



# Agenda

## Ordinary Meeting of Council

Wednesday 24 July 2024 6:00 pm



## **Notice of an Ordinary Meeting of Council**

Elected Members

An Ordinary Meeting of Council of the City of Fremantle will be held on **Wednesday 24 July 2024** in the Council Chamber (Bibbool Room) at the Walyalup Civic Centre, located at 151 High Street, Fremantle commencing at 6:00 pm.

A handwritten signature in blue ink, appearing to read "Glen Dougall".

Glen Dougall  
**Chief Executive Officer**

18 July 2024



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## **Official opening, welcome and acknowledgement**

Ngala kaaditj Whadjuk moort keyen kaadak nidja Walyalup boodja wer djinang Whadjuk kaaditjin wer nyiting boola yeye.

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.

## **Attendance, apologies and leave of absence**

### **Attendance**

### **Apologies**

There are no previously received apologies.

### **Leave of absence**

Cr Adin Lang          Coastal Ward

### **Applications for leave of absence**

Elected members may request leave of absence.

### **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.

## **Responses to previous public questions taken on notice**

The following questions were taken on notice at the Ordinary Meeting of Council held on 10 July 2024:

### **Ian Ker spoke in relation to item C2407-10 and general matters, and asked the following questions:**

#### **Question 1:**

Tonight's Agenda item on the 2024-25 Budget states: "The purpose of the advertising was to give residents reasonable notice of the estimated charge prior to issuing a charge with rates notices". Does City of Fremantle really consider that 2 months is 'reasonable notice' for a requirement to pay nearly \$1000, not just for one year but for seven years?



**Response:**

As per the agenda item, the City has deferred the introduction of a service charge to enable more time to provide information to the community on the project and any associated service charges.

**Question 2:**

The responses to my questions on 26th June do not provide substantial or, in most cases, any answers to the questions I asked. Why is it that responses to questions asked by myself and others at Council meetings so often fail to provide answers to the substance of the questions?

**Response:**

The City is of the belief that it provides appropriate responses to questions asked.

Officers seek to provide factual and timely responses to the specific questions raised as part of the council meeting process, and do not comment or respond to any individual or personal opinions presented with those questions.

Community members are also able to engage directly with City Officers outside of the council process via a number of different communication channels should they require information regarding specific projects, initiatives or issues.

**Question 3:**

Now that it has 12 months to work on the project, will the City of Fremantle establish a ratepayer reference group to ensure that:

- a) The affected community is fully informed; and
- b) Community concerns are identified and addressed before any further decisions or commitments, including signing a contract with Western Power, are made?

**Response:**

It is not intended that a reference group will be formed to support the engagement process from here.

Further information will be provided in the near future on how the City will continue with engagement on this issue.

**Mark Woodcock spoke in relation to item C2407-10, and asked the following questions:**

**Question 2:**

What are the total costs for the long ongoing South Beach toilet project?

**Response by the Chief Executive Officer:**

A fixed price contract has been put in place for that with a contingency element to it already. It will remain at that cost and at the moment it is approximately \$2.6m for the building itself. There will be a second tender provided to allow for landscape works once it's completed.



**Question 3:**

What steps have been taken to ensure that the disastrous cost over runs for the Kings Square project aren't going to be repeated at the South Beach toilet project?

**Response:**

Please refer to response provided to Question 2.

**Elizabeth Megroz spoke in relation to general matters, and asked the following questions:**

**Question 1**

My questions in relation to Victoria Hall, a public resource that should have been used extensively by the community had it been managed and promoted properly, remain without answers. When will you answer them?

**Response:**

The response to this question has been previously provided and published in the Council agenda. For reference the previously published answer has been provided again:

*Victoria Hall has been made available to a number of community organisations via leases and licenses since it was purchased in 2001. This has included but not been limited to Deckchair Theatre, Fly by Night music Club, Spacemarket, Fremantle Theatre Company. Each of these organisations made the facility available to the public as an events and performance venue.*

For further clarity, these agreements including encouraging further public access.

**Question 2**

Given my question was about the present and past locations, not the future, of fossil fuel/gas sponsorship/advertising, when will you answer it?

**Response:**

The only current or past advertising that may be considered related to fossil fuel advertising that the City is aware of, is the advertising provided during AFLW games at Fremantle Oval.

**Question 3**

Without a cost and benefit analysis, how have you arrived at what is a reasonable financial investment into a Destination Marketing campaign that employs 4/5 people, and commits every ratepayer to contribute, not just businesses that are the direct beneficiaries?

**Response:**

The destination marketing program is delivered in line with the council adopted Destination Development Strategic Plan (DDSP). The DDSP is developed in collaboration with an external working group that includes retail, hospitality, tourism, accommodation and service industry experts. The strategy is reviewed



annually and a comprehensive review document that assesses return on investment and details all results is made available.

**Question 4**

Is the clip “This is Fremantle” the pinnacle of the investment into the Destination Marketing campaign, employing 4/5 people?

**Response:**

The current TV campaign is just one component of a much broader program of marketing activities that are delivered annually. The DDSP and review document outlines the activities that are undertaken.

**Question 5**

Although all ratepayers contribute to the above program, why does the working group only include people from the business community?

**Response:**

The working group includes people with expertise relating to tourism marketing and development. The terms of reference and eligibility of the group are available on the City’s website.

**Question 6**

Define what is meant by the sentiment:

“A resilient city that plans for the future and is empowered to take action”

- a) What has changed?
- b) Has Fremantle not planned or taken action in the past?

**Response:**

Further specific detail on this statement can be found on page 23 of the Strategic Community Plan under the Resilient City section. The Strategic Community Plan is available on the City’s website.

The current Plan does not speak or pass judgement on or for any action or possible in-action of the past – it speaks to the future ten years.

**Question 7**

For the following messages “*all my questions answered, here to hear, I want to thank you*”:

- a) who (author) commissioned them?
- b) who was contracted to install them?
- c) what was the total cost associated with them
- d) how are they categorised (public art, advertising...),
- e) was there any prior community engagement?

**Response:**

These posters were commissioned by the City as part of the engagement process for use in the development of the Community Strategic Plan.

The cost of the work was \$2500. The work is not and had not been categorised.





**Helen Cox spoke in relation to item C2407-10, and asked the following questions:**

**Question 2:**

Why are funds for the maintenance of the Fremantle Town Hall predicated on the sale of Victoria Hall?

**Response:**

The funds for the maintenance of the town hall which are included in the 2024/25 budget and are not predicated on the sale of Victoria Hall. The sale of Victoria Hall has yet to be approved by council, and is not currently included in the 2024/25 budget.

What has been identified as an option previously, is that if Victoria Hall is sold in the future, funds from this sale may be used to renew the internal aspects of the Town Hall.

**Question 4:**

Are current capital projects being deliberately held back due to the City accumulating funds for the upcoming underground power upfront funding requirements to Western Power?

**Response:**

No.

**Question 6:**

What is the average percentage salary increase awarded to council staff, not change in total staff cost, for the year ended 30 June 2024 and for the budgeted year ending 30 June 2025, and if greater than CPI, why?

**Response:**

The pay increase for administration staff in 2023/24 was 4% and proposed for 2024/25 is 3.5%.

The pay increase for outside workers in 2023/24 was 4.7% and proposed for 2024/25 is 3.4%.

