding via the Be Connected Program, which is aimed at supporting people to build and develop their digital skills. This was in line with item 1.4 of the City of Fremantle's Community Recovery Plan, <i>Explore ways to reduce the digital divide for those at risk of isolation and unable to access online services</i> . Council also approved a budget amendment increase of \$10,000 to the Lifelong Learning programming and activities budget to address the digital divide. This program has progressed, however, delays have been experienced during lockdowns and due to capacity restrictions, community reticence to attend in person programs and delivery delays of IT equipment. The Be Connected grant funding has been extended from 30 June 2021 to 31 December 2021 and a request submitted seeking approval for remaining project funds to be rolled over into next financial year.					
Exp	100482.6868	Operate Library Fremantle	(40,000)		10,000	(30,000)
Exp	200491.6868	P-11954 Event - Building Digital Skills			(10,000)	(10,000)
1.3	Savings from the operation of the Fremantle Arts Centre are being used to fund the purchase of artwork that aligns with the City of Fremantle's WRAP to build stronger relationships with the Aboriginal community. The artwork is to be donated to the Public Art Collection of the Fremantle Arts Centre.					
Exp	100406.6823	Operate Fremantle arts centre	43,000		23,000	20,000
Exp	100415.6822	Coordinate arts centre exhibitions	66,500		(23,000)	89,500

1.4	Successful application for \$20k in grant funding from Department of Planning, Lands and Heritage Grant for review of a heritage area. The grant will cover 100% of the total cost of the heritage review.					
Rev	200xxx.4313	P- Contribution – Review Heritage Area	0	20,000		20,000
Exp	200xxx.6824	P- Contribution – Review Heritage Area	0		(20,000)	(20,000)
2.1	<p>Additional budget required for Gil Fraser Lighting upgrade as the geotechnical investigation has identified the requirement for dewatering and an alternate footing construction to suit the site conditions.</p> <p>This increased cost is to be offset by savings of \$10,000 from Fremantle Leisure Centre leak monitoring due to more competitive pricing than had been expected and savings of \$12,940 from the parks irrigation program due to a reduction in scope of bore renewal in response to detailed investigation completed during the site works.</p>					
Exp	300188.1606	Purchase - Leisure Centre - Leak Monitoring	30,000		10,000	20,000
Exp	300144.1606	Program-Parks-Irrigation	43,000		12,940	30,060
Exp	300186.1606	Design and construct- Gilbert Fraser - Lighting	260,000		(22,940)	282,940
2.2	Additional Budget of \$45,000 required due to increased level of leaf litter maintenance and one-off landscape works including planting and mulching, funded from Leighton Precinct Maintenance Reserve.					
Exp	100913.6823	Maintain Landscape - Leighton Precinct SAR	(45,000)		(45,000)	(90,000)
Rev	100913.3910		45,000	45,000		90,000

**Carried: 6/0**  
**Cr Hannah Fitzhardinge, Cr Jenny Archibald, Cr Andrew Sullivan,**  
**Cr Doug Thompson, Cr Adin Lang, Cr Sam Wainwright**

## **FPOL2106-7 COMMERCIAL EVENTS POLICY REVIEW**

<b>Meeting Date:</b>	9 June 2021
<b>Responsible Officer:</b>	Manager Communications & Events
<b>Decision Making Authority:</b>	Council
<b>Attachments:</b>	1. Revised Outdoor Events Policy
<b>Additional information:</b>	1. Current Commercial Events Policy

### **SUMMARY**

City officers have undertaken a review of the Commercial Events Policy as a result of the continued uncertainty surrounding events, and the impact of COVID-19 on the sector.

This report recommends that Council adopt the now revised (and renamed) Outdoor Events Policy, which builds on the proactive approach to the City's management of events, broadens the policy scope, and sets a clear framework to apply fees for events.

### **BACKGROUND**

The current Commercial Events Policy (attached in additional information 1) was adopted by Council on 12 August 2020 on a trial basis, set to be reviewed in August 2022.

The Commercial Events Policy was a new policy developed to bring consistency to Council's approach to approving events, and proposed to establish an Expression of Interest Process to attract and prioritise events that align with Fremantle's Strategic Community Plan objectives, and provide a bold and engaging range of events that deliver maximum benefit and opportunity to residents, businesses and visitors.

Whilst the policy was intended to be in place for a trial period of 24 months, City officers have reviewed the policy to broaden the scope to also include non-commercial events, incorporate a framework for applying venue hire fees, and are requesting that Council approve a further suspension of the Expression of Interest process due to the uncertainty of COVID-19.

It is proposed that the name of the policy be changed to reflect the fact that the policy specifically applies to outdoor events throughout the City on Council-owned land that are run by external operators.

It is intended that the scope of the policy be broadened to include non-commercial and community events which are also approved through the same process.

Since the Commercial Events Policy adoption, the City has hosted 28 low impact events, 33 medium impact events, and three high impact events. There have been no major impact events during this time.

COVID-19 has resulted in the cancellation or reduction of a number of large and major impact events in Fremantle across 2020 and 2021, including Laneway Festival, Falls Festival and Winterworld Fremantle.

The City normally facilitates up to seven large impact events and four major impact events annually.

The significant decrease in large and major events is due to the ongoing restrictions and the risks associated with the impact of snap lockdowns. Snap lockdowns result in last minute and rapid cancellation, or postponement of events.

11 Fremantle events were cancelled across the 2021 February and April snap lock downs.

There has however been an increase in low and medium impact events where event organisers are operating in a more innovative way, reducing crowd capacity numbers and holding more regular events, as opposed to one large or major scale event.

The ongoing COVID restrictions has also meant that event organisers, and City officers are required to be more agile in the way they operate. The City recently facilitated one of the first seated major events in WA in the post-COVID era, *SummerSalt* which brought 7,000 people into Fremantle.

### **FINANCIAL IMPLICATIONS**

There are no specific financial implications as a result of this policy. The implementation of the policy will continue to occur within the operational budget of the City's Communications and Events team.

Fees and charges are set through the annual Council budget process, or as varied by Council resolution. Venue hire fees are calculated in accordance with the relevant event category scale.

There are two types of event fees:

1. **Venue hire:** the fee to hire the venue. Venue hire fees can be adjusted to reflect market climate.

The framework for applying venue hire fees for outdoor events is categorised by:

- type of event (commercial or community)
- type of venue (categorised as Gold, Silver or Bronze)
- event impact (categorised as low, medium, or high impact)
- event activity per day (bump in/out day or event day)

Fees are set through the annual Council budget process, or as varied by Council resolution.

2. **Cost recovery:** fees based on the principles of cost recovery and include permit fees, licence fees and car bay hire fees. These are separate to venue hire fees and are to be paid by the event organiser prior to the event.

Bonds charged for events are:

1. **Ground restoration bond:** an upfront grounds bond ranging between \$500 to \$20,000 depending on the scale and expected impact of event. Additional charges may be incurred post-event depending on the condition of grounds.
2. **Event bond:** an upfront bond ranging between \$500 to \$20,000 subject to the scale of event, and its potential impact on the surrounding environment.

## **LEGAL IMPLICATIONS**

Although not directly involved in this policy, events themselves are required to comply with the Environmental Protection (Noise) Regulations 1997. This entails the approval by the CEO of exemptions to the allowed noise levels for sporting, cultural or entertainment purposes.

Event organisers are required to follow the terms and conditions of hire for use of the City's venues for the purpose of staging the event.

For Large and Major events, approval is further subject to the mutual execution of a contractual agreement between the City and the event organiser.

## **CONSULTATION**

When the policy was first adopted, the principles and broad intent were discussed with representatives of the Fremantle Chamber of Commerce who highlighted the importance of a strategic approach and criteria that reflect Fremantle's brand and experiences.

This report recommends the continued endorsement of a set number of events to be approved at the City's outdoor event venues in lieu of a formal consultation process for the duration of the policy trial.

At the culmination of the trial period, community consultation will be undertaken to gauge public response to the number of events being permitted under the policy.

Post-event data will be compiled during this period and will be used to guide engagement with the community and stakeholders early in the process of adopting formal frequencies and a permanent policy.

This process will help ensure the Fremantle community have confidence in the policy going forward.

## **OFFICER COMMENT**

The key changes to the policy are:

- scope is broadened to include non-commercial events, not just commercial events
- the inclusion of venue categories: Gold, Silver and Bronze. Venues are categorised in the policy depending on their suitability to accommodate events. Each of these categories are charged at a different rate through the fees and charges. Gold being the highest, and Bronze being the lowest.

These changes are intended to better align the policy with the existing event approval process and the City's fees and charges.

## **VOTING AND OTHER SPECIAL REQUIREMENTS**

Simple majority required.



**COMMITTEE RECOMMENDATION ITEM FPOL2106-7**  
**(Officer's recommendation)**

**Moved: Cr Hannah Fitzhardinge**

**Seconded: Cr Adin Lang**

**Council:**

- 1. Adopt the revised Outdoor Events Policy provided in Attachment 1, to replace the Commercial Events Policy until June 2023. Extending the trial for a further 24 months to allow enough time for sufficient data to be collated to adopt a permanent policy at the end of the trial period.**
- 2. Approve a further 12-month suspension of the Expression of Interest process, until June 2022 to respond to the impact of COVID-19.**

**Carried en bloc: 6/0**

**Cr Hannah Fitzhardinge, Cr Jenny Archibald, Cr Andrew Sullivan,  
Cr Doug Thompson, Cr Adin Lang, Cr Sam Wainwright**

## **FPOL2106-8 SUSTAINABLE EVENTS POLICY REVIEW**

**Meeting date:** 9 June 2021  
**Responsible officer:** Manager Strategic Planning  
**Decision making authority:** Council  
**Attachments:** 1. Sustainable Events Policy  
**Additional information:** 1. FPOL1811-4 Sustainable Events Policy

### **SUMMARY**

**This report reviews the Sustainable Events Policy, adopted in 2018, after the completion of a two-year trial. The review discusses issues identified and subsequent recommendations for their resolution. No changes to the policy itself are recommended.**

**Many of the issues identified prior to adoption of the policy remain unchanged. In addition, hygiene concerns with regards to Covid have made it difficult to relay the message that reusable items are preferred to single-use items. Most shortcomings in the implementation of the policy can be addressed through continued and expanded communication and provision of information, both with internal and external stakeholders; and the provision of additional budget to procure alternatives to plastic products and bike racks for City-run events.**

**The change of policy context, with the introduction of the State Government's "Plan for Plastics", strengthens the validity of the Sustainable Events Policy, and shows that the City has been advanced in preparing the community and businesses for the changes to come.**

### **BACKGROUND**

The Sustainable Events Policy (Attachment 1) was adopted by Council in November 2018, as a comprehensive follow up to the Sustainable Events Guideline and Checklist (2016). The policy was prepared to support the City's commitment to improving the sustainability of events, consistent with its Environmental Responsibility objectives outlined in Strategic Community Plan.

In preparing the policy, some of the challenges with its implementation were flagged, including the need to balance improved sustainability with continued attraction of quality events, governance and resourcing issues, and the additional cost associated with some of the policy requirements. Upon adoption, elected members resolved to review the Sustainable Events Policy at the end of the two-year trial. For more detail on the background to both the Sustainable Events Policy and the Sustainable Events Guideline and Checklist, see Additional Information 1.

The purpose of this report is to present the findings of the review and make recommendations for implementation of the sustainable events policy moving forward.

### **OFFICER COMMENT**

This review considered the benefits and challenges identified upon the adoption of the policy. In addition, the review sought to provide an understanding of how the policy has

been received and implemented internally and externally, by those holding both large and small events. Its preparation involved discussions with and survey of internal stakeholders and external caterers and event organisers, as well as desk top research of alternatives.

## **Key Issues**

Key issues identified during the review and recommendations going forward are discussed below.

### **COVID**

The outbreak of Covid-19 in early 2020 significantly impacted the roll out of the policy for the following reasons:

- A number of events were cancelled, rescheduled and / or undertaken in a modified (often smaller scale) format, requiring often quite hurried replanning and cooperation to realise.
- Single-use items were preferred over reusable items (cutlery, plates, cups etc) for hygiene reasons. Many food vendors would not accept BYO coffee cups.
- Financial impacts associated with Covid meant that budget for more sustainable products was not available or prioritised.

The impacts of Covid, particularly financial, are still being felt and Covid outbreaks means that single-use items are often still preferred.

### ***Waste management***

The current policy requires that paired waste and recycling bins that are clearly labelled are provided for all city-run and large-scale events approved by the City. No changes to the policy regarding the provision of waste and recycling bins are proposed.

Contamination remains a key issue for resource recovery and waste management, which was highlighted in feedback from event organisers. Clearly labelled bins and community education on waste management should continue to be provided to help alleviate contamination rates.

FOGO bins were introduced for residential properties in 2019, however this is yet to be rolled out to commercial entities meaning that provision of FOGO bins for events is not yet considered feasible. A further factor compounding issues is that bioplastics are not composted through the SMRC's waste collection services (although bamboo cutlery and paper straws, plates and serviettes are). After being placed in the FOGO bin (where available), these products are removed as contamination due to their appearance as almost identical to plastic products. Some external firms for larger events provide a composting service for bioplastics, but at an additional cost. It is unlikely that this issue will be resolved until single-use plastics are phased out State-wide. Note that compostable products are still preferred over single-use plastics due to their lower embodied carbon emissions.

The requirement for Container Deposit Scheme bins at events was also considered, however this is currently not considered necessary for the following reasons:

- Bottles that are placed in recycling bins will be recycled regardless of whether it is a recycling or CDS bin
- Glass is unlikely to be readily used at events and the City is trying to reduce its use of plastic products at events. Although CDS bins also cover metal and cardboard beverage containers, as above these products will still be recycled if placed in a recycling bin.

Recommendations going forward based on the findings include:

- Event organisers to continue to provide paired waste and recycling bins that are clearly labelled.
- To assist with minimising contamination of bins, the City should procure simple waste signs for landfill and recycling bins used for events, that can be borrowed by event organisers. The City is currently investigating this as part of existing budgets.

### ***Single-use plastics***

The replacement of single-use plastics with either reusable items or plant based compostable products has proved problematic due to hygiene concerns associated with Covid and financial constraints associated with alternative products. The reality of single use plastic is that it is cheap and plentiful. Alternatives are still more expensive, and budgets must be able to accommodate this increase in cost for implementation of the policy to be successful.

Specific findings for City-run events over the course of the two years included:

- Replacement of cling film and other single use containers by caterers has been inconsistent – regular reminders are necessary but are not always well met due to the risk of spillage with some other methods. In addition, plant-based cling wraps are roughly double the price of plastic cling wrap.
- As expected, there is still a need for procurement of water tanks and reusable cups (or similar) for long-term use at recurring events such as Anzac day. Compostable water bottles have been purchased but come at a higher cost (and as noted above, are not being composted by SMRC services).
- Coffee vans invited to events are required to provide biodegradable cups. People are encouraged to keep a reusable cup handy, but in Covid conditions these are sometimes not accepted.
- Confusion surrounds exactly what plant-based products are suitable and where these products can be sourced.
- All caterers that responded to our survey noted that they had reduced their plastic use 'where possible'. One vendor in particular changed their packaging practices as a direct result of engagement with the City and its Sustainable Events Policy. Some difficulties associated with the policy were that some bioplastics were not suitable for heating, the lack of alternatives for water bottles and the increased cost of bioplastics.

Of the six external event organisers that responded to the survey, 100% said they excluded plastic straws from their events and 86% excluded plastic cutlery, plates and/or food containers and coffee cups. However, only 17% excluded plastic water bottles.

More generally, the context in which the policy operates has shifted since its introduction in 2018. There is now more community awareness of issues associated with plastic

waste, and prior to Covid there was a shift in public opinion away from single use plastic. Importantly, the WA State Government adopted its “Plan for Plastics” roadmap in November 2020. From 2021 to 2023, the State Government is phasing out single use plastics including plates, cutlery, stirrers, straws, thick plastic bags, polystyrene food containers and helium balloon releases. From 2024 to 2026 the following plastic items will be phased out: barrier/produce bags; microbeads; polystyrene packaging; cotton buds with plastic shafts and oxo-degradable plastics (plastics designed to break up more rapidly into fragments under certain conditions).

Event organisers will increasingly be required by legislation to cease use of single use plastic. As the State Government phases out the use of single-use plastics, alternative products will become more readily available and cost-affordable. In light of the “Plan for Plastics”, the City’s Sustainable Events Policy has been helpful in preparing staff, event organisers and the community for this coming change.

Recommendations going forward are:

- Procurement of more reusable crockery and cutlery for staff to book out and use at internal events such as workshops, seminars and meetings. Provision of these would send a message to the community that reusable is far preferable to compostable or disposable items. Provision of appropriate storage space for reusable items and a dishwasher for cleaning is being investigated in the new Walyalup Civic Centre.
- For some occasions, non-plastic disposable items remain a more practical option than reusable items. Compostable cups, plates, cutlery and non-plastic water bottles / cartons should be sourced through centralised procurement. This will reduce cost per item, staff time spent on finding appropriate items, and reliance on staff knowledge about appropriate products and where to source them. Provision of storage space is being investigated in the new Walyalup Civic Centre.

### ***Communications***

The review found that the overall intention of the policy is understood, and on the whole promoters, vendors, caterers and staff want to abide by its requirements (though interest from non-responders may be lower). Larger external events including Sets on the Beach, Falls Festival and Laneway Festival are already very proactive in this area and continue to make sustainability improvements. This was evident in feedback from event organisers, with 100% of those that responded excluding balloons, plastic straws and polystyrene and Styrofoam food containers from their events, and 83% also excluding cutlery, plates and cups made from plastic, cling wrap and confetti. However, half of the respondents noted that third party suppliers at events could cause issues with adhering to the policy. Feedback indicated that while it was possible to enforce actions of your own organisation and inform suppliers of the policy requirements, it was difficult to dedicate resources to police those suppliers. One event organiser suggested that it would be useful for Council to provide names of local businesses who supply suitable products.

For smaller and internal events, adherence to the policy by vendors/caterers has been inconsistent. Although regular reminders are necessary, many caterers have reduced their plastic use where possible. The message of preferencing reusable containers over compostable and single-use plastics has been difficult to relay, particularly given the impact of Covid and consequent prioritisation of hygiene and cost efficiency.

Knowledge about the details of the policy and best practice for implementation could be improved. This can most effectively be done by updates to the information provided to staff, event organisers and caterers.

Recommendations for improvements include:

- Regular refresher promotions on the COFI newsfeed about how to apply the policy for internal events
- Creation of infographics that clearly detail the requirements for large and small events and information relevant to caterers. The infographics should be sent to event organisers and caterers early on in discussions.
- Adding sustainability requirements to the existing (Environmental Health) application form for small stallholders
- Creation of a short post-event reporting survey to capture feedback from external event organisers on the success or otherwise of sustainability considerations.

### ***Transport***

Active transport options are generally well promoted. Maps are provided on the City's website showing the location of the Fremantle bus and train station and the CAT bus routes. Eighty-three percent of the event organisers surveyed said that they promote active transport options. However, for large events (both City-run and approved by the City), event organisers are required to provide adequate bike parking. As highlighted upon adoption of the policy, the majority of our large events are held at either Esplanade Park or Fremantle Oval. The installation of permanent bike racks around these areas would satisfy this requirement and align with recommendations from the City's Bike Plan.

### **FINANCIAL IMPLICATIONS**

Additional costs to better implement the policy for City-run events are outlined below.

- Moderate cost implications (>\$1000 per bike rack) for the installation of more permanent bike parking at major event locations, such as Fremantle Park and the Esplanade.
- Minor costs (<\$1000 per large event) are associated with providing an alternative water source (ie. Hydration trailer) for large events. Costs will continue to form part of operational budgets.
- Minor costs to procure compostable disposable products for internal staff events. Centralised procurement of these products will be cheaper overall for the organisation, and individual teams hosting events.
- Minor costs (<\$500) to purchase 100 each of reusable crockery plates, bowls and cups and metal cutlery.

Refer to the original Sustainable Events Policy report to council in November 2018 (Additional Information 1) for a more detailed breakdown of costs for various plastic-alternative products.

For external events, the event organiser bears the cost of adhering to the policy. One of the largest costs is the purchase of compostable food packaging rather than single-use plastic. Smaller food vendors also lose a means of income when they are unable to sell plastic water bottles (though could consider biodegradable alternatives).

## **LEGAL IMPLICATIONS**

Currently none, however within the next two years there will be legal implications for the use of some types of single use plastic under the State Governments “Plan for Plastics”.

## **CONSULTATION**

This review was undertaken with input from internal stakeholders and feedback from caterers and event organisers.

## **VOTING AND OTHER SPECIAL REQUIREMENTS**

Simple majority required

### **COMMITTEE RECOMMENDATION ITEM FPOL2106-8** **(Officer’s recommendation)**

**Moved: Cr Hannah Fitzhardinge**

**Seconded: Cr Adin Lang**

#### **Council:**

- 1. Approve the retention of the Sustainable Events Policy provided in Attachment 1, without modification.**
- 2. Note the findings from the review and the intention to further develop internal protocols and communications to support administration of the policy.**
- 3. Request that allocation of funding be considered for the following items:**
  - a) procurement and storage of re-useable crockery and cutlery for internal events.**
  - b) waste signage to be used at events**
  - c) installation of more permanent public bike racks at Fremantle Oval and Esplanade Park**

**Carried en bloc: 6/0**

**Cr Hannah Fitzhardinge, Cr Jenny Archibald, Cr Andrew Sullivan,  
Cr Doug Thompson, Cr Adin Lang, Cr Sam Wainwright**

## **FPOL2106-9 FREMANTLE MARKETS REFURBISHMENT WORKS TENDER**

**Meeting date:** 9 June 2021  
**Responsible officer:** Manager Asset Management  
**Decision making authority:** Committee  
**Attachments:** Nil  
**Additional information:** Nil

### **SUMMARY**

**In order to progress the negotiations with Fremantle Markets Pty Ltd, officers are seeking authority to progress to advertise the tender for construction works prior to budget approval and to ascertain costs with greater certainty.**

**This report recommends that Council authorise officer's progress to advertise the tender for the refurbishment works to the Fremantle Markets prior to full budget allocation. The preferred submission will be used as the basis of lease negotiations and will be included for Council consideration as part of any lease extension process.**

**the tender will be based on the agreed scope of works as previously adopted by council and agreed by the head tenant.**

### **BACKGROUND**

The Fremantle Markets is a significant commercial property with the City returning a rent of approximately \$870,000 p.a. and rates of \$215,000 p.a. The rate of return on this asset is approximately 7% based on the current fair value for the property of \$11.9m\* (\$8.8m land and \$3.1m building, \* source: APV Valuers 20 February, 2017).

The current lease on this property was adopted by Council in 2008 after two business plan advertising processes, one in 2006 and the second in 2007. The current lease was adopted for a term of 18 years and is due to end in March 2026. The current tenant, Fremantle Markets Pty Ltd (FMPL), has been the tenant since 2008.

Recent building audit reviews of the property have identified several areas of risk for the building which require attention. Other items related to improving the operation of the markets have also been identified and included in a staged capital works program.

The review and program have also included a review of the Fremantle Markets Conservation Plan adopted by Council in 2009. Some of the conservation works have been undertaken through previous capital works projects, whilst others have been incorporated in the staged capital works program

At the Ordinary Meeting of Council on 10 June 2020 Council;

1. *Approve implementation of the essential works for the Fremantle Markets based on the attached Fremantle Markets Revitalisation Works (2019) schedule of works as an opportunity with the current COVID-19 shut down of the business, subject to part 2 below.*



2. *Authorise the Chief Executive Officer to negotiate with Fremantle Markets Pty Ltd (FMPL) the terms of a possible lease term extension for the current lease (dated 10 March 2008) for the property known as the 'Fremantle Markets' (Lots 1376, 1380 and 1693 South Terrace, Fremantle) based on the following criteria;*
  - a. *Any extension be based on the delivery of the items noted as essential works in the schedule of works provided within the Markets Revitalisation Plan, as provided in attachment 1 of this item (10 June, 2020);*
  - b. *A minimum contribution by the tenant of the value of the essential works identified in (a) above;*
  - c. *Any term extension to be based on requirements of Local Government Act, 1995; and*
  - d. *Negotiated proposed terms to be brought back to council for further consideration.*

## **FINANCIAL IMPLICATIONS**

The pretender estimate for the project is approximately \$2,400,000. The final tendered value will be used in lease negotiations with FMPL.

Officers seek Council approval to tender prior to establishing the project budget; however, any successful tender would only progress once Council have formally approved adequate budget to allow the project to be awarded.

## **LEGAL IMPLICATIONS**

Tenders will be invited in accordance with the requirements of Section 3.57 of the Local Government Act 1995. The tendering procedures and evaluation complied with the requirements of Part 4 of the Local Government (Functions and General) Regulations 1996.

## **CONSULTATION**

Nil

## **OFFICER COMMENT**

Since the June 2020 Council item, the City has engaged Griffiths Architects to complete the design the refurbishment works. The design package is 90% complete with the final scope of the works included consisting of:

- Replacement roof structure over the Yard
- Renewal of electrical and hydraulic services
- New reticulated gas and mechanical services
- Stall refurbishments
- Addition of new stalls
- Addition of a universal access toilet
- Improved fire safety

The City and FMPL have worked together, with Griffiths Architects, to refine the design and agree the final scope of works.

FMPL have provided confirmation that the scope of works in the design package includes the requirements for them to negotiate a lease extension.

City officers are comfortable that the high priority works have been included in the scope of the design package.

In order to fairly negotiate an extension to the lease, the City and FMPL require an accurate cost of works that will be confirmed when tested through an open tender. Given the current volatility in the construction market and complex nature of this project, it would be prudent for both parties, for the final lease negotiation to be based on a tendered price rather than a pre-tender estimate.

## **VOTING AND OTHER SPECIAL REQUIREMENTS**

Simple majority required

### **COMMITTEE RECOMMENDATION ITEM FPOL2106-9** **(Officer's recommendation)**

**Moved: Cr Hannah Fitzhardinge**

**Seconded: Cr Adin Lang**

**Council approve the advertising of the tender for the refurbishment works to the Fremantle Markets based on the agreed scope of works and previously approved essential works from June 2020.**

**Carried en bloc: 6/0**

**Cr Hannah Fitzhardinge, Cr Jenny Archibald, Cr Andrew Sullivan,  
Cr Doug Thompson, Cr Adin Lang, Cr Sam Wainwright**

### **11.3 Audit and Risk Management Committee 16 June 2021**

#### **ARMC2106-1 CITY OF FREMANTLE VALUATION OUTCOMES JUNE 2020**

<b>Meeting date:</b>	16 June 2021
<b>Responsible officer:</b>	Manager Finance
<b>Decision making authority:</b>	Council
<b>Attachments:</b>	<ol style="list-style-type: none"><li>1. Valuation Movements Buildings June 2020</li><li>2. Valuation Movements Land June 2020</li><li>3. Valuation Movements Investment Property June 2020</li><li>4. Valuation Overview</li><li>5. Valuation Report</li></ol>
<b>Additional information:</b>	Nil.

#### **SUMMARY**

To receive a report from Council valuers, Griffin Valuation, on the methodology and process for valuation and valuation movements for council land, buildings and investment property for the period ended 30 June 2020.

A representative from Griffin will be in attendance at the meeting to discuss the methodology with Committee and answer any queries committee members may have.

This report recommends that Council receive the verbal information provided by Griffin Valuations in relation to methodology for valuing City assets of land, building and investment property as at 30 June 2020.

#### **BACKGROUND**

As part of the Australian Accounting Standards entities are required to re-value their assets to market periodically. In the past this has occurred on a three year cycle in accordance with Local Government finance regulations.

At 30 June 2020, City assets in the area of land was reduced by \$54m from the 2017 values and buildings were increased by \$35m from their 2017 values. Investment property decreased by \$6m from their 2017 values.

#### **FINANCIAL IMPLICATIONS**

Nil

#### **LEGAL IMPLICATIONS**

Nil

#### **CONSULTATION**

Nil

## **OFFICER COMMENT**

With the release of the audited financial statements for June, 2020, queries have been raised by various community and elected members as to the reasons for the changes to these valuations and whether there are any financial concerns as a result of these changes.

To assist elected members in better understanding the changes the City has invited a representative from Griffin Valuations to attend the committee meeting to discuss the various valuation changes and the methodology they used in determining the valuations for the period ended 30 June, 2020.

Schedules of the changes in each individual asset in each asset category (land, buildings, investment property) are attached to this agenda indicating where each of the changes have occurred to assist the committee in this discussion.

## **VOTING AND OTHER SPECIAL REQUIREMENTS**

Simple majority required

### **COMMITTEE RECOMMENDATION ITEM ARMC2106-1** **(Amended officer's recommendation)**

**Moved: Cr Adin Lang**

**Seconded: Mr Phillip Draber**

#### **Council:**

- 1. Notes the list of changes to the City of Fremantle land, buildings and investment property assets as at 30 June 2020 attached with this agenda; and**
- 2. Receive the verbal and written presentation from Griffin Valuations in relation to the methodology used in undertaking the valuation assessment for the City's building, land and investment property assets as of 30 June 2020 and provided in the audited financial statements for the same period.**

**Carried: 9/0**

**Cr Andrew Sullivan, Cr Adin Lang, Cr Frank Mofflin, Cr Hannah Fitzhardinge, Cr Doug Thompson, Cr Marija Vujcic, Cr Jenny Archibald, Cr Su Groome, Mr Phillip Draber**

## **Additional Officer Comment**

**The summary report provided by the City's asset valuers, Griffen Valuations, at the Audit and Risk meeting on 16 June, 2021, and their original report have been added as attachments in the Council agenda.**

**ARMC2106-2 PURCHASING POLICY EXEMPTIONS FEBRUARY 2021 TO MAY 2021**

**Meeting date:** 16 June 2021  
**Responsible officer:** Manager Finance  
**Decision making authority:** Council  
**Agenda attachments:** 1. Purchasing Policy Exemption Details February 2021 to May 2021 (*confidential attachment under separate cover*)  
**Additional information:** Nil

**SUMMARY**

The purpose of this report is to inform Council of purchases made by the City that were exempt to the requirements of the Purchasing policy, during the period February 2021 to May 2021.

This report recommends that Council receive the Purchasing Policy Exemptions report for February 2021, March 2021, April 2021 and May 2021.

**BACKGROUND**

At the Ordinary Council Meeting of 25 November 2020, Council adopted a new purchasing policy. The policy contains a list of tender exemptions (exempt under Regulation 11(2) of the *Local Government (Functions and General) Regulations 1996*) and policy exemptions. Under this policy all exemptions used by the City are to be reported to the Audit and Risk Management committee.

**FINANCIAL IMPLICATIONS**

Nil

**LEGAL IMPLICATIONS**

Nil

**CONSULTATION**

Nil

**OFFICER COMMENT**

**February 2021**

The total value of spending exempt from the City of Fremantle Purchasing Policy was \$25,620.00 for the month of February 2021.

The value of exemptions by category is:

<b>Exemption Category</b>	<b>Value</b>
Specialist Consultancy / Legal Advice and OEM Exemptions	\$20,000.00
Artist Exemptions	\$5,620.00
<b>Total</b>	<b>\$25,620.00</b>

Details regarding individual exemptions can be found in the confidential attachment.

The process for requesting Artist exemptions was amended to require exemptions before contracts or Purchase orders are awarded. This has resulted in artistic fees required for the Melbourne International Comedy Festival – Deadly Funny 2021 festival being agreed and paid for in advance. All costs were budgeted and approved at the 8 July 2020 special Council meeting.

### **March 2021**

The total value of spending exempt from the City of Fremantle Purchasing Policy was \$130,816.00 for the month of March 2021.

The value of exemptions by category is:

<b>Exemption Category</b>	<b>Value</b>
Specialist Consultancy / Legal Advice and OEM Exemptions	\$46,871.00
Artist Exemptions	\$83,945.00
<b>Total</b>	<b>\$130,816.00</b>

Details regarding individual exemptions can be found in the confidential attachment.

The process for requesting Artist exemptions was amended to require exemptions before contracts or Purchase orders are awarded. This has resulted in artistic fees required for the Fremantle Festival 2021:10 Nights in Port scheduled for July 2021 and the Revealed Festival of March / April 2021, being agreed and paid for in advance. All costs were budgeted and approved at the 8 July 2020 special Council meeting. Costs for the Revealed Festival are 100% grant funded.

### **April 2021**

The total value of spending exempt from the City of Fremantle Purchasing Policy was \$112,470.00 for the month of April 2021.

The value of exemptions by category is:

<b>Exemption Category</b>	<b>Value</b>
Sole Source Exemptions	\$62,370.00
Artist Exemptions	\$50,100.00
<b>Total</b>	<b>\$112,470.00</b>

Details regarding individual exemptions can be found in the confidential attachment.

The process for requesting Artist exemptions was amended to require exemptions before contracts or Purchase orders are awarded. This has resulted in artistic fees required for the Jacobus Capone event, Erth Theatre Events and the Indian Ocean Craft Triennale, being agreed and paid for in advance. All costs were budgeted and approved at the 8 July 2020 special Council meeting.

### **May 2021**

The total value of spending exempt from the City of Fremantle Purchasing Policy was \$129,479.75 for the month of May 2021.

The value of exemptions by category is:

<b>Exemption Category</b>	<b>Value</b>
Sole Source Exemptions	\$126,752.75
Artist Exemptions	\$2,727.00
<b>Total</b>	<b>\$129,479.75</b>

Details regarding individual exemptions can be found in the confidential attachment.

The process for requesting Artist exemptions was amended to require exemptions before contracts or Purchase orders are awarded. This has resulted in artistic fees required for the Wardarnji Festival, being agreed and paid for in advance. All costs were budgeted and approved at the 8 July 2020 special Council meeting.

## **VOTING AND OTHER SPECIAL REQUIREMENTS**

Simple majority required

### **COMMITTEE RECOMMENDATION ITEM ARMC2106-2** **(Officer's recommendation)**

**Moved: Cr Adin Lang**

**Seconded: Cr Jenny Archibald**

**Council receive the information report for purchasing policy exemptions for the period February 2021 to May 2021 inclusive.**

**Carried: 9/0**

**Cr Andrew Sullivan, Cr Adin Lang, Cr Frank Mofflin, Cr Hannah Fitzhardinge, Cr Doug Thompson, Cr Marija Vujcic, Cr Jenny Archibald, Cr Su Groome, Mr Phillip Draber**

## **ARMC2106-3 OVERDUE DEBTORS REPORT AS AT 31 MAY 2021**

<b>Meeting date:</b>	16 June 2021
<b>Responsible officer:</b>	Manager Finance
<b>Decision making authority:</b>	Council
<b>Agenda attachments:</b>	1. Summary of Overdue Debts above Threshold ( <i>confidential attachment under separate cover</i> )
<b>Additional information:</b>	Nil

### **SUMMARY**

**This debtors report with a confidential attachment is provided to the Audit and Risk Management Committee together with details of overdue debts that exceed a threshold value of \$10,000.**

**This report recommends that Council receive the overdue debtors report and acknowledge the overdue debts exceeding ninety (90) days with the combined value exceeding \$10,000 as at 31 May 2021.**

### **BACKGROUND**

The report provides details to the Audit and Risk Management Committee on overdue debtors. The following information is provided on a quarterly basis:

- The amount of total debt outstanding for the period aged from current to over 90 days overdue with a comparison to the same period for the previous year.
- The value of debt that is in excess of ninety (90) days overdue and the combined value of those debt(s) which exceed \$10,000.
- All records of the uses of delegated authority, to waive or write off debts valued at \$1,000 or above per debtor, must be reported to the audit and risk management committee.
- A confidential report containing the individual debtor information in relation to the outstanding debtors exceeding 90 days with a combined value exceeding \$10,000 with comments, background and a comparison to the previous quarters report.
- Debtor day ratio - the average number of days required for the City to receive payment from its customers for invoices issued to them.