These are below CPI for 2023/24 and in line with CPI for 2024/25.

## **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.

## **Petitions**

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



## **Deputations**

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

## **Presentations**

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

## **Confirmation of minutes**

### **OFFICER'S RECOMMENDATION**

**Council confirm the minutes of the Ordinary Meeting of Council dated 10 July 2024.**

## **Elected member communication**

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



## **Reports and recommendations from officers**

### **Planning reports**

Nil.



## Strategic and general reports

### C2407-11 PROPOSED SALE OF VICTORIA HALL

<b>Meeting date:</b>	24 July 2024
<b>Responsible officer:</b>	Director City Business
<b>Voting requirements:</b>	Simple Majority Required
<b>Attachments:</b>	<ol style="list-style-type: none"><li>1. CONFIDENTIAL - Confidential Attachment 1 - Victoria Hall EOI Submissions [46 pages]</li><li>2. CONFIDENTIAL - Confidential Attachment 2 - Victoria Hall Scoring [1 page]</li><li>3. CONFIDENTIAL - Confidential Attachment 3 - Victoria Hall Proponent 6 Submission [1 page]</li></ol>

#### SUMMARY

**The purpose of this report is to provide an update to Council on the offers received as part of an expression of interest process carried out in relation to the sale of Victoria Hall and seeks authorisation to continue negotiations with the preferred offers.**

**This report recommends that Council authorise the Chief Executive Officer to continue negotiations with the proponents who submitted the highest ranked offers, noting a final preferred offer will be brought back to Council for approval in line with the requirements of section 3.58 of the *Local Government Act 1995*.**

#### BACKGROUND

In 2001, the City of Fremantle made a commitment to purchase and restore Victoria Hall 179 High Street, Fremantle, due to its architectural, social and cultural value.

Since 2001 the City has undertaken restoration works to the property and has successfully fulfilled the purpose of the property's acquisition by investing approximately \$2 million to restore the Hall's heritage value.

Fly By Night Club was a tenant of 179 High Street over this period. At its February 2018 council meeting, following a business review provided by the tenant, Council resolved to provide the tenant a new short-term and rent-free lease of 179 High Street, Fremantle, from 1 March 2018 to 31 August 2018 in order to provide the tenant with sufficient transitional time in assessing its viability into the future.

Following the departure of Fly By Night Club, Council authorised officers to commence a sales process for Victoria Hall in 2019. No satisfactory offers were received and Council resolved to approve the removal of Victoria Hall from the market for sale until such time as market conditions improve. The City then issued a licence to Fremantle Theatre Company to operate from 179 High Street.



A new 12-month licence has since been negotiated with the current Licensee which allows for the sale of the property.

On 28 February 2024 (C2402-16), officers sought approval from council to carry out a public expression of interest process for the sale of the property. Council resolved as follows:

- 1. Council authorise the Chief Executive Officer to commence a public expression of interest process for the disposal of 179 High Street, Fremantle in line with section 3.58 of the *Local Government Act 1995*.**
- 2. Request staff liaise with the existing tenant to assist with finding a suitable location/s for performance and rehearsal space, in the event that the property is disposed of.**

In accordance with the above, the City commenced a public expression of interest process which closed on 28 May 2024. The city received five submissions as part of the process (provided in Confidential Attachment 1). An additional offer was also received after the deadline for the submission closing (provided in Confidential Attachment 3). Despite being received after the closing date, the submission has still been provided for consideration to ensure Council is aware of all offers that have been received. This report provides an overview of the submissions received and makes a recommendation on how to proceed.

## **FINANCIAL IMPLICATIONS**

The sale of 179 High Street will have a positive impact on the budget. Sales price offers received to date are provided in Confidential Attachment 2.

A property valuation was undertaken in 2018 and a further valuation undertaken in 2024 has been provided in the confidential attachments.

Should council agree to dispose of Victoria Hall, net proceeds from any sale are to be placed in the Town Hall Reserve for future restoration and upgrade work requirements.

## **LEGAL IMPLICATIONS**

A Memorial is registered against the property's Certificate of Title under the *Heritage of Western Australia Act 1990*. This protects the historic significance of the building and how it is maintained, used and developed in perpetuity.

Under section 3.58 of the *Local Government Act 1995* a local government can dispose of a property to the highest bidder at a public auction or by way of a public tender to the most acceptable tenderer. If a local government does not seek to dispose of property by way of auction or tender it must, prior to accepting an offer, issue a public notice outlining the proposed disposition and invite submissions from the public for a two week period. Should Council accept an



offer, the City will issue a public notice in accordance with the Act prior to countersigning a contract of sale.

## **STRATEGIC IMPLICATIONS**

This item is in keeping with the City of Fremantle's Strategic Community Plan 2024 – 2034:

### **Liveable City - Liveable and socially connected neighbourhoods**

- Community participation is encouraged through spaces that enable social connection.

### **Liveable City - A unique built heritage and history that is preserved, protected and shared**

- Adaptive re-use of heritage buildings is enabled through supporting private investment, renewal and innovation.

### **Creative City – Optimised, accessible and affordable places and spaces for creatives**

- Support organisations to maximise use of facilities for arts and culture activities.

### **Resilient City – A focus on planning for a stronger and more resilient future**

- A financially resilient City meets the service delivery needs of the community.

## **CONSULTATION**

The current licensee of Victoria Hall is the Fremantle Theatre Company. Officers have maintained communication with the current licensee with regards to the potential sale of the building.

This has included exploring suitable alternative options for their future performance needs in the event that 179 High Street is sold. Officers will work directly with FTC to ensure suitable premises for home and performance needs within Fremantle can be achieved for FTC in the event that the building is disposed of. These may not necessarily be the same premises.

The EOI process was made available publicly and proponents who had previously expressed interest in the purchase of the hall were also advised of the process.

## **OFFICER COMMENT**

Following the conclusion of the EOI process, submissions were assessed by a panel in accordance with the following selection criteria and applicants were required to address the criteria in their submission.

- Overview of Proposed Use 45%
- Sales Price 45%



- Financials 10%

Considerations made and the information requested as part of each criteria has been outlined to follow.

### Overview of Proposed Use

1. Provide a description of the proposed use and any planned redevelopment or enhancements.
2. Provide an overview of:
  - a. The extent to which the property will be made accessible to the public or broader community.
  - b. The extent to which the proposed use is complimentary to surrounding sites such as the adjacent small businesses and residential apartments.
  - c. The extent to which the surrounding local community has been consulted or there is an intent and plan to do so, regarding the proposed use.
  - d. The extent to which the proposal aligns with the City's Strategic Community Plan and other relevant informing strategies.
  - e. The intended approach to ongoing conservation and protection of the building in line with the heritage agreement and memorial.

### Sales Price

Provide proposed purchase price and demonstration of alignment to current market value.

### Financials

1. Provide information to demonstrate the financial capacity of the applicant to purchase and continue to maintain the property.
  - a. What upfront deposit does the purchaser propose to pay at the time the offer is accepted?
  - b. How will the purchase be financed? Loan? Cash? Please provide details including proof of finance pre-approval if applicable.
  - c. How does the purchaser propose to finance the ongoing maintenance of the property in line with heritage requirements?

The following is an overview of the five submissions received as part of the EOI process as well as the 1 submission that was received after the close date for the process. Full submissions can be viewed in Confidential attachment 1.