### **FINANCIAL IMPLICATIONS**

It is a requirement that annual financial statements include an allowance for impairment of receivables owed to the local government to be recognised as a cost to the budget in the year in which the impairment is made.

As at year ending 30 June 2020 an amount of \$584,675 was held as an allowance for impairment of receivables. As at the 31 May 2021 the current allowance held as impairment is \$19,476 with \$565,199 being written off to date.



During this financial year the following reportable write-offs and waivers have been processed against this account:

Total Write-offs	\$419 GST Exempt
Total Waivers	<u>\$564,780</u> + GST
	<b>\$565,199</b>

Since the last report, 4 occurrences of delegated authority to waive or write off debts valued at \$1,000 or above per debtor by officers has occurred. Currently \$98,507 has been identified for potential write-off/waiver.

### Summary of Sundry Debtor's Debts Written-off

Debtor No.	Name	Amount	Business Unit	Delegated Officer or Council
	<b>TOTAL</b>	<b>NIL</b>		

### Summary of Rates Debtors Debts Written-off

PID No.	Name	Amount	Business Unit	Delegated Officer or Council
	<b>TOTAL</b>	<b>NIL</b>		

### Summary of Sundry Debtor's Debts Waived

Debtor No.	Name	Amount	Business Unit	Delegated Officer or Council
2092471	Bird Books Pty Ltd	10,550	Commercial Property 2019/20 & 2020/21	Director - City Business
2093091	Jina Lee	3,039	Commercial Property 2019/20 & 2020/21	
2090107	Fremantle Arts Centre Café	8,514	Commercial Property 2019/20 & 2020/21	
2090138	Moore & Moore Food & Drink	11,745	Commercial Property 2019/20 & 2020/21	
2090834	David Giles Art Gallery	5,893	Commercial Property 2019/20 & 2020/21	
2090700	Mr Glen Martin Cowans	5,018	Commercial Property 2019/20 & 2020/21	
2019979	The Italian Club Fremantle	4,549	Commercial Property 2019/20	
2090779	Van Thang Doan	8,370	Commercial Property 2019/20	
2092434	Coolchest Pty Ltd	11,470	Commercial Property 2019/20	

Debtor No.	Name	Amount	Business Unit	Delegated Officer or Council
2090054	Royal Fremantle Golf Course Pty Ltd	10,546	Commercial Property 2019/20	
2090062	Fremantle Markets Pty Ltd	76,435	Commercial Property 2019/20	Chief Executive Officer
2092551	Beach Partnerships T/A COAST Port Beach	62,145	Commercial Property 2019/20	Chief Executive Officer
2090010	Clancy's Fish Pub	20,608	Commercial Property 2019/20	
2090484	Gino's Café Pty Ltd	51,750	Commercial Property 2019/20	
2093041	Sierra Orenda Pty Ltd	24,893	Commercial Property 2019/20	
2090061	Dome Fremantle	65,969	Commercial Property 2019/20	
2091161	Australian Touristic Attractions Pty Ltd	20,735	Commercial Property 2019/20	
2092866	George Ricca Enterprises Pty Ltd	3,781	Commercial Property 2019/20	Manager Economic Development and Marketing
2093116	Rose Megirian	2,493	Commercial Property 2019/20	
2092140	Rebecca Michelle Baumann	1,535	Commercial Property 2019/20	
2092471	Bird Books Pty Ltd	2,083	Commercial Property 2019/20	
2090107	Fremantle Arts Centre Café	1,681	Commercial Property 2019/20	
2090138	Moore & Moore Food & Drink	2,319	Commercial Property 2019/20	
2090834	David Giles Art Gallery	1,164	Commercial Property 2019/20	
2090024	Port Jarrah Furniture Fremantle Gallery	20,765	Commercial Property 2019/20 & 2020/21	Chief Executive Officer
2090028	Tom Edward Fay	6,247	Commercial Property 2019/20 & 2020/21	
2090042	Bakpak Freo Pty Ltd	56,542	Commercial Property 2019/20 & 2020/21	
2090061	Dome Fremantle	14,992	Commercial Property 2020/21	
2090138	Moore & Moore Food & Drink	6,226	Commercial Property 2019/20 & 2020/21	
2092095	Art on the Move	7,621	Commercial Property 2020/21	
2092551	Beach Partnerships T/A COAST Port Beach	23,057	Commercial Property 2019/20 & 2020/21	Manager Economic Development and Marketing
2092836	Tanya Schultz	2,102	Commercial Property 2019/20 & 2020/21	
Various	Less than reporting threshold	2,555	Various	Various under Delegation
2093091	Jina Lee	1,200	Commercial Property 2020/21	Manager Economic Development and Marketing
2090138	Moore & Moore Food & Drink	2,490	Commercial Property 2020/21	
2090024	Port Jarrah Furniture Fremantle	4,117	Commercial Property 2020/21	

	<b>TOTAL</b>	<b>565,199</b>		
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## LEGAL IMPLICATIONS

Section 6.12 (1) (c) of the *Local Government Act 1995* provides authority for the Council to write off outstanding monies.

In accordance with section 5.42 and 5.44 of the *Local Government Act 1995* the following delegated authority applies:

- The Chief Executive Officer has delegated authority to write off debts (not including rates or infringement) considered unrecoverable up to 100,000 per account where in the opinion of the Chief Executive Officer all other reasonable avenues of recovery have been exhausted.
- Directors and Managers have various sub-delegated authority to write off debts (not including rates or infringement) considered unrecoverable up to 20,000 per account where in the opinion of the Director or Manager all other reasonable avenues of recovery have been exhausted.

All records of the uses of this delegated authority, to waive or write off debts valued at 1,000 or above per debtor, must be reported to the Audit and Risk Management Committee.

Any amount in excess of 100,000 is to be written off by Council resolution. A council resolution authorising the write-off of any bad debt does not prevent Council from reinstating the debt if the future circumstances change and the debt becomes collectable.

## CONSULTATION

Nil

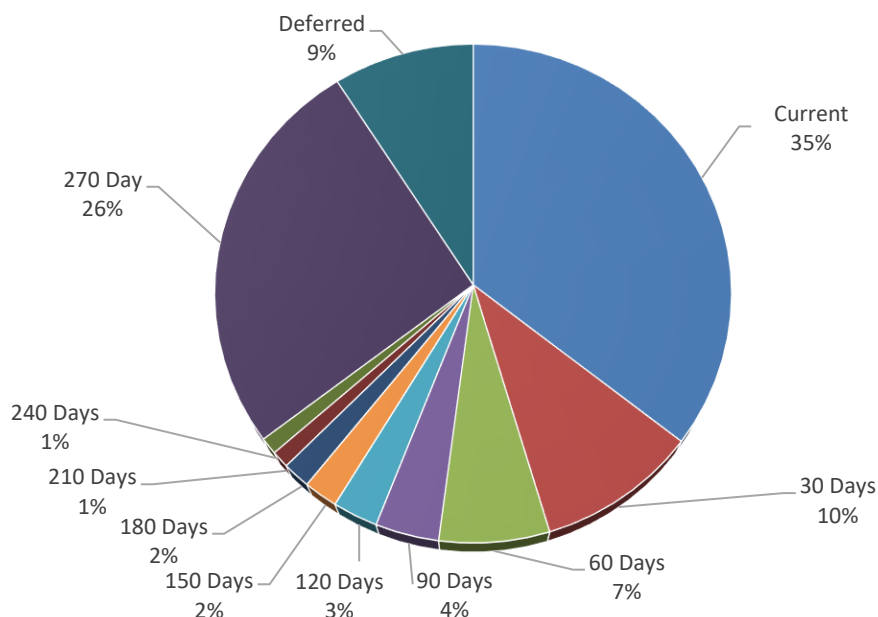
## OFFICER COMMENT

The total of debtors outstanding as at 31 May 2021 is \$1,289,694. A breakdown of aged debt for the current period compared to prior year for the same period is tabled below.

Period Ending June	Current	30 Days	60 Days	90+ Days	Total
July 20 – May 21	35%	10%	7%	48%	100%
	458,229	126,953	86,413	618,099	1,289,694
July 20 – May 21 Excl. Commercial Properties	46%	12%	5%	37%	100%
	334,261	86,725	39,982	266,596	727,564
July 19 – May 20	332,894	220,627	207,067	369,689	1,130,277

Of the total debt balance, the amount outstanding for 90+ days is 618,099 or 48%. Below is a graph of the aged debt balances as at 31 May 2021.

### Sundry Debtors



Compared to the report of overdue debtors as at 31 March 2021, presented to Audit and Risk Management Committee at the 21 April 2021 meeting, the total value of outstanding debtors has increased by 232k.

Outstanding debt over 90 days has increased from 588k at the end of the previous quarter to 618k. The number of overdue debtors above the reporting threshold of 10,000 is 12 with a total value of 537,559

In accordance with delegated authority, any debts over 100,000 will be submitted to Audit and Risk Management Committee for approval and all recorded use of delegated authority by Chief Executive Officer, Directors and Managers will be reported to Audit and Risk Management Committee.

The confidential attachment contains debtor information in relation to the 537,559 of outstanding debtors exceeding 90 days with a combined value exceeding 10,000 with comments and background.

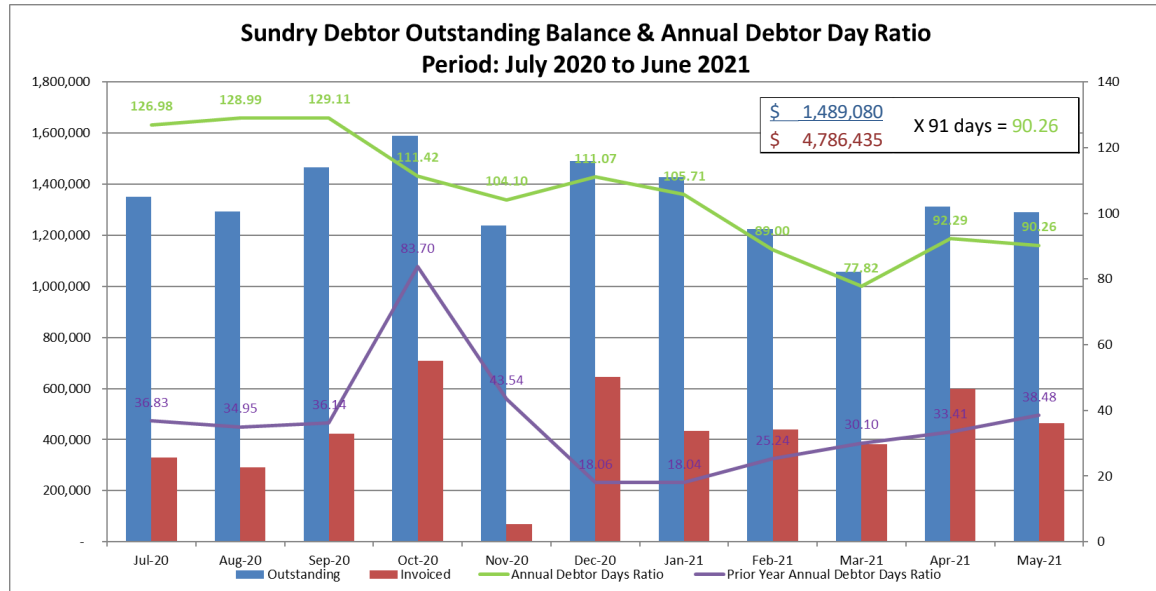
### Debtors Outstanding

The debtor day ratio measures how quickly cash is being collected from debtors. The longer it takes for an organisation to collect, the greater the number of debtor days.

The calculation of the ratio considers the total amount outstanding at the end of the period over the total amount invoiced to that period for the financial year by the total number of days from 1 July to the end of the period. See calculation in graph below.

Prior financial year information is presented together with the current financial year as a comparative to demonstrate the City's ability to collect funds owed to the City when due.

At July 2020, 1,067,654 of invoices raised in 2019/20 were outstanding resulting in outstanding debt exceeding the amount invoiced during July 2020. Identified write-offs/waivers amounted to 565k and have resulted primarily from the City's commercially leased properties.



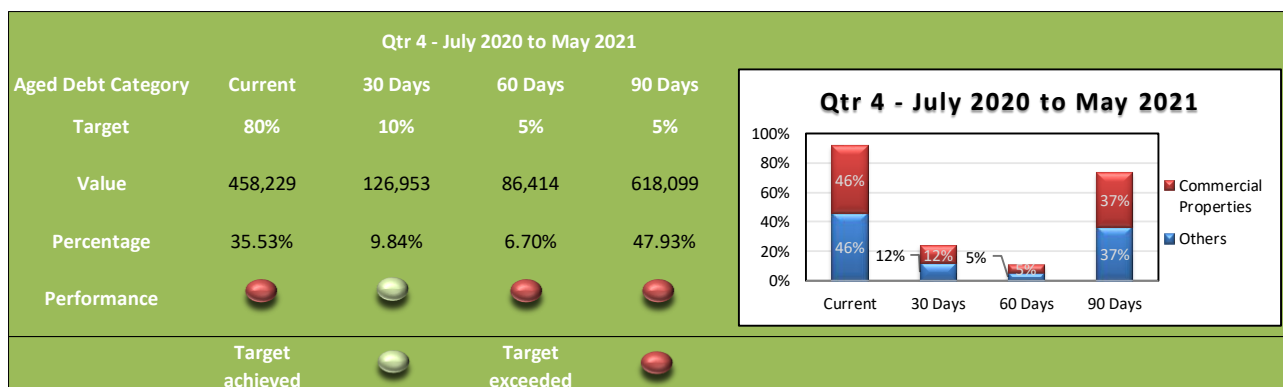
At reporting date, the debtor day ratio was 90.26 an increase from the prior reporting period. Of outstanding debt, 36% related to current invoices that were not yet due.

### Key Performance Indicators

The Audit Risk Management Committee recommended a performance measure be included to provide a reporting date 'snapshot' of performance against agreed indicators.

Internal debt management procedures have been reviewed resulting in Officers engaging with debtors earlier where an amount is considered to have an increased risk of default. Upon review of debt levels over prior financial years, Officers consider reasonable and recommend the following targets against which to report.

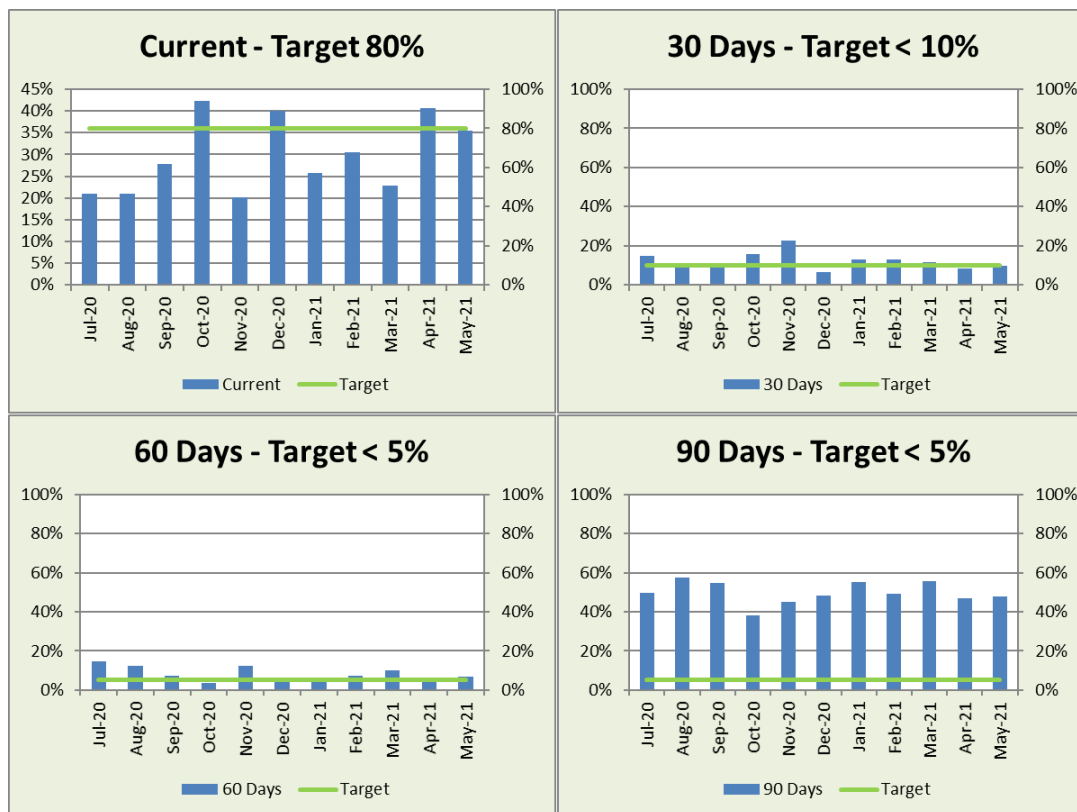
Key Performance Targets				
Current	30 Days	60 Days	90 Days	Total
80%+	<= 10%	<=5%	<=5%	100%



Of total overdue debt, Commercial Properties account for 44% (562,130k) and 63% of these debts extend 90 days & beyond. Deferred payment arrangements are currently in place for 114,414k or 20% of total overdue Commercial debts. City officers are liaising with all commercial tenants to provide assistance, including payment arrangements, where appropriate.