### Proponent 1

Proponent 1 has shown a long-standing interest in the acquisition of the hall and made a submission as part of the EOI process. Proponent 1 offered the highest sales price and the deposit and settlement conditions were assessed as being reasonable. Proponent 1 requires vacant possession which means that the City would need to terminate the License with Fremantle Theatre Company (FTC), providing three months' notice before settlement.



The proposed use of the building for Proponent 1's submission was assessed as delivering very limited community outcomes and predominantly included a commercial office-based use. The proponent demonstrated a strong interest in the future of Fremantle, and the preservation of its heritage.

#### Proponent 2

Proponent 2 presented the lowest sales price received as part of the process. The proposed use was for events, meetings, weddings, private parties etc. The property would remain accessible to the public via bookings. Proponent 2 advised they would be willing to temporarily retain FTC as a tenant following settlement but noted that for the property to reach its full potential FTC would need to vacate eventually.

#### Proponent 3

Proponent 3 has also expressed a long-standing interest in the property and has participated in the prior sales process. Proponent 3 presented the second highest sales price offer. The proposed use broadly intends to keep the Fremantle Theatre Company as the principal licensee/tenant of the hall, while at the same time exploring other ways that the hall can be leased to other community arts organisations. Proponent 3 did express that over the longer term they wish to investigate some heritage-appropriate development and improvements to premises with the view to increasing availability of the hall to the community, and finding sustainable revenue streams that complement this.

#### Proponent 4

Proponent 4 presented the second lowest sales price offer. While community-based use was proposed there was very limited detail provided as to the types of use and the financial capacity available in order to deliver on the ongoing maintenance of the building.

#### Proponent 5

Proponent 5 presented the third highest sales price offer and demonstrated a suitable community-based use for the property that would enable ongoing public access. This included but was not limited to Co-Working and Office Spaces, Event and Meeting Areas, Community Areas, Support Services and Resources, Community Building and Networking. Proponent 5's submission was extensive and strongly addressed all qualitative criteria.

A panel of four officers assessed submissions independently. Scores were combined which resulted in the following outcome:





Overall weighted score including pricing	Overview of Proposed Use	Financials	Price	Total Score
Criteria Weightings	45.00	10.00	45.00	100
Proponent 1	11.00	4.00	25.00	40.00
Proponent 2	17.00	1.56	5.00	23.56
Proponent 3	25.00	4.22	20.00	49.22
Proponent 4	13.00	1.56	10.00	24.56
Proponent 5	30.00	4.22	15.00	49.22

After scoring, Proponent 3 and Proponent 5 scored equally as the highest ranked options, followed by proponent 1 coming in as the third.

Following the closing date of the EOI process, a sixth offer for the property (Proponent 6) was received outside of the EOI process. This offer was not assessed as part of the process and therefore, the scoring or ranking for this offer has not been presented alongside the other offers. It is noted however that based on initial assessment of the offer presented (provided in confidential attachment 3), this offer would likely score among the top 3-4 submissions received both in terms of initial sales price offered and the proposed community use.

Proponent 6 proposes to make the building available for community arts and culture-based organisations and intends to run a public EOI process to determine the most suitable community organisations to occupy the building. Proponent 6 also demonstrated suitable financial capacity and experience to ensure ongoing maintenance and protection of the heritage associated with the building. Based on this initial assessment officers have determined it would be prudent to include proponent 6 in the next stage of negotiations being proposed to Council.

While the sales price offers for the top three ranked submissions were considered as a reasonable starting point due to the proposed uses, officers would like the ability to further negotiate sales price with the top three ranked submissions, as well as the submission from proponent 6 that was received outside of the EOI process. Following this further negotiation the most suitable offer will be brought back to Council for approval.

As such it is recommended that council authorise the CEO to continue negotiations with the three highest ranked submissions being Proponents 1,3 and 5, as well as the submission received outside of the process from proponent 6 which was also determined to warrant further consideration by council, despite being received late.

The shortlisted proponents will be required to make a final offer and sign a contract before bringing the final recommended offer back to Council for consideration.



## **VOTING AND OTHER REQUIREMENTS**

Simple Majority Required

## **OFFICER'S RECOMMENDATION**

### **Council:**

- 1. Note a public expression of interest process was carried out for the proposed sale of 179 High Street, Fremantle, between 19 March 2024 and 28 May 2024.**
- 2. Receive the offers submitted by Proponents 1,2,3,4 & 5 as provided in the confidential attachments.**
- 3. Receive the offer submitted by Proponent 6, as provided in the confidential attachments, noting that this offer was received after the submission deadline, which is determined to warrant further consideration by Council.**
- 4. Authorise the Chief Executive Officer to continue negotiations with proponents 1,3,5 & 6.**
- 5. Note that following further negotiations, the final preferred offer will be brought back to Council for approval in line with the requirements of section 3.58 of the *Local Government Act 1995*.**



## **C2407-12 MEMORANDUM OF UNDERSTANDING FOR FREMANTLE LIBRARY CONNECT**

**Meeting date:** 24 July 2024  
**Responsible officer:** Manager Customer Experience and Learning  
**Voting requirements:** Simple Majority Required  
**Attachments:** 1. Memorandum of Understanding Library Connect between St Pat's Community Centre [6 pages]

### **SUMMARY**

**Library Connect-Freo is an award winning, innovative program and is the first such program in Western Australia (the second in Australia) and is an example of a successful collaborative project between the not-for-profit and local government sectors. It is also a project that has incorporated community co-design and independent action evaluation principles into its design, making it an excellent example of a place-based service that is reflective of its community's needs.**

**The Library Connect program has successfully used the Fremantle Library as an intervention setting for identifying and supporting people experiencing hardship for the first time, those at risk of homelessness and those with other complex needs. By bringing the skill set of community support staff to the library setting, we have successfully extended access to support services for a wider cohort of people.**

**This report recommends that Council:**

- 1. Endorses the Memorandum of Understanding (MOU) between the City of Fremantle and St Patrick's Community Support Centre as outlined in the MOU, provided in Attachment 1.**

### **BACKGROUND**

The Library Connect project is a collaboration between St Pat's and the City of Fremantle, which commenced in September 2020. St Pat's have employed a community support worker that is embedded in Fremantle Library, to connect with people experiencing hardship (including people experiencing homelessness or at risk of homelessness).

Increasingly, individuals who are homeless, at risk of homelessness or experiencing other disadvantages are choosing to access libraries as a safe and welcoming space for amenities, refuge and for leisure. The rising cost of living and housing crisis has led to an increased number of vulnerable people in our community and the first contact for this cohort is often their Local Government.

In the time the program has been operating, clients supported by Library Connect have reported significant outcomes including securing housing and employment, as well as feeling more confident they have the tools to navigate their challenges.



A number have also indicated that Library Connect has filled a gap where they felt there were no other avenues for support. Significantly, we have had indication that the service has provided an opportunity for women facing family and domestic violence to discretely and safely seek assistance, given the worker is embedded in the library.

Libraries and community support center's such as St Pat's share similar values regarding social inclusion, social justice, and wellbeing of the community and both St Pat's and the City of Fremantle are committed to ending homelessness and creating conditions for people in the community to lead safe, happy, and healthy lives. The continued provision of access to a community support worker through the Fremantle Library will make a key contribution to these goals.