The following charts demonstrate performance against the recommended target for each aged debt category by period to reporting date for this financial year. As discussed above, much of the longer-term debt relates to the commercial tenants during the COVID shutdown period. Further write-offs for commercial debt are to be expected and the City's Economic Development team is monitoring the COVID environment and scenario planning any impact that may result in Western Australia.

#### Summary by total debtors by days



#### Summary by debtor type by days



## VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required

## OFFICER'S RECOMMENDATION

Council receive the overdue debtors report and acknowledge the overdue debts exceeding ninety (90) days with the combined value exceeding \$10,000 as at 31 May 2020.

### AMENDMENT 1

Moved: Mr Phillip Draber

Seconded: Cr Doug Thompson

To add a part 2 and 3 to read as follows:

Council:

1. Receive the overdue debtors report and acknowledge the overdue debts exceeding ninety (90) days with the combined value exceeding \$10,000 as at 31 May 2020.
2. *Request officers bring back to the Audit and Risk Management Committee a profile of the value of waivers on commercial property over the last two years (FY20/21 & FY19/20) to see what the (essentially COVID) impact on the City of Fremantle has been in relation to the commercial properties.*
3. *Request officers provide a finalised list of commercial property waivers to the next Audit and Risk Management Committee.*

**Amendment carried: 9/0**

Cr Andrew Sullivan, Cr Adin Lang, Cr Frank Mofflin, Cr Hannah Fitzhardinge,  
Cr Doug Thompson, Cr Marija Vujcic, Cr Jenny Archibald, Cr Su Groome, Mr Phillip Draber

**AMENDMENT 2**

**Moved: Cr Doug Thompson**

**Seconded: Cr Adin Lang**

**To add a part 4 to read as follows:**

- 4. *Reduce the delegated authority to the Chief Executive Officer for debt write offs by 50%.***

**Amendment carried: 9/0**

Cr Andrew Sullivan, Cr Adin Lang, Cr Frank Mofflin, Cr Hannah Fitzhardinge,  
Cr Doug Thompson, Cr Marija Vujcic, Cr Jenny Archibald, Cr Su Groome, Mr Phillip Draber

**COMMITTEE RECOMMENDATION ITEM ARMC2106-3**

**(Amended officer's recommendation, as amended)**

**Moved: Cr Adin Lang**

**Seconded: Mr Phillip Draber**

**Council:**

- 1. Receive the overdue debtors report and acknowledge the overdue debts exceeding ninety (90) days with the combined value exceeding \$10,000 as at 31 May 2020.**
- 2. *Request officers bring back to the Audit and Risk Management Committee a profile of the value of waivers on commercial property over the last two years (FY20/21 & FY19/20) to see what the (essentially COVID) impact on the City of Fremantle has been in relation to the commercial properties.***
- 3. *Request officer provide a finalised list of commercial property waivers to the next Audit and Risk Management Committee.***
- 4. *Reduce the delegated authority to the Chief Executive Officer for debt write offs by 50%.***

**Carried: 9/0**

Cr Andrew Sullivan, Cr Adin Lang, Cr Frank Mofflin, Cr Hannah Fitzhardinge,  
Cr Doug Thompson, Cr Marija Vujcic, Cr Jenny Archibald, Cr Su Groome, Mr Phillip Draber



## **ARMC2106-4 TENDERS AWARDED UNDER DELEGATION February 2021 TO MAY 2021**

**Meeting date:** 16 June 2021  
**Responsible officer:** Manager Finance  
**Decision making authority:** Council  
**Agenda attachments:** Nil  
**Additional information:** Nil

### **SUMMARY**

The purpose of this report is to summarise tenders awarded under delegation by various delegated Officers and Committee's, during the period February 2021 to May 2021.

This report recommends that Council receive the report on tenders awarded under delegation between February 2021 and May 2021.

### **BACKGROUND**

Tenders awarded by the City are awarded under the following delegations, approved at Council on 8 July 2021:

<b>Delegated Authority</b>	<b>Amount of Delegation</b>
Finance, Policy Operations and Legislation Committee (FPOL)	\$500,000+ (if within budget)
CEO	Up to \$500,000
Directors	Up to \$500,000

Items identified under 'Officer Comment' of this report detail tenders awarded under delegation.

### **FINANCIAL IMPLICATIONS**

All tenders were awarded within budget approved at Council on 8 July 2021.

### **LEGAL IMPLICATIONS**

All tenders awarded met the requirements of Regulations 11A – 24AJ of the *Local Government (Functions and General) Regulations 1996* and S3.57 of the *Local Government Act 1995*.

Under delegation 2.11 Expressions of interest and tenders or the City's Delegated Authority Register, the Chief Executive Officer is required to report the use of this delegation to the Audit and Risk Management Committee.

### **CONSULTATION**

Nil

### **OFFICER COMMENT**

Below is a list of Tenders awarded under delegation between February 2021 and May 2021

**February 2021**

<b>Tender Description</b>	<b>Awarded By</b>	<b>Contractor(s)</b>	<b>Contract Value</b>
N/A	N/A	N/A	N/A

**March 2021**

<b>Tender Description</b>	<b>Awarded By</b>	<b>Contractor(s)</b>	<b>Contract Value</b>
N/A	N/A	N/A	N/A

**April 2021**

<b>Tender Description</b>	<b>Awarded By</b>	<b>Contractor(s)</b>	<b>Contract Value</b>
N/A	N/A	N/A	N/A

**May 2021**

<b>Tender Description</b>	<b>Awarded By</b>	<b>Contractor(s)</b>	<b>Contract Value</b>
FCC575/21*	FPOL 12 May 2021*	Safeway Building & Renovations Pty Ltd*	\$860,000*

\*Note – following negotiation with Safeway Building and Renovations Pty Ltd around the final scopes of work, Safeway Building & Renovation confirmed their inability to undertake the works for the price offered and withdrew their tender. The City has subsequently rejected all responses, due to all responses being over the allocated project budget.

**VOTING AND OTHER SPECIAL REQUIREMENTS**

Simple majority required

**COMMITTEE RECOMMENDATION ITEM ARMC2106-4**  
**(Officer's recommendation)**

**Moved: Cr Adin Lang**

**Seconded: Mr Phillip Draber**

**Council receive the report on Tenders Awarded under delegation for February 2021 to May 2021.**

**Carried: 9/0**

**Cr Andrew Sullivan, Cr Adin Lang, Cr Frank Mofflin, Cr Hannah Fitzhardinge,  
Cr Doug Thompson, Cr Marija Vujcic, Cr Jenny Archibald, Cr Su Groome, Mr Phillip Draber**

## **ARMC2106-5 INFORMATION REPORT - NEXT STEPS TO COMPLETE WALYALUP CIVIC CENTRE**

**Responsible officer:** Director Infrastructure  
**Attachments:** 1. Nil  
**Additional information:** 1. Risk assessment (Confidential) **electronic only**

At the Special Meeting of Council of 8 June 2021, for the continued progress of the Walyalup Civic Centre construction, Council agreed to:

1. *Note the City's legal advice in respect to the direct engagement of contractors, previously contracted to Pindan Ltd PTY, as Sole Source suppliers.*
2. *Note the advice from the probity auditor in respect to the City's approach and engagement of contractors for the completion of WCC construction contract.*
3. *As a result of the unique nature and current status of the project, approve Sole Source supply arrangements under Regulation 11 (2)(f) of the Local Government (Function and General) Regulations 1996, for the engagement of contractors as detailed in confidential Attachment 1, to complete the project works as the City has good reason to believe that no other contractor would be prepared to assume the obligations to carry out and complete the works of any current subcontractor, assuming liability for what has been done, at the price that remains payable under the terms of the existing subcontract and taking over existing warranties required under the existing contract.*
4. *Approve CEO delegation to formally terminate the Construction Contract with Pindan Pty Ltd at the appropriate time.*
5. *Approve CEO delegation to authorise project expenditure to complete the project works up to the available value of the retained performance bonds (\$3,673,056.40).*
6. *Approve officers progress with a Managing Contractor arrangement for the oversight of completion of the project works and to immediately commence the tender process on this basis.*
7. *Request that the Walyalup Civic Centre project continue to be monitored through regular updates to the City's Audit and Risk Committee.*

Officers are now initiating works with the contractors approved by Council as sole suppliers (item 3 above). Initial works are commencing but are restricted to items such as minor fit out works, cabinetry and licenced trades and do not yet involve any formal 'construction' works.

In addition to the above the project team have established an updated governance structure and implemented additional financial controls to ensure all work costs are captured in relation to the original scope of works and also the works required as a result of the Pindan liquidation event. This approach shall also include monitoring and tracking of expenditure against the retained insurance bonds.

In order to further progress construction works the project team require the engagement of a registered builder, accordingly the City has now issued a Request for Tender – this includes the following activities and timelines:

<b>Description of Task</b>	<b>Action and <u>Approximate</u> Timeframe</b>
Issue a Public Tender for a Managing Contractor to complete the final elements of the project	Issued 10 June 2021 via Tenderlink. Submissions close Monday 28 June 2021 at 2pm
Evaluate responses to tender	Commencing Tuesday 29 June 2021 with an aim to be complete no later than Friday 18 July 2021 (internal review and recommendation)
Present Report to Council recommending award of contract to preferred Managing Contractor	OCM Wednesday 28 July 2021. As previously discussed, if evaluation is quicker then a SCM may be called.
Negotiate with preferred Managing Contractor	Thursday 29 July 2021 to Friday 13 August 2021.
Execute Contract	No later than 13 August 2021
Works commence on site	29 August 2021
Practical Completion / Commissioning	12 November 2021
Library relocate	Late November 2021
Administration relocate	Staged through December 21
End of 12-month defects liability period ends	11 November 2022

Once the Managing Contractor is engaged the project team have prepared to facilitate a risk workshop with key stakeholders. Working from the existing risk register, the workshop will focus on the current issues and challenges and develop an updated risk profile / position with new risk mitigation measures and controls.

All updated processes and procedures in relation to the current financial management of the project will be reviewed and tested as part of the risk workshop.

It is currently anticipated that the estimated costs to complete the project will be covered with the remaining project budget and use of the retained insurance bonds.

Officers will retain the project as high priority on the corporate risk register and continue to provide updates to the Audit and Risk Committee (and all key stakeholders) as per normal requirements.

Also attached for information, is a copy of the original risk assessment undertaken for this project. It is intended that a review of this assessment will be undertaken as part of the implementation of these next steps.

**COMMITTEE RECOMMENDATION ITEM ARMC2106-5**  
**(Officer's recommendation)**

**Moved: Cr Adin Lang**

**Seconded: Cr Jenny Archibald**

**Council note the progress, current arrangements and activities, in respect to the management of the Walyalup Civic Centre project, as outlined in this report.**

**Carried: 9/0**

**Cr Andrew Sullivan, Cr Adin Lang, Cr Frank Mofflin, Cr Hannah Fitzhardinge,  
Cr Doug Thompson, Cr Marija Vujcic, Cr Jenny Archibald, Cr Su Groome, Mr Phillip Draber**

## **ARMC2106-6 INFORMATION REPORT – JUNE 2021**

### **EXPLORING RECENT INQUIRIES INTO LOCAL GOVERNMENT**

**Responsible officer:** Manager Governance  
**Attachments:** 1. Report exploring recent inquiries into local government  
**Additional information:** Nil

Section 8.3(1) of the *Local Government Act 1995* (the Act) gives the Director General of the Department of Local Government, Sport and Cultural Industries (the Department) the authority to inquire into all local governments and their operations and affairs.

The Director General may, by written authorisation, authorise a person to inquire into and report on any aspect of a local government or its operations or affairs.

In the past eight months there have been four authorised inquiries by the Department, into local government in Western Australia:

The Town of Cambridge in late 2020 and the Cities of Cockburn and Subiaco and the Shire of Wiluna in early 2021.

The attached report explores these inquiry reports for common themes.

### **OFFICER'S RECOMMENDATION**

**Council receive the following information reports for June 2021:**

- 1. Exploring recent inquiries into local government.**

### **AMENDMENT**

**Moved: Cr Doug Thompson**

**Seconded: Cr Adin Lang**

**To add a part 2 to read as follows:**

- 2. *Recommend that all Councillors read the "Exploring recent inquiries into Local Government Report" and that it be included in the recommended reading list for newly elected Councillors.***

**Amendment carried: 9/0**

**Cr Andrew Sullivan, Cr Adin Lang, Cr Frank Mofflin, Cr Hannah Fitzhardinge, Cr Doug Thompson, Cr Marija Vujcic, Cr Jenny Archibald, Cr Su Groome, Mr Phillip Draber**

**COMMITTEE RECOMMENDATION ITEM ARMC2106-6**  
**(Amended officer's recommendation)**

**Moved: Cr Adin Lang**

**Seconded: Cr Doug Thompson**

**Council:**

- 1. Receive the following information reports for June 2021:**
  - a. Exploring recent inquiries into local government.**
- 2. *Recommend that all Councillors read the "Exploring recent inquiries into Local Government Report" and that it be included in the recommended reading list for newly elected Councillors.***

**Carried: 9/0**

**Cr Andrew Sullivan, Cr Adin Lang, Cr Frank Mofflin, Cr Hannah Fitzhardinge,  
Cr Doug Thompson, Cr Marija Vujcic, Cr Jenny Archibald, Cr Su Groome, Mr Phillip Draber**



## 12. Reports and recommendations from officers

### C2106-1 ADOPTION OF THE ANNUAL BUDGET 2021/2022

**Meeting date:** 23 June 2021  
**Responsible officer:** Finance Manager  
**Decision making authority:** Council  
**Attachments:**  
1. Annual Budget 2021/2022  
2. Annual Fees and Charges 2021/2022  
**Additional information:** Nil

#### SUMMARY

This report is to consider the adoption of the 2021/2022 Budget which includes the Municipal, Trust and Reserve Fund budget for the 2021/2022 financial year together with supporting schedules, including imposition of rates and minimum payments, adoption of fees and charges, setting of elected members fees for the year and other consequential matters arising from the budget papers.

Budget 2021/2022 includes just over \$100 million in operating and capital expenditure over the coming financial year. The budget has been prepared taking into consideration the Strategic Community Plan, Corporate Business Plan and 10-year financial plan. It includes investment in the renewal of Fremantle, planned by Council in 2012 with the continuation of the Kings Square Project.

This budget has been prepared with a proposed 3.95% increase in rate increase across all rating differentials except for vacant residential land. The Local Government Cost Index publish by Western Australian Municipal Association forecasts (June 2021) an increase of 3.2% over the coming financial year. This budget proposes a rate increase of 3.95% in line with Council's commitment to achieve an appropriate level of funding for operations and asset renewal in line with the current long-term financial plan.

The budget document has been prepared in accordance with the *Local Government Act 1995*, *Local Government (Financial Management) Regulations 1996* and Australian Accounting Standards.

This report recommends that Council adopt the 2021/2022 Budget which comprises the Statutory Financial Statements, setting of rates and associated rate charges, annual fees and charges, use of reserve funds and Elected Member fees and allowances.

## **BACKGROUND**

The draft 2021/2022 budget has been compiled based on principles contained in the Strategic Community Plan and Corporate Business Plan. In preparing the proposed budget for 2021/2022 a thorough review of all base operating, capital and operating projects has been undertaken by Elected Members and Management through a series of long-term financial planning and budget workshops between March and June 2021. The proposed differential general rates and minimum payments were approved by the Council at its meeting of the 28 April 2021 and advertised for public comment. Eight (8) submissions were received by 8 June 2021 when the public comment period closed. A register of the submission received with comments is included in this report for Council consideration.

## **FINANCIAL IMPLICATIONS**

This report sets the 2021/2022 City of Fremantle budget.

## **LEGAL IMPLICATIONS**

The draft budget 2021/2022 has been prepared in accordance with the Local Government Act 1995, the Local Government (Financial Management) Regulations 1996 and Australian Accounting Standards.

Section 6.2 of the *Local Government Act 1995* requires that no later than 31 August in each financial year, or such extended time as the Minister allows, each local government is to prepare and adopt, (by Absolute Majority) in the form and manner prescribed, a budget for its municipal fund for the financial year ending on the next following 30 June.

Divisions 5 and 6 of Part 6 of the *Local Government Act 1995* refer to the setting of budgets and raising of rates and charges. The Local Government (Financial Management) Regulations 1996 details the form and content of the budget. The draft 2021/2022 budget as presented is considered to meet statutory requirements.

Section 6.11 of the *Local Government Act 1995* requires the City establish and maintain a reserve account for the purpose of setting aside money for a specific purpose to be used in a future period. Any change to the purpose or proposed use of reserve funds is to be disclosed in the annual budget.

## **CONSULTATION**

While no specific consultation has occurred on the draft 2021/2022 budget, community consultation and engagement has previously occurred during development of the Strategic Community Plan from which the Corporate Business Plan was developed. In addition, the proposed differential rates were advertised in news media and available on the City's webpage from Saturday 1 May 2021.