### **FINANCIAL IMPLICATIONS**

Library Connect-Freo is a co-funded arrangement between St Patrick's and the City of Fremantle. The City of Fremantle will provide an annual sum of \$50,000 to contribute towards the funding of a Community Support worker, who will be onsite for 24 hours per week at agreed times. The City of Fremantle will provide support for the program around the on-location supervision of service delivery staff and provision of access to facilities required to operate the service. St Pat's will provide the remainder, up to \$135,000 total cost (St Pats contributing up to 85k towards salary, super, workers comp and emergency relief vouchers that are given out, including emergency payments for rental arrears or to secure tenancy/prevent evictions, food vouchers, transport vouchers, medical bills/scripts). St Pat's retains the overall financial management, along with intellectual property rights (materials, branding and other aspects arising from the program.)

The community worker will continue to be onsite in the Fremantle Library for 24 hours per week;

Tuesday	1:00pm - 6:00pm
Wednesday	9:00am - 5:00pm
Thursday	1:00pm - 6:00pm
Saturday	9:00am - 2:00pm

This MOU will remain in effect for two years (pending funding from St Pat's) from the date of signing, with the option to extend for a third year or until such time that either party requests termination. St Pat's has secured funding for 24/25 and will explore fund raising opportunities beyond 24/25 to ensure the programs continuation.

### **LEGAL IMPLICATIONS**

The partnership between the City of Fremantle and St Patrick's for Library Connect is defined through a Memorandum of Understanding which outlines the program details, the primary agreement, roles and responsibilities of both



organisations and a commitment to strong program of governance and decision-making.

## **STRATEGIC IMPLICATIONS**

This is in keeping with the City of Fremantle's Strategic Community Plan 2024 – 2034:

### **Resilient City – Availability of services and support for the most vulnerable members of the community**

- Access to programs that connect vulnerable community members to services and support.

## **CONSULTATION**

A strong collaborative relationship between the organisations is fundamental to ensure the success and the sustainability of the program. There is an established steering committee that meet regularly and has representation from St Patrick's and City of Fremantle with mutual responsibilities for input into program policy, procedure and decision making.

## **OFFICER COMMENT**

The Library Connect program is closely aligned with key City plans and acknowledges that Local Government has a significant role to play in contributing to the collective approach to solving homelessness. Since the commencement of this project, Library connect Fremantle has had contact with, and assisted more than 1000 people, many requests from women, Aboriginal people, and people from CALD backgrounds.

The number of people accessing Library Connect has remained constant with the service maintaining an average of 33-50 contacts per month. One of the aims of Library Connect has been to engage with people requiring support who might not have previously needed to access community services, as well as people who might not have engaged with or be aware of other available community services support.

To determine how many people who were being supported by Library Connect were 'new' to accessing community services, St Pat's conducted a snapshot review of their organisational and Emergency Relief databases. This review was completed in July 2021 – midway through the Library Connect evaluation process. As part of this review, the names of 232 people who accessed Library Connect were checked against the Emergency Relief database for the region.

This review confirmed that for 149 out of 232 people (64%), the first community support service they had engaged with in the region was Library Connect. This finding can demonstrate the critical role of a service like Library Connect in providing essential early intervention support and potentially preventing further hardship for people who are not being supported by other services.



The most common issues experienced by people supported by the project include financial difficulties and escalating costs of living pressures, housing related hardship, employment support, mental health support, sleeping rough, lack of family and/or community support, domestic violence, and a lack of support to manage these issues.

Financial difficulties have been an increasing issue for people who have been supported through Library Connect. People presenting with financial difficulties increased from 52% of contacts in Oct-Dec 2020 to 97% of contacts by April-June 2022 and sustained at this percentage through to June 2024.

People presenting to Library Connect who reported housing affordability stress increased from 35% of contacts in Oct-Dec 2020 to 85% of contacts by April-June 2024. The increasing lack of affordable and appropriate housing options, as well as significant increases in housing costs across Western Australia contributed to the number of people accessing Library Connect due to housing affordability.

When 'lack of support' has been indicated as a presenting need, it usually means that people being supported by Library Connect are not able to get help from any other services or from family. This could include people not being aware of any available services, that available services do not meet their needs, and/or that relevant services do not currently have availability (e.g. due to waiting lists).

Many people who have been supported by Library Connect had experienced family and domestic violence. While it was not necessarily the primary presenting need for support, nevertheless during interviews as part of the project evaluation, and through discussions with the support worker, many people discussed their experiences and histories of family violence.

Health issues, mental health issues, alcohol and other drug issues, and relationship/family breakdown are all ongoing and co-occurring presenting issues for people who were supported by Library Connect.

People presenting with unemployment challenges, often described multiple, co-occurring issues that they were experiencing – significant health and mental health issues; caring responsibilities; insecure housing; regularly needing to access emergency relief for food and other essential items; lack of reliable transport; and lack of affordable, accessible childcare. For many of the people supported by Library Connect, these factors represented significant barriers in being able to secure and retain employment.

Fremantle Library is a safe, supportive and welcoming place. Having a support service available in a safe and familiar space, particularly for those experiencing disadvantage for the first time has been crucial to the success of this program.

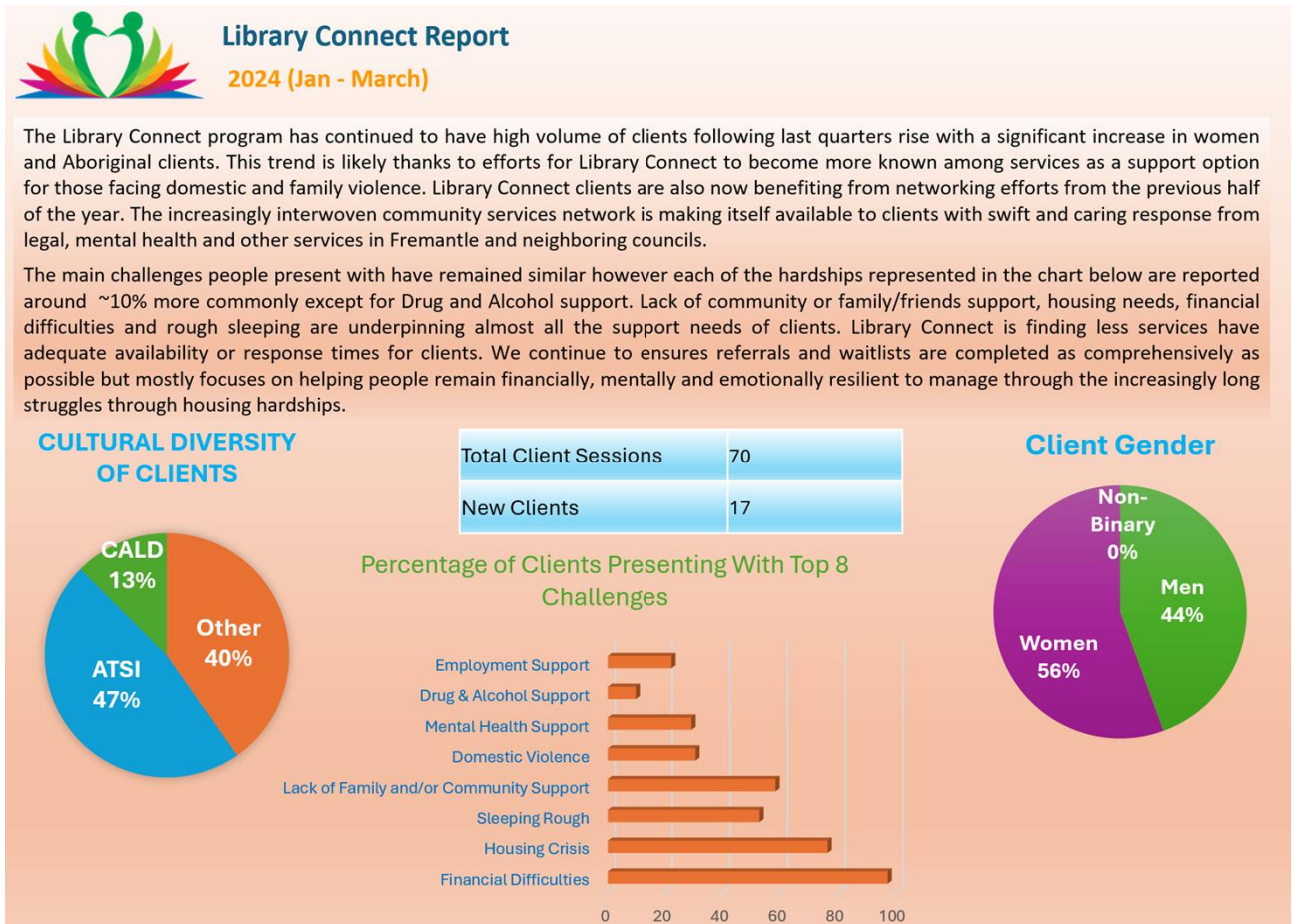
This service is available when other community services are not currently available (providing emergency relief on Saturday's and beyond 5pm when other services close.) A neutral safe space such as the library provides an alternate





point of access for traditional relief/crisis services, particularly for women in family domestic violence situations, who can say they are just going to the library and bring their children. This program has demonstrated that it is an effective way to intervene with vulnerable members of the community before their situation is at a crisis point.

Library Connect Quarterly report – Jan 24 to March 24:



Library Connect is designed to offer support in a community public library setting. The Library Connect service is available to anyone in the community who presents to Fremantle Library needing support. Library Connect has no specific limits to the number of sessions or support length offered. For some people, support will be brief and one-off, whereas other people might need longer-term or multiple contacts with the service. The Project also aims to offer early intervention and support people who are newly vulnerable.

The range of services provided include, among others:

- Referrals to health services, GP’s, community legal services, housing providers, financial counsellors, and other local community agencies,
- Advocacy with Real Estate/Rental agencies, housing providers and landlords, Centrelink, employers, utility companies, migrant services and other government and non-government agencies



- Emergency payments for rental arrears or to secure tenancy/prevent evictions, food vouchers, transport vouchers, medical bills/scripts
- Listening, guidance, information, and broad support on a variety of matters.

The Library Connect project was evaluated by the Home2Health research team at the University of Notre Dame. A range of critical success factors have emerged through the project evaluation – in interviews with people who have been supported through Library connect, as well as through interviews, focus groups and surveys with a range of stakeholders. The critical success factors are:

**Libraries are a safe space:** Libraries are safe, neutral, and familiar spaces in which to seek help. Libraries are also welcoming and are an accessible location for families, which can make engaging with support less daunting. The key factor which was repeatedly highlighted by people accessing the service was the importance of being offered support in the safety and calm of a library.

**Early intervention and prevention:** The Library Connect service provides early intervention to address issues before they escalate, particularly for people who have not previously needed support or who may not be comfortable accessing traditional emergency relief or crisis services. Library Connect has provided critical support for families including securing housing, ensuring safety, and supporting school attendance – which has prevented further crisis.

**Collaborative partnership model:** The collaborative partnership between a community sector organisation (St Pat's) and a local government authority (City of Fremantle) is considered by project partners to be critical to the model. The library connect worker is integrated within Fremantle Library, having been trained to understand its functions and activities and attend the library team meetings and professional development opportunities where possible.

**No Barriers to Support:** Library Connect does not have specific eligibility criteria regarding age, income, gender, family and or relationship status, and residency or visa status. Library Connect supports a diverse range of clients and many that engage with Library Connect have not been able to navigate other services with complicated referral processes or having to tell their story to multiple people.

**Support and Capacity building for staff.** One of the aims of Library Connect has been to provide support and capacity building for library staff – by having the Library Connect worker on site, with time, skills, and training to support library staff with managing and debriefing on issues or incidents.

Since it commenced in 2020, the Library Connect project has gained recognition and generated considerable interest across the library and local government sectors. In May 2021, Library Connect won the Library Board of WA Excellence Award for Innovation and Collaboration. The award recognized that the program is the first of its kind in Western Australian public libraries and that it benefits the community, library staff, and most importantly, some of the most vulnerable people in the community.





The benefits of Library connect have been significant, particularly in supporting people experiencing or at risk of homelessness and financial hardship, and people needing community services support for the first time. The role of Library Connect demonstrates in providing early intervention and prevention, particularly for families and for people accessing support for the first time is service is important and of great benefit to the Fremantle Community.

## **VOTING AND OTHER REQUIREMENTS**

Simple Majority Required

## **OFFICER'S RECOMMENDATION**

### **Council:**

- 1. Endorses the Memorandum of Understanding (MOU) between the City of Fremantle and St Patrick's Community Support Centre and continues to support and co-fund the Library Connect program as outlined in the MOU, as provided in Attachment 1.**



## **C2407-13 BEACH ENCLOSURE BATHERS BEACH**

<b>Meeting date:</b>	24 July 2024
<b>Responsible officer:</b>	Manager Parks and Landscape
<b>Voting requirements:</b>	Absolute Majority Required
<b>Attachments:</b>	1. WA State Government Funding Assistance - Beach Enclosure at Bather's Beach [1 page]

### **SUMMARY**

**The City of Fremantle has been investigating shark mitigation measures for its coastal river foreshores. Council approved Bathers Beach as the preferred location for a beach enclosure using a shark barrier and the community has been engaged on the proposal. The City has since been advised it is successful in gaining funding assistance for up to \$500,000 from the WA Government for the installation of a beach enclosure at Bather's Beach. The City is required to provide additional capital and operating expenditure to accept the funding and progress the proposal.**

**This report provides an update on receiving the funding assistance and the next steps for implementation of the beach enclosure.**

### **BACKGROUND**

The City of Fremantle and Town of East Fremantle partnered together to investigate shark bite mitigation measures and/or shark protected swimming areas along their respectively managed coastline and river areas. Council subsequently resolved Bathers Beach as the preferred location for a beach enclosure using a shark barrier and community engagement was undertaken on the proposal. At the Ordinary Meeting of Council on 27 March 2024 when considering the proposal following feedback from the community engagement process, Council resolved:

1. *Receive the Bather's Beach Shark Barrier Engagement Report, provided in attachment 1.*
2. *Reaffirm Bathers Beach as the preferred location for a protected swimming area, as per the Council resolution (C2312-10) of the 6 December 2023.*
3. *Request the Chief Executive Officer seek up to 100% grant funding for the capital cost of the project and submit a budget proposal for the capital and operational budget for consideration as part of draft 2024/25 budget.*
4. *Receive the Detailed Site Investigation for Harvey Beach, North Fremantle, provided in attachment 2, and note a budget proposal will be submitted for Council consideration in the 2024/25 financial year to progress the following steps:*
  - a. *Community consultation on the proposal.*



- b. Approval for works in the Swan River under the Aboriginal Heritage Act 1972.*
- c. Approvals from the Department of Biodiversity, Conservation and Attractions, Department of Transport and Department of Water, Environmental Regulation (Bed and Banks Permit) and others that may be required as the proposal progresses.*

This report provides an update on Part 3 of the above resolution and the next steps for implementation.