## **OFFICER COMMENT**

### **Budget Highlights**

The main features of the draft budget for 2021/2022 include:

- The budget has been prepared with a 3.95% average general rate increase guided by financial plans contained in Plan for the Future. This increase applies to all differential general rate categories except for residential vacant land which has an average increase of 8%. The rate increase considered the forecasted Local Government cost index for 2021/2022 along with Council's long-term financial plan to ensure asset renewal is appropriately funded over the forward 10-year program. A further detail analysis on the proposed rates is provided below.
- The City will generate \$50.3m in general rate income, an increase of \$3.4m on last year due to growth within the City during 2020/2021 and the proposed 3.95% rate increase. The rate income generated by the City for this budget comprises 64% of operating revenue sources.
- Total budget income is \$98.6m, comprised of \$11.5m in capital grants, \$5m in proceeds from sale of assets and \$82.1m in operating cash income (including rate income and carried forward surplus).
- Total budget expenditure is \$100.4m, comprised of \$24.5m in capital expenditure, \$73.1m in operating cash expenditure and \$2.8m in loan principal and interest repayments.
- The capital works programme (inclusive of carried forward projects) totals \$24.5m, which is being funded by;
  - \$11.5m from grants and contributions,
  - \$6.6m transferred from reserves,
  - \$6.4m from municipal funds and carried forward funds

A highlight of key capital projects to be undertaken is reported on below. The full capital works programme is contained within attached budget document.

- There are no new loan borrowings proposed for next financial year.
- Reserve funds are expected to decrease by \$1.7m during 2021/2022.

Significant transfers to reserves are:

- \$5m to Investment Reserve from Proceeds from Sale of Land

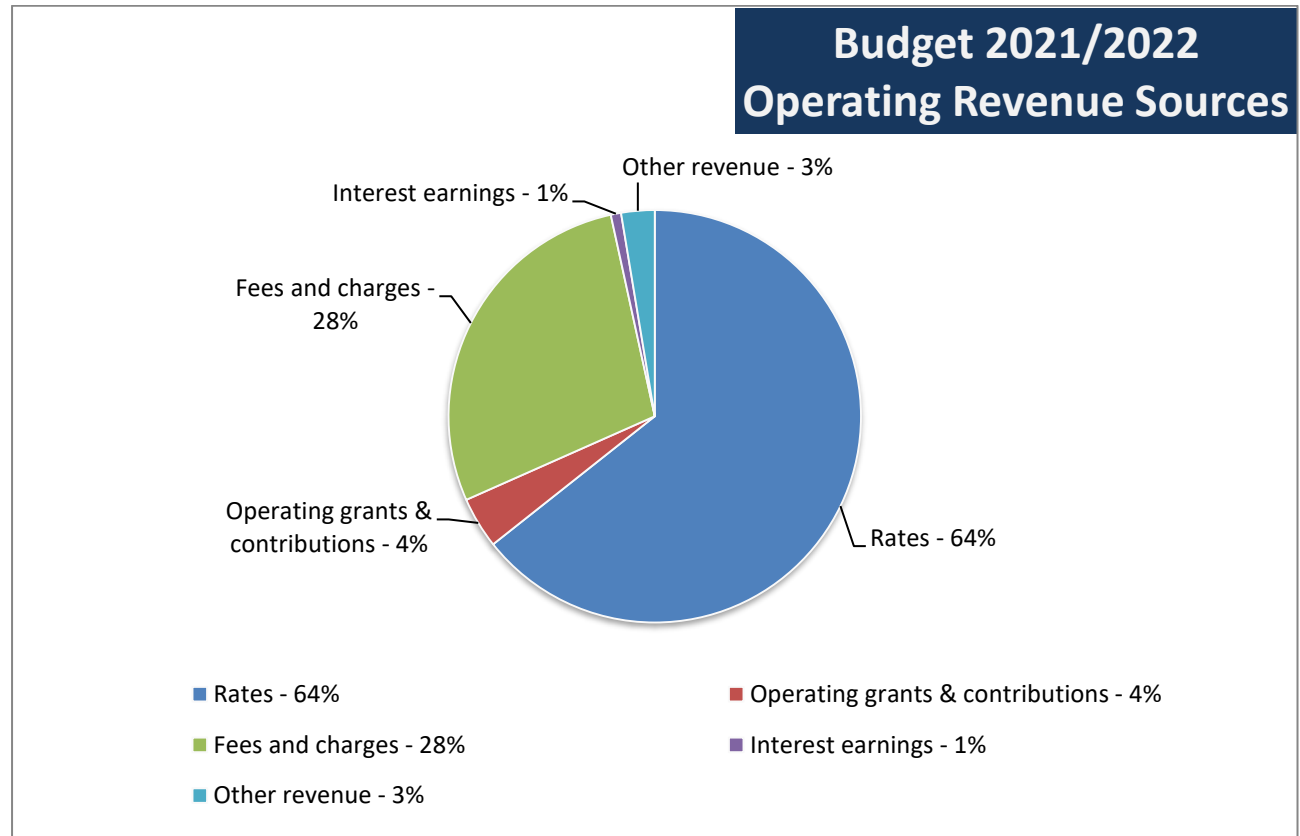
Significant transfers from reserve are:

- \$4.7m from Investment Reserve for the continued construction of Walyalup Civic Centre and Library and related projects at Kings Square
- \$450k from Parking Dividend Equalisation Reserve for construction of a carpark at Fremantle Park

- \$395k from Parking Dividend Equalisation Reserve (funds repurposed) for the first contribution of the Hilton Underground Power project

## Operating Budget

The total operating revenue budget totals \$78.5m and is comprised of:



	Budget 2021-2022	Budget 2020-2021
Rate Income	\$50.5m	\$47.2m
Operating Grants, subsidies and contributions	\$3.2m	\$3.2m
Fees and Charges	\$22.1m	\$19.2m
Interest earnings	\$0.6m	\$0.8m
Other revenue	\$2.1m	\$1.6m

- *Rates – 64%*

Total revenue from rates (general and specified area rates) will increase by \$3.3m due to rates growth during 2020-21 and proposed rate increase of 3.95%

- *Operating grants, subsidies and contributions – 4%*

Total revenue from operating grants, subsidies and contributions will remain the same as last year. The State Government grant for 2021-22 is being received in advance

- *Fees and charges – 28%*

Fees and charges will generally increase by 1.75%. The total revenue from fees and charges will increase by \$2.9m which is mostly attributed to a part recovery in parking fees and commercial property following reduced revenue in 2020-21 due to COVID.

Details on each individual fee and charge proposed are provided in the Fees and Charges schedule that forms part of the Annual Budget document.

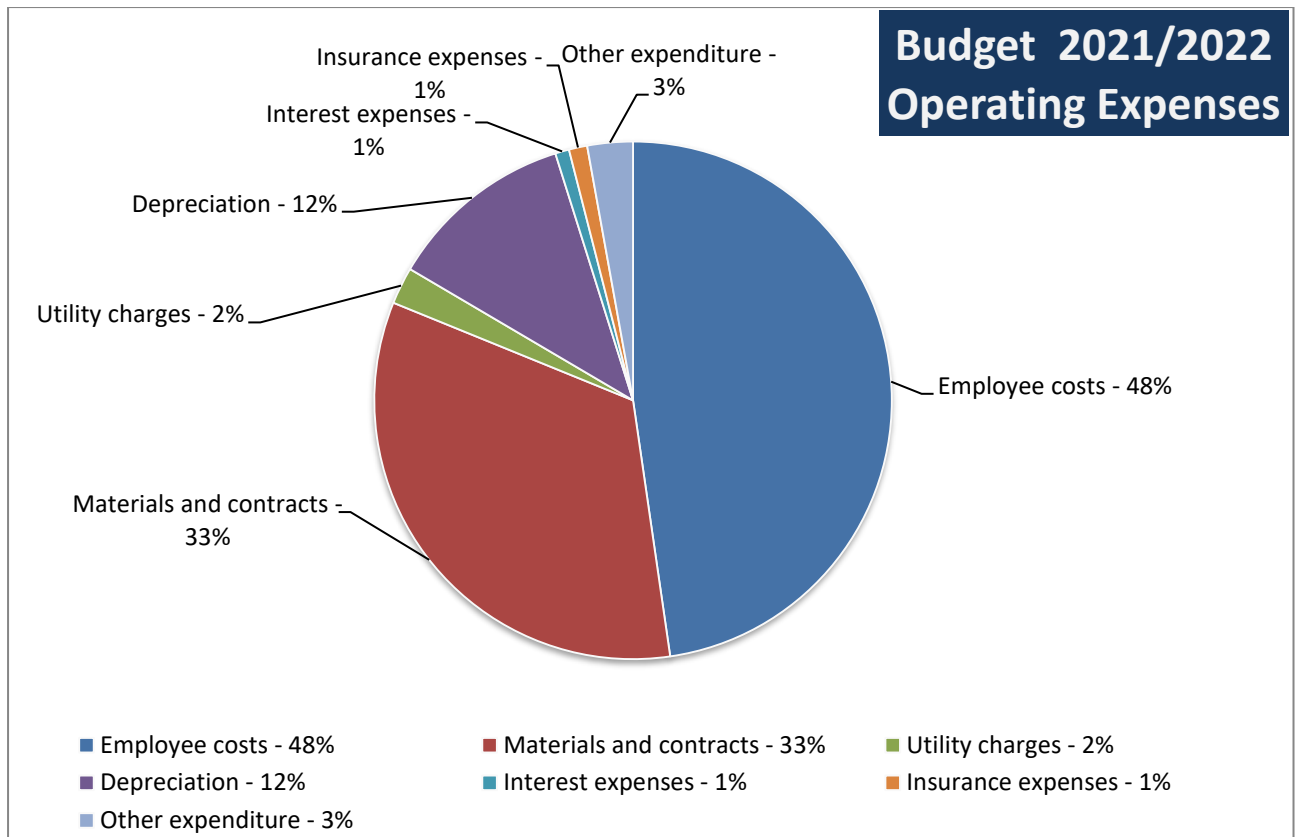
- *Interest Earnings – 1%*

Total revenue from interest earnings will decrease by \$200k due to the decline in interest rates and available cash funds to investment.

- *Other revenue including Profit on sale of assets – 3%*

Total revenue from other revenue will increase by \$500k mostly attributed to the income generated from the Resource Recovery Centre

The total operating expenses budget totals \$83.1m and is comprised of:



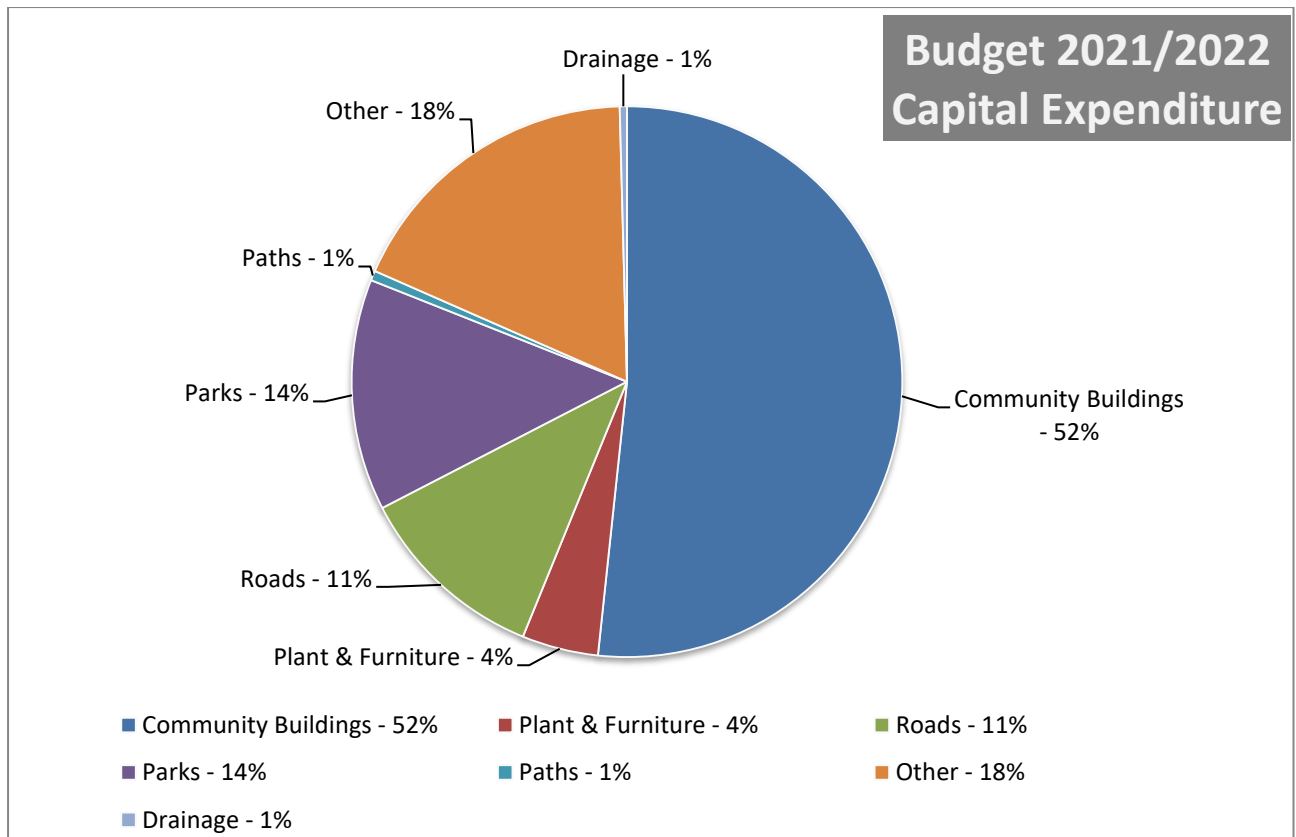
	Budget 2021-2022	Budget 2020-2021
Employee costs	\$39.6m	\$38.6m
Materials and contracts	\$27.8m	\$23.6m
Utilities	\$2m	\$2.1m
Depreciation	\$9.7m	\$7.8m
Interest expenses	\$720k	\$760k
Insurance expenses	\$950k	\$882k
Other expenses	\$2.4m	\$2.3m

- *Employee costs – 48%*  
Total expenses from employee costs will increase by \$1m due to \$27pw increase in salary & wages and the legislated increase to superannuation guarantee

- *Materials and contracts – 33%*  
Total expenses from materials and contracts will increase by \$4.2m due to increased expenditure on operating projects, events & programs and to reinstate some levels of services which were reduced last year due to COVID
- *Utility Charges – 2%*  
Total expenses from Utility charges will reducing slightly by \$100k
- *Depreciation – 12%*  
Total expenses from depreciation will increase by \$1.9m due to the increase values of community buildings after a fair value re-valuation for year ending 30 June 21
- *Interest expenses -1%*  
Total expenses from interest expense will reduced by \$40k as the City's outstanding principal on loan borrowings reduces
- *Insurance expenses – 1%*  
Total expenses from insurance expense will increase by \$68k due to the expected increase in annual insurance premiums
- *Other expenses including loss on sale of assets – 3%*  
Total expenses from other expenses will increase by \$100k

## **Capital Projects**

The capital budget 2021/2022 includes \$24.5m in capital expenditure in these key areas:



Below are some of the major projects included in the capital budget, including carried forward projects:

*Building works:*

- Construction of the Walyalup Civic Centre and Library at Kings Square
- Design and construct Leisure Centre Pool Roof
- Design and construct at Fremantle Golf Course
- Arthur Head Wall Stabilisation
- Fremantle Markets works

*Road works:*

- Road Safety – South Tce Node 2
- Design and construct Wiluna and Hope intersection
- Road improvement and resurfacing works at various locations including Hampton Rd, McCombe Ave, Ord St, South Terrace and Watkins St

*Parks:*

- Upgrade of the public realm at Newman Court, Kings Square
- Design and construction of play space at Kings Square
- Design and construct Booyembara Park masterplan and mountain bike trail
- Program of various parks infrastructure renewal works



*Other:*

- Design and construct Port Beach coastal adaption
- Construct Fremantle Park carpark
- Design and construct Hilton Underground Power

The capital budget does not include any new loan borrowings for next financial year. The opening loan principal balance at 1 July 21 is \$25.5m, taking into account the principal repayments throughout 21/22 the estimated closing balance at 30 June 22 is \$23.4m.

The capital budget contains the following land asset disposals with all proceeds being transferred to reserve:

7 Quarry Street	\$ 2,720,000
9 Quarry Street	<u>\$ 2,250,000</u>
<b>TOTAL</b>	<u><b>\$ 4,970,000</b></u>

### **Quarantined Projects**

Throughout the budget workshops Elected Members requested further information and details for the following projects before expending the funds:

- |  |          |
|--|----------|
| • Sustainability advice and projects               | \$35,000 |
| • Coordinate and undertake sustainability projects | \$25,000 |

### **Proposed Rates**

The valuation of GRV rate properties is undertaken by the State Government's Landgate Valuation Services on a three-yearly cycle. As this was undertaken last financial year rate valuations remain unchanged for all GRV rates properties in 2021/2022. The valuations are based on gross rental values as at 1 August 2018.

FPOL Committee endorsed at its meeting held on 14 April 2021 and Council endorsed at its meeting held on 28 April 2021 the advertising of the Statement of Objects and Reasons and the proposed differential rates and minimum payments for 2021/2022. The rate modelling has been progressed based upon an average general increase of 3.95%. This increase applies to all differential rate categories except for residential vacant which will increase by 8%. To ensure compliance with legislation which requires the general minimum is imposed on not less than 50% of the number of properties in each category residential vacant had a higher increase applied.

All minimum payments were re-evaluated in accordance with section 6.35(3) of the Local Government Act 1995 to ensure the general minimum is imposed on not less than 50% of the number of properties in each category.