**FINANCIAL IMPLICATIONS**

An estimate of costs for the Bathers Beach enclosure was determined by seeking a 'Request for Information' from two commercially available shark barrier suppliers in Perth. This information was used to develop site specific costs as follows:

<b>Capital Expenditure</b>	
<b>Site</b>	<b>Estimated Capital Cost Range</b>
Bathers Beach	\$585,040 - \$680,000
<b>Operational Expenditure</b>	
<b>Site</b>	<b>Estimated Annual Operation Costs</b>
Bathers Beach	\$121,000 (annual removal and reinstallation for the winter period)

The Western Australian Government has funding available for the capital expenditure associated with installing beach enclosures. The City has been successful in gaining funding assistance of up to \$500,000 from the WA Government for the installation of a beach enclosure at Bather’s Beach. To accept the funding, the City will be required to provide additional funding as shown in the table below:

<b>Capital Expenditure (ex GST)</b>		
<b>Site</b>	<b>WA State Government Funding Assistance</b>	<b>City of Fremantle Contribution</b>
Bathers Beach (net length ~340m)	\$500,000	\$200,000
<b>Operational Expenditure (ex GST)</b>		
<b>Site</b>	<b>Estimated Annual Operation Costs</b>	
Bathers Beach (net length ~340m)	\$121,000 (annual removal and reinstallation for the winter period)	

A suitable budget allocation is required to support the receipt of the WA State Government funding assistance.

It is recommended that Council adopt a budget amendment to the 2024/2025 adopted budget, noting that any deficiency in municipal funding relating to the total cost of the project will be addressed following end of financial year processing planned for August 2024.



## **LEGAL IMPLICATIONS**

Nil

## **STRATEGIC IMPLICATIONS**

This item is in keeping with the City of Fremantle's Strategic Community Plan 2024 – 2034:

### **Liveable City - Functional and inclusive recreational facilities**

- The community can participate in a diverse and affordable range of sporting and recreational pursuits.

## **CONSULTATION**

The City of Fremantle undertook public engagement to understand community support for the Council's preferred option and their reasons why. The City's engagement exercise was an opportunity for the public to:

- Review the mitigation report.
- Seek clarification on Council's preferred location at Bathers Beach.
- Submit feedback on the preferred option and state why.
- Submit feedback that could be included in conversations with State government funding bodies.

The City of Fremantle conducted a series of in-person, local media, and digital community engagement activities to collect submissions and feedback for this program. The public were invited to:

- Share their thoughts via an online or hard copy survey.
- Attend an information session hosted by City staff at Bather's Beach, Fremantle.

The public engagement program reached more than 700 people through face-to-face conversations and online visits to the City's MySay portal. The public engagement program resulted in 159 formal submissions through the City's MySay portal. 100% of submissions received came through this portal. This resulted in more than 1,750 individual pieces of information collected through the engagement program.

The community engagement feedback received showed mixed support for a protected swimming area at Bathers Beach. Of the 159 submissions received, 48% of respondents do support Council's preferred location of Bathers Beach for a safe swimming area and 52% of respondents do not support Council's preferred location of Bathers Beach for a safe swimming area.

## **OFFICER COMMENT**



To progress the Bathers Beach Enclosure proposal, Mayor Fitzhardinge and Director Infrastructure and Project Delivery met with Hon Don Punch, Minister for Regional Development; Disability Services; Fisheries; Seniors and Ageing; Volunteering on 28 May 2024 to engage with State Government on the benefits of the project.

The Bathers Beach enclosure will be an approximately 340m long barrier between existing rock wall infrastructure providing approximately 60,000 sq/m of enclosed area. The proposal will bring a unique feature for the community by enclosing a sheltered beach that is ideal for swimming and snorkelling over a heritage jetty and natural pavement reef. It is close to public transport and within walking distance to the Fremantle tourism precinct of restaurants, cafes, shops, cultural facilities and a university. Parking has also been increased in the precinct with the TAFE site now available on weekends for public parking. The City requested funding assistance towards the capital cost of the barrier in accordance with the State Government funding assistance.

Following the meeting, the City has been advised it is successful in gaining funding assistance for up to \$500,000 from the WA Government for the installation of a beach enclosure at Bather's Beach. To support the acceptance of the funding, the City will be required to contribute \$200,000 (ex GST) to the capital cost of the barrier and an ongoing annual cost of approximately \$121,000 (ex GST) for ongoing maintenance and the annual removal and reinstallation of the barrier. The City will also consider additional landside infrastructure to support the enclosure in future budget considerations.

Should Council decide to go ahead with the proposal, the next steps will be to:

- Liaise with the Department of Primary Industries and Regional Development on the requirements and process to accept the funding.
- Seek further information on, and gain required approvals for the installation of the beach enclosure.
- Liaise with Fremantle Port Authority and Department of Transport on attaching the beach enclosure to existing rock walls.
- Undertake procurement and award for the supply, installation and maintenance of the beach enclosure. Lead times on the beach enclosure manufacturing and supply are unknown at this point in time.

Officers will take all reasonable actions to have the barrier installed prior to or within the upcoming summer season, noting the above actions that are required.

## **VOTING AND OTHER REQUIREMENTS**

Absolute Majority Required



**OFFICER'S RECOMMENDATION**

**Council:**

- 1. Thank the Western Australian State Government for their commitment to provide up to \$500,000 funding assistance for the installation of a beach enclosure at Bather’s Beach.**
- 2. Request officers progress with the Bathers Beach Enclosure proposal including:**
  - a. Liaising with the Western Australian State Government on the requirements and process to accept the funding.**
  - b. Seeking further information on and gaining required approvals for the installation of the beach enclosure.**
  - c. Liaising with the adjacent land managers and stakeholders including Fremantle Port Authority and the Department of Transport on the beach enclosure.**
- 3. Council adopt the following budget amendment to the 2024/2025 Annual Budget, noting that any deficiency in municipal funding relating to the total cost of the project will be addressed following end of financial year processing planned for August 2024:**

<b>Item</b>	<b>Account #</b>	<b>Account Details</b>	<b>2024/25 Adopted Budget</b>	<b>Revenue Increase/ (Decrease)</b>	<b>Expenditure (Increase)/ Decrease</b>	<b>2024/25 Amended Budget</b>
<b>1.1</b>	<b>Reduce grant funding by \$200,000 for the Bathers Beach - Safe Swimming Area</b>					
	<b>300395.4213</b>	<b>Non Operating Grant - Other Gov Agency</b>	<b>700,000</b>	<b>(200,000)</b>		<b>500,000</b>

- 4. Subject to approval of Part 2 and Part 3 of the resolution, delegate authority to the Chief Executive Officer to accept the funding assistance and progress with the procurement of the beach enclosure.**



## **C2407-14 DEFERRED ITEM - TRAFFIC CALMING POLICY AND NARROW STREETS SAFE ACCESS POLICY**

<b>Meeting date:</b>	24 July 2024
<b>Responsible officer:</b>	Manager Infrastructure Engineering
<b>Voting requirements:</b>	Simple Majority Required
<b>Attachments:</b>	<ol style="list-style-type: none"><li>1. Safe and Functional Streets Engagement Report [21 pages]</li><li>2. Amended Council Policy - Traffic Calming Policy [3 pages]</li><li>3. Amended Council Policy - Narrow Street Safe Access Policy [5 pages]</li></ol>

### **SUMMARY**

**The Traffic Calming Policy, and Narrow Street Safe Access Policy were endorsed to proceed to community consultation and feedback by the Finance, Policy, Operations and Legislation Committee on 14 June 2023. The community feedback received has been reviewed and both policies have been revised to reflect findings from the community engagement process.**

**The view expressed by the community was that traffic calming devices, and / or speed reduction through improved streetscape or greenery are preferred approaches for effective traffic calming. As such, revisions in the Traffic Calming Policy should include visible and physical interventions and changes to local speed laws.**

**For narrow streets, the community identified that the Narrow Street Safe Access Policy should be revised to better reflect road configuration solutions for sufficient parking, speed reduction, pedestrian access and bicycle safety. Both policies have now been updated to reflect this feedback for formal adoption.**

**This report recommends that Council:**

- 1. Receive and acknowledge the community feedback provided in the Safe and Functional Streets Engagement Report, as provided in Attachment 1.**
- 2. Adopt the Traffic Calming Policy, with inclusion of an amendment to include speed reduction initiatives, as provided in Attachment 2.**
- 3. Adopt the Narrow Street Safe Access Policy, with inclusion of an amendment pertaining to the ranking of measures as informed by community feedback, as provided in Attachment 3.**
- 4. Requests the Chief Executive Officer to bring back a report to Council by December 2024, which explores opportunities and the process to**



**be followed for the application of a 'City-wide' 40km/h speed limit for the City of Fremantle.**

**BACKGROUND**

Traffic Calming Policy

The City's existing Policy, named 'Traffic Calming priority' (Reference Number SG35) was initially adopted by Council in March 2005 and was reviewed in 2011 with no amendments. The existing Policy provided a framework of parameters and requirements to assist officers in assessing the suitability of traffic calming and level of intervention. To date, City officers have used this Policy to undertake assessments for traffic calming via the application of a traffic calming warrant assessment which incorporated several quantitative principles to guide decision making. On assessment of this Policy, City officers deemed that the Policy had to be extended to incorporate a qualitative means of assessment which involved community consultation and thorough investigation of "traffic issues" that the traffic calming warrant assessment failed to identify or address. Traffic issues include noise, driver behaviour, heavy vehicle use of suburban roads, rat-running and vehicle alignment to the designated lines on the road.

Narrow Streets Safe Access Policy

The following Notice of Motion was submitted at the Finance, Policy, Operations and Legislation meeting of 10 May 2023 by Cr Pemberton:

**COMMITTEE RECOMMENDATION ITEM FPOL2305-8**  
**(Elected member motion)**

**Moved: Cr Rachel Pemberton**

**Seconded: Cr Frank Mofflin**

**That Council:**

- 1. Request officers to provide a report and recommendations to the June FPOL outlining opportunities to improve pedestrian safety and amenity, specifically in small local streets where there is:**
  - no footpath currently**
  - no space or opportunity for footpaths**
  - or car parking in narrow streets that frequently obstructs footpaths**

**Carried: 7/0**

**Mayor Hannah Fitzhardinge, Cr Fedele Camarda, Cr Jenny Archibald,  
Cr Marija Vujcic, Cr Bryn Jones, Cr Rachel Pemberton, Cr Frank Mofflin**

Officers reviewed the motion and concluded that given the specific nature of the issues arising, it was felt more appropriate and effective to address the issues raised through the development of a separate Policy which dealt with appropriate





street reconfiguration solutions to enable equitable access for the community in response to increased housing density and population growth.

Both policies were adopted and endorsed to proceed to community feedback. The community engagement process opened on 29 November 2023 and collected submissions until close-of-business on 16 February 2024. The engagement campaign was titled "Safe & Functional Streets" which sought feedback and engagement on both policies given they shared the same theme of enhanced road safety. Public comment was promoted through social media, local media, electronic newsletters, and community drop-in/face-to-face sessions. City officers collected feedback through an online survey (75% feedback), emails (3% feedback) and an interactive map pin (22% feedback). The purpose of the survey was to inform Policy revisions that reflected the community's requirements for improved road safety via effective traffic calming solutions and accessible road configuration of narrow streets. See attached engagement report which profiles the feedback results (Pages 11 and 16).

This feedback has resulted in several revisions to both policies which are now presented for formal adoption. The officers' comment section below outlines the scope of the revisions included for Council consideration.

### **FINANCIAL IMPLICATIONS**

1. Traffic Calming - As part of the City's capital works planning process, all project proposals relating to traffic calming once approved, will be formulated into programs of work for inclusion into the City's forward works 10 Year Plan for consideration as part of the annual budget process.
2. Narrow Streets - Where works or initiatives are of a lower value, it is anticipated that costs may be accommodated through the Engineering operational budget allocation. Higher value or more significant works would be captured as part of the City's capital works forward planning and considered as part of the annual budget process.

### **LEGAL IMPLICATIONS**

The *Local Government Act 1995*, section 2.7(2)(b) provides Council with the power to determine policies.

### **STRATEGIC IMPLICATIONS**

This is in keeping with the City of Fremantle's Strategic Community Plan 2024 – 2034:

#### **Livable City - Sustainable growth in city centre population**

- Infrastructure, services, and facilities meet the needs of a growing residential population and contribute to making the city centre a safe and desirable place to live.



**Liveable City - Livable and socially connected neighbourhoods**

- The matters contained in this report align to the intent of this theme's outcome.

**Liveable City - Connected city**

- Streets are well connected, and it is easy and safe for pedestrians and cyclists to move within neighbourhoods and between key destinations and precincts.

**Liveable City - Sustainably designed and optimised urban and natural environments**

- The matters contained in this report align to the intent of this theme's outcome.

**CONSULTATION**

The safe and functional streets engagement program aimed to achieve the following for the City and its residents:

- Raise awareness and educate the community about both policies.
- Enhance the City's communication and engagement on matters relating to Traffic Calming and Narrow Streets.
- Clarify the distinctions between traffic issues and traffic calming.
- Create opportunities for an in-depth understanding of challenges and the co-creation of effective solutions with the public.

In conjunction with the [City of Fremantle's community engagement policy](#), and the [International Association for Public Participation's \(IAP2\)](#) spectrum of public participation, this engagement program aimed to **CONSULT & INVOLVE** the community throughout the project:

IAP2 Spectrum of Public Participation



IAP2's Spectrum of Public Participation was designed to assist with the selection of the level of participation that defines the public's role in any public participation process. The Spectrum is used internationally, and it is found in public participation plans around the world.