An advertisement calling for public submissions was placed in The West newspaper and on the City's public notice webpage from Saturday 1 May 2021. The deadline for submissions was 8 June 2021. 8 submissions were received detailed below:

Number	Suburb	Submission from Property Owner	Officer Recommended Response to Submission
1	South Fremantle	Opposed to 3.25% increase. CPI is 1.1% & LGCI is 1.3%. Increases over the last 10 years are above indexes. Fremantle Council must be investigated for incompetence, political bias, plus lack of transparency	The budget has been developed from the 10-year financial plan with consideration to the Strategic Plan, Corporate Business Plan and Asset Renewal Plans. Reference to the LGCI (forecast is 3.2% for 21-22) and CPI (1% for Perth March 21 quarter) form a part of this process. The 2021/2022 rate increase is proposed to be 3.95% for this annual budget due to the City's intention to address the backlog of asset renewal that is required because of its aging infrastructure. The increased rates will help fund additional asset renewal projects and the City's operating expenses with respect to planned and preventative maintenance of its infrastructure assets.
2	Hilton	Opposed to 3.25% increase which is above CPI & LGCI. Dubious that money is being spent responsibly and efficiently.	The budget has been developed from the 10-year financial plan with consideration to the Strategic Plan, Corporate Business Plan and Asset Renewal Plans. Reference to the LGCI (forecast is 3.2% for 21-22) and CPI (1% for Perth March 21 quarter) form a part of this process. The 2021/2022 rate increase is proposed to be 3.95% for this annual budget due to the City's intention to address the backlog of asset renewal that is required because of its aging infrastructure. The increased rates will help fund additional asset renewal projects and the City's operating expenses with respect to planned and preventative maintenance of its infrastructure assets.
3	North Fremantle	Opposed to 3.25% increase. CPI is 1.1% & LGCI is 1.3%. Increases over the last 10 years are above indexes. Community is recovering from	The budget has been developed from the 10-year financial plan with consideration to the Strategic Plan, Corporate Business Plan and Asset Renewal Plans. Reference to

		Covid & previous resource boom bust.	the LGCI (forecast is 3.2% for 21-22) and CPI (1% for Perth March 21 quarter) form a part of this process. The 2021/2022 rate increase is proposed to be 3.95% for this annual budget due to the City's intention to address the backlog of asset renewal that is required because of its aging infrastructure. The increased rates will help fund additional asset renewal projects and the City's operating expenses with respect to planned and preventative maintenance of its infrastructure assets.
4	Beaconsfield	Opposed to 3.25% increase. CPI is 1.1% & LGCI is 1.3%. Increases over the last 10 years are above indexes. Her income has been affected by Covid and will be further affected by a rate increase	The budget has been developed from the 10-year financial plan with consideration to the Strategic Plan, Corporate Business Plan and Asset Renewal Plans. Reference to the LGCI (forecast is 3.2% for 21-22) and CPI (1% for Perth March 21 quarter) form a part of this process. The 2021/2022 rate increase is proposed to be 3.95% for this annual budget due to the City's intention to address the backlog of asset renewal that is required because of its aging infrastructure. The increased rates will help fund additional asset renewal projects and the City's operating expenses with respect to planned and preventative maintenance of its infrastructure assets.
5	Hilton	Opposed to 3.25% increase. CPI is 1.1% & LGCI is 1.3%. Increases over the last 10 years are above indexes. Community is struggling due to under-employment, increased cost of living and effects of Covid.	The budget has been developed from the 10-year financial plan with consideration to the Strategic Plan, Corporate Business Plan and Asset Renewal Plans. Reference to the LGCI (forecast is 3.2% for 21-22) and CPI (1% for Perth March 21 quarter) form a part of this process. The 2021/2022 rate increase is proposed to be 3.95% for this annual budget due to the City's intention to address the backlog of asset renewal that is required

			because of its aging infrastructure. The increased rates will help fund additional asset renewal projects and the City's operating expenses with respect to planned and preventative maintenance of its infrastructure assets.
6	Fremantle North Fremantle	Notes a proposed 3.25% increase which is well in excess of relevant indexes. What are the rate increases vs LGCI for last 10 years. His rates have almost doubled in 10 years.	The budget has been developed from the 10-year financial plan with consideration to the Strategic Plan, Corporate Business Plan and Asset Renewal Plans. Reference to the LGCI (forecast is 3.2% for 21-22) and CPI (1% for Perth March 21 quarter) form a part of this process. The 2021/2022 rate increase is proposed to be 3.95% for this annual budget due to the City's intention to address the backlog of asset renewal that is required because of its aging infrastructure. The increased rates will help fund additional asset renewal projects and the City's operating expenses with respect to planned and preventative maintenance of its infrastructure assets.
7	Fremantle	Opposed to any rates increase. CoF staffing costs have increased 41.55% since 2011 and 9% increase budgeted for 2021. Staggering CoF Cash Surplus figures of \$98M cumulatively from 2011-2020 and budgeted for 2021 of \$14,975,891. Many ratepayers doing it hard during Covid, see no reason for any rates increase.	The budget has been developed from the 10-year financial plan with consideration to the Strategic Plan, Corporate Business Plan and Asset Renewal Plans. Reference to the LGCI (forecast is 3.2% for 21-22) and CPI (1% for Perth March 21 quarter) form a part of this process. The 2021/2022 rate increase is proposed to be 3.95% for this annual budget due to the City's intention to address the backlog of asset renewal that is required because of its aging infrastructure. The increased rates will help fund additional asset renewal projects and the City's operating expenses with respect to planned and preventative maintenance of its infrastructure assets.

8	Fremantle	<p>Would like justification on how different rate categories are set and where revenue raised is allocated and how differs across categories. Would like differential rates benchmarked against other metro LG's and justification if CoF are substantially higher. Why are minimum rates consistent across all differentials and how many ratepayers pay above the minimum. Requesting incentives for proactive landlords and interest only charged to those not attempting to lease property. Would like further splits to Com &amp; Ind differentials. Opposed to short term accommodation differential being higher than Com &amp; Ind. Requesting considerations due to Covid.</p>	<p>Justification for the differential rate categories is available in the City's Objects and Reasons. These were adopted by Council on 28 April 2021 for budget 2021-2022.</p> <p>The number of properties on minimum payment for each rate differential is available in Note 1 of the Annual Budget 2021-22 document.</p> <p>The City has a Hardship Policy accessible to all ratepayers to ensure that those in financial stress or position of vulnerability have the City's support.</p>
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The proposed 2021/2022 rating structure, nominated Rates in the Dollar and minimum payments which are recommended for consideration is outlined in the schedule:

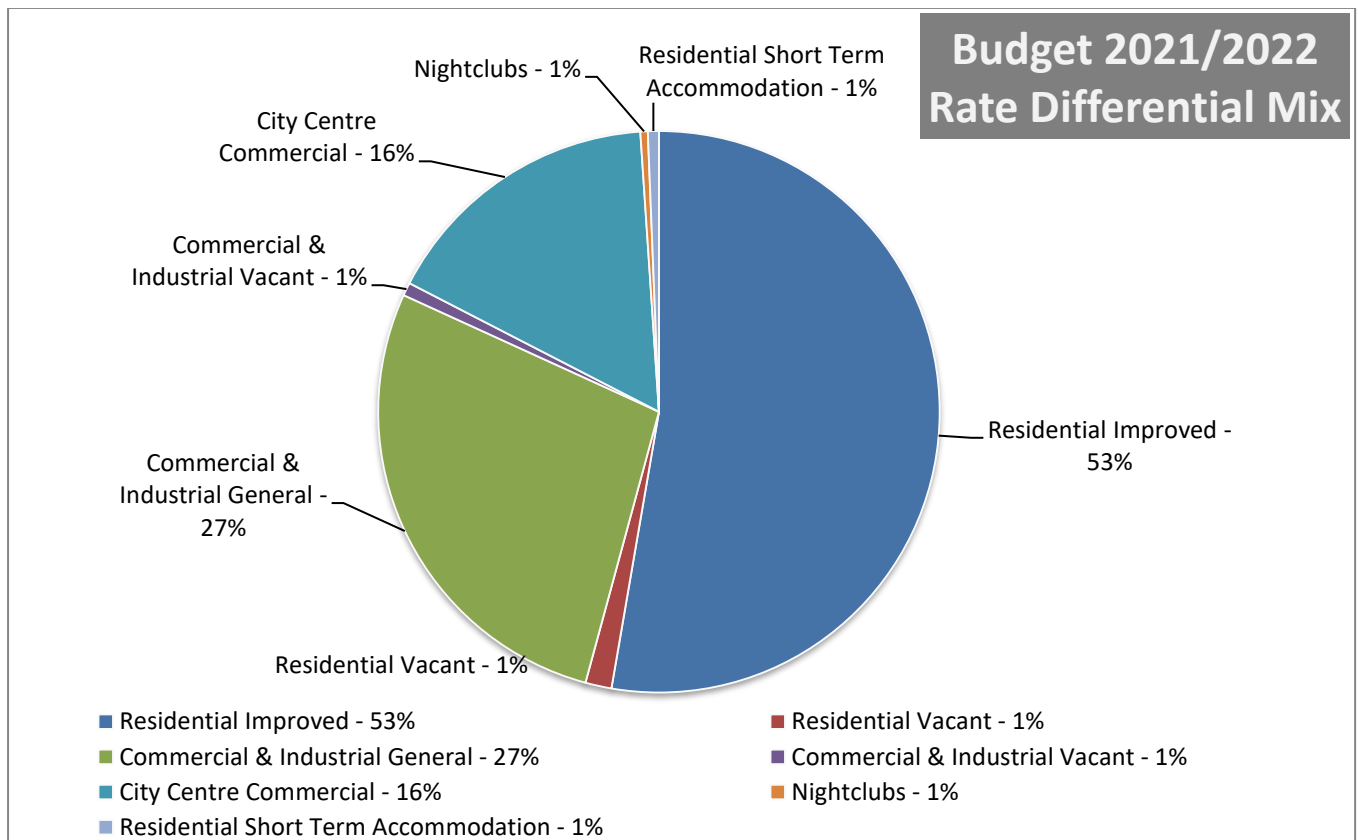
Differential Rating Category	PROPOSED			ADVERTISED	
	Minimum Payment	Rate in the Dollar		Minimum Payment	Rate in the Dollar
Residential Improved	\$1,397	\$0.085176		\$1,388	\$0.084602
Commercial and Industrial General	\$1,397	\$0.090500		\$1,388	\$0.089890
City Centre Commercial	\$1,397	\$0.098586		\$1,388	\$0.097922
Residential Short-Term Accommodation	\$1,397	\$0.095117		\$1,388	\$0.094477
Nightclubs	\$1,397	\$0.116731		\$1,388	\$0.115945
Residential Vacant	\$1,353	\$0.130726		\$1,344	\$0.128111
Commercial and Industrial Vacant	\$1,397	\$0.163792		\$1,388	\$0.162689

The rates in the dollar of 3.95% increase to be adopted in budget 2021/2022 have varied to the advertised rates in the dollar of 3.25% due to the City's intention to address the backlog of asset renewal required because of its aging infrastructure. The increased rates will help fund additional asset renewal projects and City's operating expenses with respect to planned and preventative maintenance of its infrastructure assets.

The proposed 2021/2022 specified area rates to be applied are:

<b>Specified area rate</b>	<b>Purpose of the rate</b>	<b>Rate in \$</b>
CBD Security Levy	A safety and security strategy for a specified area of the Fremantle CBD.	\$0.001216
Leighton Maintenance	To fund the above normal costs associated with maintaining the higher standard of landscaping of the Leighton residential area.	\$0.005220

The rate revenue generated from each rating differential is represented in the graph below



### Alternative Rate Payment Options

This year the City will continue to provide an option of fortnightly and weekly direct debit payment for rates to allow ratepayers to spread payments over the year to ease their financial burden.

The City also has a Hardship Policy accessible to all ratepayers to ensure that those in financial stress or position of vulnerability have the City's support.

## **Reserves**

### New Reserve – Cash in Lieu of Public Open Space Reserve

Changes were made to the Planning and Development Act 2005 on 7 July 2020 which now legislates that monies received on or after 12 September 2020 for cash in lieu of public open space are required to be paid into a separate reserve account. As part of adopting this budget a new reserve will be created named Cash in Lieu of Public Open Space Reserve.

Purpose of Reserve – To hold any monies received as contribution for cash in lieu of public open space.

Source of Income – Monies received by the City on or after 12 September 2020 as a contribution for cash in lieu of public open space.

The Department of Local Government, Sport and Cultural Industries issued a guidance on the changed accounting treatment for cash in lieu open space contributions. The treatment varies between being held in reserve, held in trust or as municipal funds restricted cash for different time periods when the funds were received. The budget has been prepared in accordance with these guidelines.

### Repurpose of Funds – Parking Dividend Equalisation Reserve

It is proposed to repurpose \$395,000 of funds held in the Parking Dividend Equalisation Reserve by using monies to fund contribution 1 of P-12019 Design and Construct - Hilton - Underground Power.

At the Ordinary Council Meeting 28 October 2020 Council supported the delivery of the underground power project in Hilton and noted the following contributions will be included in the annual budget:

	Amount	Payment due	Financial Year
Contribution 1	\$395,000	28 March 2022	2021-22
Contribution 2	\$395,000	28 August 2022	2022-23
Contribution 3	\$322,515	28 January 2023	2022-23

Council agreed that these costs would be reimbursed by way of annual service charge to the properties for recovery of the residential consumer mains connection costs. It was recommended that the service charge be applied for a period of 7 years to ensure the annual burden of repayment is kept to a minimum. It is proposed that the service charge to ratepayers commence from next financial year 2022-2023 annual budget.

The proposed repurpose of Parking Dividend Equalisation Reserve funds is in order to pre-fund this project as an internal borrowing. As reimbursement monies are collected by way of the annual service charge from 2022-23 onwards these funds will be repaid back into the Parking Dividend Equalisation Reserve.

## VOTING AND OTHER SPECIAL REQUIREMENTS

Absolute majority required

## OFFICER'S RECOMMENDATION

**Council:**

### 1. Adopt the 2021/2022 budget;

Pursuant to the provisions of Section 6.2 of the Local Government Act 1995 and Part 3 of the Local Government (Financial Management) Regulations 1996, the council adopt the Municipal Fund Budget as contained in Attachment 1 for the City of Fremantle for 2021/2022 financial year which includes the following:

- Statement of Comprehensive Income by Nature and Type showing a net result for that year of \$6,889,496
- Statement of Comprehensive Income by Program showing a net result for that year of \$6,889,496
- Statement of Cash Flows
- Rate Setting Statement showing an amount required to be raised from rates of \$50,325,380
- Notes to and Forming Part of the Budget
- Capital Budget Program
- Transfers to/from Reserve Accounts

### 2. Differential Rates;

Pursuant to Sections 6.32, 6.33, 6.34 and 6.35 of the Local Government Act 1995 council impose the following differential general rates and minimum payments on Gross Rental Values for 2021/2022 financial year:

Differential Rate Category	Proposed Minimum Payment	Proposed Rate in the Dollar (\$)
Residential Improved	\$1,397	\$0.085176
Commercial and Industrial General	\$1,397	\$0.090500
City Centre Commercial	\$1,397	\$0.098586
Residential Short-Term Accommodation	\$1,397	\$0.095117
Nightclubs	\$1,397	\$0.116731
Residential Vacant	\$1,353	\$0.130726
Commercial and Industrial Vacant	\$1,397	\$0.163792



**3. Concessions;**

Pursuant to Section 6.47 of the Local Government Act 1995 council adopts to grant rate concessions of \$222,407 to the properties identified and as prescribed in Note 1(h) of the draft 2021/2022 budget. Concessions adopted prior to 2020/2021 financial year are capped at \$15,000pa maximum per ratepayer in budget 2021/2022. Concessions adopted during 2020/2021 financial year onwards are capped at \$10,000pa maximum per ratepayer in budget 2021/2022.

**4. Instalments;**

Pursuant to Section 6.45 of the Local Government Act 1995 and regulation 64(2) of the Local Government (Financial Management) Regulations 1996, council nominates the following due dates for the payment by instalments:

- a) Full payment:  
Due date - Friday 27 August 2021
- b) Two (2) instalment option:  
1<sup>st</sup> instalment due date - Friday 27 August 2021  
2<sup>nd</sup> instalment due date – Friday 12 November 2021
- c) Four (4) instalment option:  
1<sup>st</sup> instalment due date - Friday 27 August 2021  
2<sup>nd</sup> instalment due date – Friday 12 November 2021  
3<sup>rd</sup> instalment due date – Friday 14 January 2022  
4<sup>th</sup> instalment due date – Friday 18 March 2022
- d) Twenty (20) fortnightly instalments (for direct debits only) option:  
Commencing direct debit date – Friday 27 August 2021  
Final payment direct debit date - Friday 20 May 2022
- e) Forty (40) weekly instalments (for direct debits only) option:  
Commencing direct debit date – Friday 27 August 2021  
Final payment direct debit date - Friday 27 May 2022

**5. Administration Charge;**

Pursuant to Section 6.45 of the Local Government Act 1995 and regulation 67 of the Local Government (Financial Management) Regulations 1996, council adopts an instalment administration charge of \$40.20 fixed for the 4 instalment plan and an instalment administration charge of \$13.40 fixed for the 2 instalment plan where the owner has elected to pay rates and charges through the instalment options; being \$13.40 for each instalment after the initial instalment is paid.

**6. Instalment Interest;**

Pursuant to Section 6.45 of the Local Government Act 1995 and regulation 68 of the Local Government (Financial Management) Regulations 1996, council adopts an interest rate of 5.5% where the owner has elected to pay rates and charges through an instalment option.

**7. Penalty Interest;**

Pursuant to Section 6.51(1) and subject to Section 6.51(4) of the Local Government Act 1995 and regulation 70 of the Local Government (Financial Management) Regulations 1996, council adopts an interest rate of 7% for rates, charges and costs of proceedings to recover such charges that remains unpaid after becoming due and payable.

**8. Fees and Charges;**

Pursuant to Section 6.16 of the Local Government Act 1995, council adopts the Fees and Charges included within Fees and Charges schedule of the draft 2021/2022 Budget.

**9. Elected Members' Fees and Allowances for 2021/2022;**

Council note that the review of fees has been released by the Salaries and Allowances Tribunal on 8 April 2021 and adopt the following:

- a) Pursuant to Section 5.99 of the Local Government Act 1995 and regulation 34 of the Local Government (Financial Management) Regulations 1996, council adopts the following annual fees for payment of elected members in lieu of individual meeting attendance fees:
- Mayor \$47,516
  - Deputy Mayor \$31,678
  - Councillors \$31,678
- b) Pursuant to Section 5.99A of the Local Government Act 1995 and regulation 34A and 34AA of the Local Government (Financial Management) Regulations 1996, council adopts the following annual allowances for elected members:
- ICT Allowance \$3,500
- c) Pursuant to Section 5.98(5) of the Local Government Act 1995 and regulation 33 of the Local Government (Financial Management) Regulations 1996, council adopts the following annual local government allowance to be paid in addition to the annual meeting allowance:
- Mayor \$89,753
- d) Pursuant to Section 5.98A of the Local Government Act 1995 and regulation 33A of the Local Government (Financial Management) Regulations 1996, council adopts the following annual local government allowance to be paid in addition to the annual meeting allowance:
- Deputy Mayor \$22,438

**10. Material Variance**

**In accordance with regulation 34(5) of the Local Government (Financial Management) Regulations 1996, and AASB 1031 Materiality, the level to be used in statements of financial activity in 2021/2022 for reporting material variances shall be 10% or \$100,000, whichever is greater.**

**11. Reserve Funds**

- a) Adopt the newly created Cash in Lieu of Public Open Space Reserve and**
- b) Repurpose \$395,000 of funds held in the Parking Dividend Equalisation Reserve by utilising these monies to fund contribution 1 for P-12019 Design and Construct - Hilton - Underground Power in 2021/2022 year**

## C2106-2 MONTHLY FINANCIAL REPORT - MAY 2021

**Meeting date:** 23 June 2021  
**Responsible officer:** Manager Finance  
**Decision making authority:** Council  
**Attachments:** 1. Monthly Financial Report – 31 May 2021  
**Additional information:** Nil

### SUMMARY

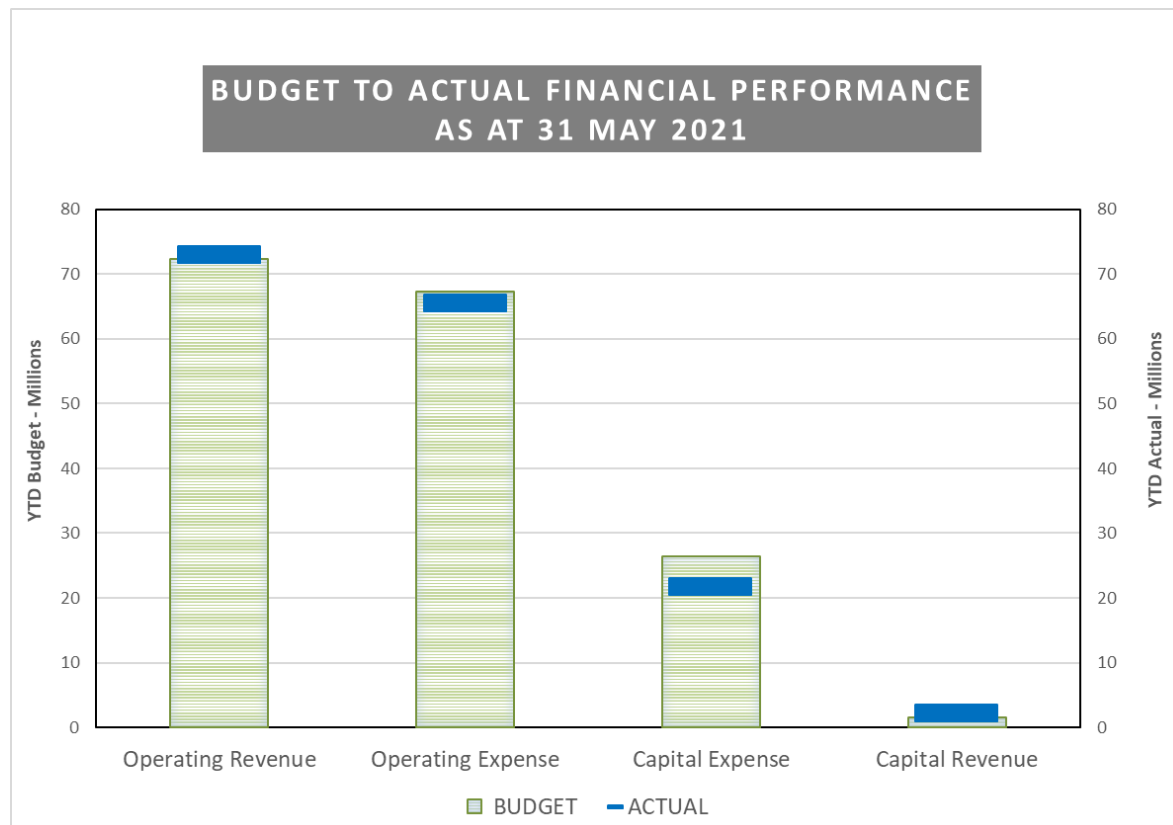
The monthly financial report for the period ending 31 May 2021 has been prepared and tabled in accordance with the *Local Government (Financial Management) Regulations 1996*.

This report provides an analysis of financial performance for May 2021 based on the following statements:

- Statement of Comprehensive Income by Nature & Type and by Program;
- Rate Setting Statement by Nature & Type and by Directorate; and
- Statement of Financial Position with Net Current Assets

### BACKGROUND

The following graph and table provide a high-level summary of Council's year to date financial performance as at 31 May 2021.



Description	YTD Budget \$M	YTD Actual \$M	Variance \$M	Variance % %	+/-
<b>Opening Surplus</b>	3.56	3.56	0.00	0.00%	
<b>OPERATING</b>					
Rate Revenue	48.12	48.24	0.12	0.25%	
Revenue	24.18	24.94	0.76	3.14%	
Expenses	(67.35)	(65.59)	1.76	2.61%	
Non-Cash Adj.	6.83	9.39	2.56		
	<b>11.78</b>	<b>16.98</b>	<b>5.20</b>	<b>44.14%</b>	
<b>CAPITAL</b>					
Revenue	1.55	2.37	0.82	52.31%	
Expenses	(26.45)	(21.76)	4.69	17.75%	
Financing	(1.39)	(1.79)	(0.40)	28.69%	
Reserve Transfers	21.06	16.55	(4.51)	(21.45%)	
	<b>(5.23)</b>	<b>(4.63)</b>	<b>0.60</b>	<b>-11.47%</b>	
<b>Closing Surplus</b>	<b>10.11</b>	<b>15.91</b>	<b>5.80</b>	<b>57.18%</b>	

As detailed in the Statement of Comprehensive Income by Nature and Type operating income and expenses have mainly varied to the anticipated budget in the following categories:

Income	Variance	
Fees and Charges	971,105	
Operating Grants, Subsidies & Contributions	(568,177)	
Rates (including Annual Levy)	130,109	
Other Revenue	186,591	
Other Operating Income Items	158,490	
<b>Total Operating Income</b>	<b>878,118</b>	
Expenses	Variance	
Employee Costs	1,744,728	
Materials and Contracts	2,101,333	
Depreciation Expenditure	(2,142,750)	
Loss on Sale of Assets	(403,635)	
Other Expenditure	424,698	
Other Operating Expense Items	33,769	
<b>Total Operating Expenses</b>	<b>1,758,143</b>	

Further explanation of material variances, except rates income and employee variance, is included under officers' comments.

## FINANCIAL IMPLICATIONS

This report is provided to enable Council to assess how revenue and expenditure is tracking against the budget. It is also provided to identify any budget issues which Council should be informed of.

## LEGAL IMPLICATIONS

Local Government (Financial Management) Regulation 34 requires a monthly financial activity statement along with explanation of any material variances to be prepared and presented to an ordinary meeting of council.

## CONSULTATION

Nil

## OFFICER COMMENT

The overall performance for the City of Fremantle for the period ended 31 May 2021 resulted in an additional \$5,787,035 surplus being identified in the year to date position over anticipated, which is mainly as a result of: -

### *Reduction in anticipated year to date position*

- Reduction of net transfer to/from reserve of (\$4,518,302)
- Increase in repayment of operating leases of (\$398,088)

### *Increase in anticipated year to date position*



- Increased general rates income of \$119,299
- Increased operating revenue (excluding general rates) of \$758,820
- Underspending of operating expenditure (excluding depreciation) to date of \$3,900,893
- Increased capital revenue of \$813,210
- Underspending of capital expenditure to date of \$4,695,365



## Explanation of Material Variances

In accordance with regulation 34(5) of the Local Government (Financial Management) Regulations 1996 and AASB 1031 Materiality, Council adopted the level to be used in statements of financial activity in 2020/21 for reporting material variances as 10% or \$100,000, whichever is greater (Item SC2007-2 refers Council meeting on 8 July 2020).




The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies materially from the year to date budget. The following is an explanation of significant operating and capital variances as identified in the Rate Setting Statement by Nature and Type:



Description	Variance Amount	Comment
Operating Grants, Subsidies and Contributions	(568,177)	▼ 17%
Major Variances:		
Provide general practice community law advice	(58,032)	Accounting Variances Grants have been received in cash as budgeted. However due to the requirement of AASB 15 Revenue

Description	Variance Amount	Comment
Provide Legal Aid - Family + Domestic Violence - Commonwealth	(47,192)	from Contracts with Customers, income is only recognised when contract performance obligations are fulfilled. The City has performed a review to recognise grant income in line with the proportion of the costs incurred to date. The portion of unspent operating grants which may have previously been recognised as revenue, are now required to be reflected as a contract liability. This contract liability remains until such time as the City's obligations to transfer goods or services to the customer have been met.
P-11729 Program-Reveal Aboriginal Artist 2020	(72,964)	
Provide domestic violence legal aid - State	(98,260)	
Operate Fremantle Arts Centre	(107,689)	Delay in payment of 2nd instalment of grant by DLGSC. Additional information requested by DLGSC provided by CoF. Payment expected to be received prior to EOFY.
Coordinate arts centre exhibitions	(197,555)	
<b>Other Revenue</b>	<b>186,591</b>	 <b>94%</b>
<b>Major Variances:</b>		
Containers for Change	49,253	Increased handling fee income for year offset by increased costs.
Monitor financial accounting processes	57,052	Increased income due to miscellaneous refunds received this year that were not budgeted.
<b>Materials and Contracts</b>	<b>2,101,333</b>	 <b>10%</b>
Conduct Street Arts Festival	278,589	Festival delayed due to Covid. Planning currently underway for proposed event in FY21/22. Savings expected in current financial year.
Parks & Landscapes - Gardens	218,164	Timing variance as a result of maintenance works reprogrammed due to Covid.
Facilities & Environment – Disposal of waste to SMRC	132,557	Awaiting supplier invoice. Expected to be received & paid prior to EOFY.
Parks & Landscapes - Recreation Reserves	123,885	Timing variance as a result of maintenance works reprogrammed due to Covid.
Operate car park 19 Roundhouse Fremantle	110,000	Changes to accounting standards for Operating Leases. Rental expenditure is now accounted as interest expenditure and a reduction of lease liability.
Conduct Fremantle Festival	92,058	Fremantle Festival: 10 Nights in Port to be delivered 15 - 25 July. Awaiting supplier invoices. Budget fully allocated.
Field Services - Enforcement	91,198	Timing variance related to lodgement of unpaid infringements with FER. Funds expected to be spent prior to EOFY.
Facilities & Environment - Collect & Dispose Waste (Commercial)	85,949	Incorrect apportionment of waste disposal costs to Henderson landfill, offset by over-allocation to domestic waste budget line.
Arts & Culture - Wardanji Festival	73,330	Festival delayed due to Covid. Rescheduled for November 2021. Savings expected in current financial year.
Operate and maintain parking ticket machines	73,316	Timing variance related to delivery of goods and supplier invoicing. Goods and invoice expected to be received & paid prior to EOFY.
Financial Services - Audit	73,060	OAG invoice yet to be presented for payment. Expected to be received & paid prior to EOFY.

Description	Variance Amount	Comment
Operate car park 12A and 12B beach Street Fremantle	65,699	Changes to accounting standards for Operating Leases. Rental expenditure is now accounted as interest expenditure and a reduction of lease liability.
P-10962 Relocation - Council Administration	60,000	Project delayed due to WCC building contractor liquidation.
Maintain business systems - HR	49,549	Delays in HRIS project delivery have resultant in an underspend on consultancy. Savings expected in current financial year.
Operate Fremantle library	44,569	This budget activity was tied to opening of the new library which has been delayed due to WCC building contractor liquidation. Savings expected in current financial year.
Maintain financial asset registers	43,400	Timing variance - consultants yet to complete the project and invoice pending. Funds to be committed in June and invoice due prior to 30 June 2021.
Maintain Business Systems- M Files	41,412	Timing variance - delay due to key stakeholder on sick leave. Funds expected to be spent prior to EOFY.
Participate in South West Group	40,903	Awaiting supplier invoice. Expected to be received & paid prior to EOFY.
P-11973 Deliver - Entrepreneurs Program - Expert in Residence	40,580	Supplier payments based on project milestones being met. Majority of expenditure expected to be paid in June, balance to be carried forward for completion in FY21-22.
Maintain Fremantle Leisure Centre	38,884	Expected savings at Leisure Centre offset by expenditure to replace air conditioning units at Education Centre and Evan Davis building.
Maintain business systems - CAMMS	37,819	Timing variance - delay due to key stakeholder on sick leave. Funds expected to be spent prior to EOFY.
Conduct Soft soft loud events	37,600	Event cancelled due to Covid. Savings expected in current financial year.
Maintain corporate GIS system	37,453	Awaiting final supplier invoice. Expected to be received & paid prior to EOFY. Some savings expected in current financial year due to underspend on consultancy.
Operate community legal centre	37,113	Changes to accounting standards for Operating Leases. Rental expenditure is now accounted as interest expenditure and a reduction of lease liability.
Conduct Anzac Day event	36,209	Event cancelled due to Covid. Savings expected in current financial year.
Sustainability advice and projects	35,550	Delay in supplier invoicing. Expected to be received & paid prior to EOFY.
<b>Depreciation on Non-Current Assets</b>	<b>(2,142,750)</b>	 <b>(31%)</b>
<b>Major Variances:</b>		
Depreciation – Buildings	(1,631,579)	Depreciation on buildings is higher than adopted budget due to building revaluations as at 30 June 2020 which increased fair value of buildings by \$35m and reduced the remaining useful life for some buildings. A review of the remaining useful lives is underway and any required adjustments to depreciation will be made prior to finalising end of financial year 30 June 2021.
Depreciation - Right-of-use Asset	(511,171)	Depreciation expense is now required on operating leases due to the change in accounting treatment resulting in more depreciation than the adopted budget.
<b>Loss on Sale of Assets</b>	<b>(403,635)</b>	



Description	Variance Amount	Comment
<b>Major Variances:</b>		
Project 11847 - Purchase/Sale Road Sweeper	(44,668)	The sale of the Road Sweeper was expected to occur in June resulting in a budgeted loss of \$63,265 however actual loss \$44,677 less than budget.
Demolition of Public Golf Course Clubhouse	(358,967)	The demolition of the Public Golf Course Clubhouse building as part of the Fremantle Golf Course project was not included in the adopted budget. At time of demolition, the written down value of the asset was \$358,967.
<b>Other Expenditure</b>	<b>424,698</b>	 <b>23%</b>
<b>Major Variances:</b>		
Conduct place activation activities	100,000	No sponsorship payments made to SFFC and FFC to date. Budget to be carried forward to FY21/22.
Allocate community development funding	71,016	Ad hoc expenditure less than expected to date for the initial round of community and neighbourhood quick response grants.
Coordinate external event enquiries and bookings	88,567	Sponsorship paid to date to community groups for community events lower than budgeted due to COVID restrictions on events/gatherings.
Support the mayor and councillors	59,693	Sponsorship expenditure opportunities yet to present for this financial year, plus savings in allowance due to vacant position for Mayor.
Transport and Traffic Management	29,164	CAT Bus service support. Awaiting supplier invoice.
<b>Capital Grants and Subsidies/Contributions for the development of Assets</b>	<b>797,220</b>	 <b>55%</b>
<b>Major Variances:</b>		
P-11882 -Design and construct - Fremantle Golf Course	1,197,734	<p>Budget Phasing \$5.6m of grants income received in cash in 2019/20 and carried forward to 2020/21FY. However due to the requirement of AASB 15 Revenue from Contracts with Customers, income is only recognised when contract performance obligations are fulfilled. The City has performed a review to recognise grant income in line with the proportion of the costs incurred to date (\$1.2m). The grants income is budgeted to be recognised as income in June therefore resulting variance of \$1.2m.</p> <p>The portion of unspent capital grants which may have previously been recognised as revenue, are now required to be reflected as a contract liability (\$4.4m). This contract liability remains until such time as the City's obligations to transfer goods or services to the customer have been met.</p>
<b>Purchase Infrastructure – Community Land &amp; Buildings</b>	<b>3,698,287</b>	 <b>16%</b>
<b>Major Variances:</b>		
Walyalup Civic Centre and Library	3,470,485	Project delayed due to WCC building contractor liquidation.

Description	Variance Amount	Comment
P-10898 Relocation AV Equipment & Installation-King Square	253,524	Project delayed due to WCC building contractor liquidation.
<b>Purchase Infrastructure - Parks</b>	<b>646,718</b>	 <b>35%</b>
<b>Major Variances:</b>		
P-10295 Design and construct-Kings Square Public Realm Newman	502,446	Budget Phasing - Stage 2 construction has commenced and is subsequently delayed due to WCC building contractor liquidation.
P-11680 Design and construct-Kings Square Playspace	127,350	Budget Phasing – The commencement of construction on the playground was delayed due to overall delays on the WCC building project. Project due for completion in July 2021.
<b>Purchase Infrastructure - Other</b>	<b>178,877</b>	 <b>40%</b>
<b>Major Variances:</b>		
P-11823 Design and construct-Port Beach coastal adaptation	207,675	Delay in invoicing and change in project program due to additional legal advice being sought.

## VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required

## **OFFICER'S RECOMMENDATION**

**Council receive the Monthly Financial Report, as provided in Attachment 1, including the Statement of Comprehensive Income, Statement of Financial Activity, Statement of Financial Position and Statement of Net Current Assets, for the period ended 31 May 2021.**

**C2106-3 STATEMENT OF INVESTMENTS – MAY 2021**

**Meeting date:** 23 June 2021  
**Responsible officer:** Manager Finance  
**Decision making authority:** Council  
**Attachments:** 1. Investment Report – 31 May 2021  
**Additional information:** Nil

**SUMMARY**

**This report outlines the investment of surplus funds for the month ending 31 May 2021 and provides information on these investments for Council consideration.**

**This report recommends that Council receive the Investment Report for the month ended 31 May 2021, as provided in Attachment 1.**

**The investment report provides a snapshot of the City's investment portfolio and includes:**

- **Portfolio details as at May 2021;**
- **Portfolio counterparty credit framework;**
- **Portfolio liquidity with term to maturity;**
- **Portfolio fossil fuel summary;**
- **Interest income earned for the month;**
- **Investing activities for the month;**

**BACKGROUND**

In accordance with the Investment Policy adopted by Council, the City of Fremantle (the City) invests its surplus funds, long term cash, current assets and other funds in authorised investments as outlined in the policy.

Due to timing differences between receiving revenue and the expenditure of funds, surplus funds may be held by the City for a period of time. To maximise returns and maintain a low level of credit risk, the City invests these funds in appropriately rated and liquid investments, until such time as the City requires the money for expenditure.

The City has committed to carbon neutrality, and to this end seeks to ensure its financial investments consider the reduction of fossil fuels and our One Planet Fremantle Strategy.

To this end the City will review and manage its investment portfolio to identify financial institutions which support either direct or indirect support of fossil fuel companies and has limited these investments in these institutions to the minimum whilst maintaining compliance with the investment policy.

**FINANCIAL IMPLICATIONS**

To date actual investment interest earned is \$356,028 against a year to date budget of \$341,664 which represents a favourable variance of \$14,364.

The City's investment income budget was reduced by \$100,000 at the mid-year budget review due to the cash rate cut in November 2020. The City is likely to meet the amended budget of investment income of \$349,686.

The City's investment portfolio is invested in highly secure investments with a low level of risk yielding a weighted average rate of return of 0.38% for the month of 31 May 2021. The City's actual portfolio return in the last 12 months is 0.61%, which compares favourably to the benchmark Bloomberg AusBond Bill Index reference rate of 0.06% (refer Attachment 1 point 8).

## **LEGAL IMPLICATIONS**

The following legislation is relevant to this report:

- *Local Government (Financial Management) Regulations 1996* Regulation 19 – Management of Investments; and
- *Trustee Act 1962* (Part 3)

Authorised Deposit-taking Institutions are authorised under the *Banking Act 1959* and are subject to Prudential Standards oversight by the Australian Prudential Regulation Authority (APRA).

## **CONSULTATION**

Nil

## **OFFICER COMMENT**

A comprehensive Investment Report for the month ending 31 May 2021 can be viewed in Attachment 1 of this agenda item. A summary of the investment report is provided below.

### **1. Portfolio details as at 31 May 2021**

At period end, the City's investment portfolio totalled \$46.26m. The market value was \$46.32m, which takes into account accrued interest.

The investment portfolio is made up:

Cash Investments (<= 3 months)	\$15.26m
Term Deposits (> 3 months)	\$31.00m
<b>TOTAL</b>	<b>\$46.26m</b>

Of which:

Unrestricted cash	\$32.26m
Restricted cash (Reserve Funds)	\$12.67m
Restricted cash (Trust Funds)	\$ 1.33m
<b>TOTAL</b>	<b>\$46.26m</b>

The current amount of \$32.26m held as unrestricted cash represents 45.28% of the total adopted budget for operating revenue (\$71.24m)

## 2. Portfolio counterparty credit framework (as at 31 May 2021)

The City's Investment policy determines the maximum amount to be invested in any one financial institution or bank based on the credit rating of the financial institution. Council adopted amendments to this policy at its Ordinary Council Meeting held on 25 November 2020. The recently adopted counterparty credit framework is as below.

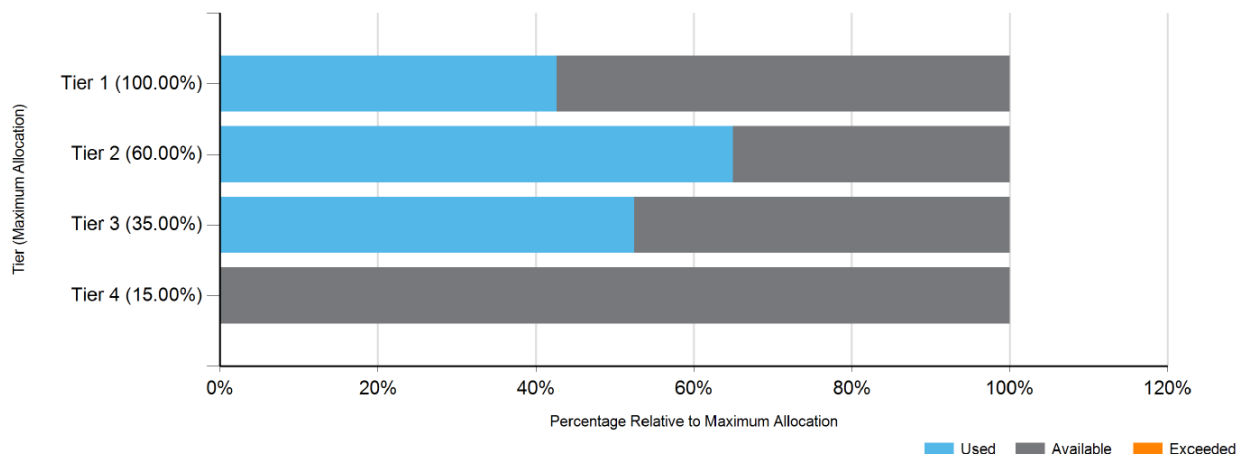
### Counterparty credit framework

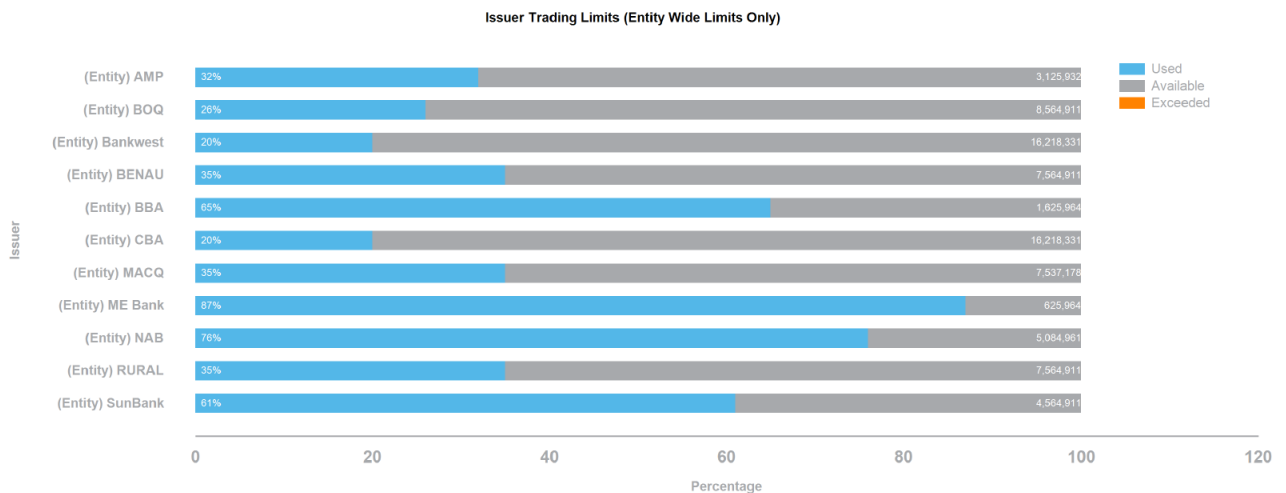
Investments are not to exceed the following percentages of average annual funds invested with any one financial institution and consideration should be given to the relationship between credit rating and interest rate.

Credit quality	Maximum % of total investments
Tier 1 (excl. AAA government) AAA to AA-	45%
Tier 2 A+ to A-	25%
Tier 3 BBB+ to BBB-	10%
Tier 4 Unrated	(\$1m)

The following graphs provide details of the funds invested at the end of this month as per the City's investment portfolio relative to the threshold allowed by the investment policy as below:

Portfolio Credit Framework Amounts Relative to Maximum Allocations





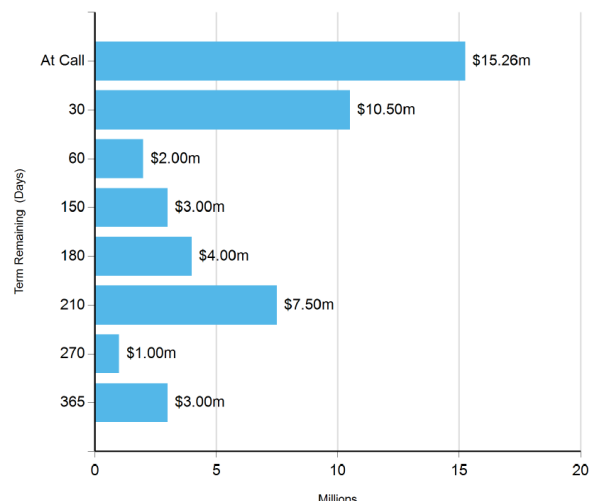
As reported in the above graph as at 31 May 2021, the portfolio was compliant with the issuer trading limit.

### 3. Portfolio Liquidity Indicator (as at 31 May 2021)

The below graph provides details on the maturity timing of the City's investment portfolio. Currently all investments will mature in one year or less.

Investments are to be made in a manner to ensure sufficient liquidity to meet all reasonably anticipated cash flow requirements, without incurring significant costs due to the unanticipated sale of an investment.

Face Value by Term Remaining

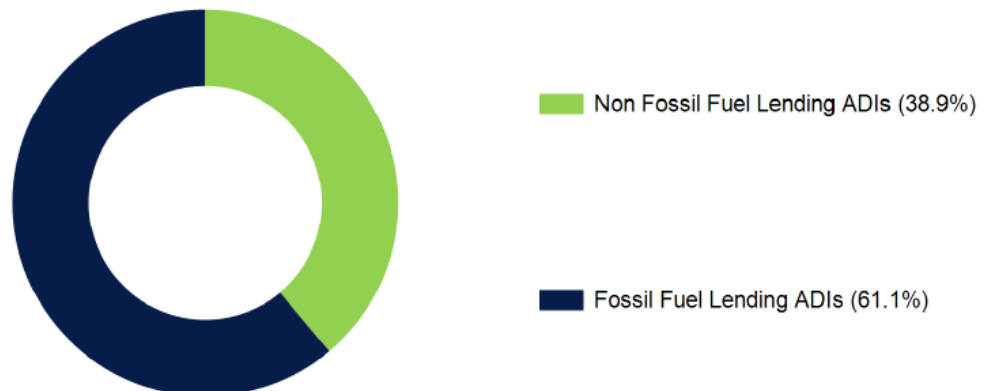


#### **4. Portfolio Summary by Fossil Fuels Lending ADIs (As at 31 May 2021)**

At the end of this month, \$18m (38.9%) of the portfolio was invested in “Green Investments”; authorised deposit taking institutions that do not lend to industries engaged in the exploration for, or production of, fossil fuels (Non-Fossil Fuel lending ADI’s).

In order to address the City’s ability to undertake greater fossil fuel divestment, a review of the Investment Policy was presented and adopted by Council on 25 November 2020 which incorporated a minor change to the investment framework to increase the percentages allocated to tier 3 and tier 4 categories to allow some greater flexibility. Since December 2020 investments have been made in accordance with the revised policy to increase in the percentage invested in “Green Investments”. However, it has been challenging for the City to invest in banks deemed “green” as these banks are full on liquidity and therefore are not issuing new term deposits.

**Fossil Fuel vs  
Non Fossil Fuel  
Lending ADI**



#### **5. Interest Income for Matured Investments (For 1 May 2021 to 31 May 2021)**

During the month of May \$20,948 interest income was earned from matured investments (refer Attachment 1 point 9).

#### **6. Investing Activities (For 1 May 2021 to 31 May 2021)**

No further investment activities were undertaken during the month.

### **VOTING AND OTHER SPECIAL REQUIREMENTS**

Simple majority required

### **OFFICER'S RECOMMENDATION**

**Council receive the Investment Report for the month ending 31 May 2021, as provided in Attachment 1.**



**C2106- 4      SCHEDULE OF PAYMENTS MAY 2021**

**Meeting date:** 23 June 2021  
**Responsible officer:** Manager Finance  
**Decision making authority:** Council  
**Agenda attachments:** Schedule of payments and listing  
Purchase Card Transactions  
***Attachments viewed electronically***  
**Additional information:** Nil

**SUMMARY**

**The purpose of this report is to present to Council a list of accounts paid by the Chief Executive Officer under delegated authority for the month ending May 2021, as required by the *Local Government (Financial Management) Regulations 1996*.**

**BACKGROUND**

Council has delegated, to the Chief Executive Officer, the exercise of its power to make payments from the City's municipal or trust fund. In accordance with regulation 13 of the *Local Government (Financial Management) Regulations 1996*, a list of accounts paid under delegation for the month of May 2021, is provided within Attachment 1 and 2.

**FINANCIAL IMPLICATIONS**

A total of \$8,050,953.71 in payments were made this month from the City's municipal and trust fund accounts.

**LEGAL IMPLICATIONS**

Regulation 13 of the *Local Government (Financial Management) Regulations 1996* states:

13. *Payments from municipal fund or trust fund by CEO, CEO's duties as to etc.*
- (1) *If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing for each account paid since the last such list was prepared —*
- (a) the payee's name; and*
  - (b) the amount of the payment; and*
  - (c) the date of the payment; and*
  - (d) sufficient information to identify the transaction.*
- (2) *A list of accounts for approval to be paid is to be prepared each month showing*
- (a) for each account which requires council authorisation in that month —*
    - (i) the payee's name; and*
    - (ii) the amount of the payment; and*
    - (iii) sufficient information to identify the transaction; and*
  - (b) the date of the meeting of the council to which the list is to be presented.*

- (3) *A list prepared under sub-regulation (1) or (2) is to be —*  
 (a) *presented to the council at the next ordinary meeting of the council after the list is prepared; and*  
 (b) *recorded in the minutes of that meeting.*

## **CONSULTATION**

Nil

## **OFFICER COMMENT**

The following table summarises the payments for the month ending May 2021 by payment type, with full details of the accounts paid contained within Attachment 1.

<b>Payment Type</b>	<b>Amount (\$)</b>
Cheque / EFT / Direct Debit	\$5,849,282.14
Purchase card transactions	\$49,089.06
Salary / Wages / Superannuation	\$2,152,316.58
Other payments ( <i>as outlined in Attachment 1</i> )	\$0
<b>Total</b>	<b>\$8,050,953.71</b>

Contained within Attachment 2 is a detailed listing of the purchase card transactions for the month ending May 2021.

## **VOTING AND OTHER SPECIAL REQUIREMENTS**

Simple Majority Required

## **OFFICER'S RECOMMENDATION**

**Council:**

- 1. Accept the list of payments made under delegated authority, totalling \$8,050,953.71 for the month ending May 2021, as contained within Attachment 1.**
- 2. Accept the detailed transaction listing of credit card expenditure, for the month ending May 2021, as contained within Attachment 2.**

### **13. Motions of which previous notice has been given**

A member may raise at a meeting such business of the City as they consider appropriate, in the form of a motion of which notice has been given to the CEO.

### **14. Urgent business**

In cases of extreme urgency or other special circumstances, matters may, on a motion that is carried by the meeting, be raised without notice and decided by the meeting.

### **15. Late items**

In cases where information is received after the finalisation of an agenda, matters may be raised and decided by the meeting. A written report will be provided for late items.

### **16. Confidential business**

Members of the public may be asked to leave the meeting while confidential business is addressed.

### **ARMC2106-6 RISK REPORT – JUNE 2021**

<b>Meeting date:</b>	16 June 2021
<b>Responsible officer:</b>	Director City Business
<b>Decision making authority:</b>	Council
<b>Agenda attachments:</b>	Nil
<b>Additional information:</b>	Nil

### **REASON FOR CONFIDENTIALITY**

This report is **CONFIDENTIAL** in accordance with Section 5.23(2) of the *Local Government Act 1995* which permits the meeting to be closed to the public for business relating to the following:

- (d) legal advice obtained, or which may be obtained, by the local government and which relates to a matter to be discussed at the meeting

### **17. Closure**