		INCREASING IMPACT ON THE DECISION				
		INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
PUBLIC PARTICIPATION GOAL		To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.	To obtain public feedback on analysis, alternatives and/or decisions.	To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	To place final decision making in the hands of the public.
	PROMISE TO THE PUBLIC	We will keep you informed.	We will keep you informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision.	We will work with you to ensure that your concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how public input influenced the decision.	We will look to you for advice and innovation in formulating solutions and incorporate your advice and recommendations into the decisions to the maximum extent possible.	We will implement what you decide.



The City of Fremantle conducted a series of in-person consultations, local media, and digital community engagement activities to collect submissions and feedback for this program. The public was invited to:

- Complete the Traffic Calming Feedback Survey, and the Narrow Streets Feedback Survey via the City’s MySay project page;
- Add a pin and comment to an interactive map on the City’s MySay page for the project;
- Share experiences with navigating traffic calming or traffic issues with the City or other agencies, drawing from past or present experiences;
- Provide feedback on their experiences, whether positive or negative, while living, working, or visiting narrow streets in Fremantle; and
- Contribute ideas and examples of best practices in traffic calming and narrow streets policies from other Australian local governments.

The engagement campaign was advertised on social media, local media, electronic newsletters, and community drop-in sessions/face-to-face sessions. This resulted in 1050 pieces of individual information and the online survey results are depicted below:

We asked– *“What do you think makes for effective traffic calming?”*

Traffic Calming Type	Number of times selected
Traffic calming devices (e.g., speed humps, chicanes, etc.)	67
Speed reduction	64
Streetscape or greenery	58
Signs and lines	43
Other	25

Speed reduction initiatives were not included in the first iteration of the Traffic Calming Policy and therefore this feedback has been emphasised and incorporated into the revised version of the Policy as a major area of exploration. City officers decided to include speed reduction as an option for feedback given its recent rise in popularity in contemporary traffic calming measures. Community feedback indicated that physical devices were not cost effective and diminished the look of streetscapes. Streetscape and greenery, signs, and lines were stated as measures the City would explore in the original iteration of the Policy and these will remain given the positive feedback received by the community for both being identified in the Policy.

For the Narrow Streets Safe Access Policy, we asked: *“What are your top three concerns for your narrow street?”*

Concerns	Number of times selected
Parking	30
Speeding	24



Pedestrian Access	14
Bike Safety	14
Greenery	13
Bins	10
Emergency Access	9
Other	9

The original version of the Narrow Street Safe Access Policy covered all concerns listed above, however the community emphasised parking, speeding, pedestrian access, and bike safety as the major areas for improvement on narrow streets. Therefore, the revised version of the Narrow Street Safe Access Policy places more emphasis on these four areas for prioritisation when a narrow street is assessed for intervention.

It is important to note that emergency vehicle access was stated as a high priority area in the original policy however improvements to on-street parking will enable better emergency vehicle access as they are both complementary.

The feedback was extremely positive for both policies and that the City was looking to improve its position and approach in respect to traffic calming and narrow streets.

### **OFFICER COMMENT**

Both policies were taken to Council on 22 May 2024 following the community engagement exercise. Council voted to defer both policies to the next appropriate Ordinary Meeting of Council for the purpose of reviewing the policy wording, to further consider the administrative guideline documents and to explore lower cost options.

Officers workshopped both policies with elected members on 19 June 2024. Workshop participants expressed a desire to see that both policies clearly include community driven, soft, simple, and cost-effective treatments that were easy to implement and deliver. It was agreed that this approach would be the primary first step when undertaking traffic calming or narrow street interventions. Major construction of traffic calming devices or large-scale road configurations on narrow streets would be a secondary intervention if low-cost treatments were ineffective. Low-cost treatments are signs, line marking, greenery and low-cost traffic calming devices, potentially provisioned through the Main Roads WA Low-Cost Urban Treatment Program. Both policies have been updated to reflect this feedback.

The recommended amendments to both policies are summarised in the table below and are accompanied by justifications.



Change	Reason
<b>Traffic Calming Policy</b>	
<p>Safety of all road users with a focus on pedestrian safety.</p>	<p>Previous iteration of the policy was focused on vehicle users and did not suitably emphasise pedestrians as an essential road user.</p>
<p>Focus on low-cost community driven solutions for traffic calming like signs, lines, and greenery as an initial measure. Hard infrastructure would be a secondary measure.</p>	<p>The previous iteration of the policy emphasised the use of engineered infrastructure (devices) that are high cost and would undergo a lengthy approval process through Main Roads, thus making such projects unachievable. Soft measures as interim solutions are considered cost-effective, deliverable, achievable, monitorable and do not compromise streetscape beautification. This aligns with community feedback received that devices were perceived to impact streetscape beautification.</p>
<b>Narrow Street Safe Access Policy</b>	
<p>Focus on low-cost community driven solutions for narrow street intervention like signs, lines, and greenery to improve safety and access for pedestrians and to incorporate these measures into open space (verges/footpaths).</p>	<p>The previous iteration of the policy alluded to major road configurations that would be of high-cost, disruptive for residents and would take a long time to deliver.</p>
<p>The policy application has changed to reflect that residents on narrow streets can express their interest to the City for intervention on their narrow street. City officers will work with residents to explore signs, lines, murals, and greenery where permissible.</p>	<p>This community-driven approach enables collaboration with residents and city officers to determine simple solutions on their narrow streets, given each street is different, unique and treatments cannot be standardised across the entire City. This amendment aligns with community feedback which highlighted that some residents did not want intervention on their narrow street.</p>



## **OFFICER'S RECOMMENDATION**

### **Council:**

- 1. Receive and acknowledge the community feedback provided in the Safe and Functional Streets Engagement Report, as provided in Attachment 1.**
- 2. Adopt the Traffic Calming Policy, with inclusion of an amendment to include speed reduction initiatives, as provided in Attachment 2.**
- 3. Adopt the Narrow Street Safe Access Policy, with inclusion of an amendment pertaining to the ranking of measures as informed by community feedback, as provided in Attachment 3.**
- 4. Requests the Chief Executive Officer to bring back a report to Council by December 2024, which explores opportunities and the process to be followed for the application of a 'City-wide' 40km/h speed limit for the City of Fremantle.**



## **C2407-15 WASTE SERVICES REVIEW**

<b>Meeting date:</b>	24 July 2024
<b>Responsible officer:</b>	Manager Waste and Fleet
<b>Voting requirements:</b>	Simple Majority Required
<b>Attachments:</b>	<ol style="list-style-type: none"><li>1. Detailed Report Commercial Waste Collection Survey [24 pages]</li><li>2. City of Vincent Post-implementation Survey outline [2 pages]</li><li>3. CONFIDENTIAL - Response to IEM questions [6 pages]</li></ol>

### **SUMMARY**

**This report follows a comprehensive review of the City's waste management services, the review was initiated to address current issues of efficiencies and inconsistency in the way this service operates. The review concludes with a proposal to transition away from self delivery of some of the current services the City provides.**

**This report recommends Council endorse the transition out of commercial and industrial waste management services starting from July, 2025. Additionally, the report highlights the proposed transition to outsource the collection of any residential general waste (red-lidded bin) currently collected through the commercial waste operation and developing an appropriate collection scheme for high-density residential and mixed-use developments, to take effect in the beginning of the new financial year (2025/26).**

### **BACKGROUND**

The City of Fremantle currently provides waste collection and disposal services across the district, covering both residential and commercial/industrial waste.

The commercial and industrial waste collection service primarily consists of general waste bins. Recently, cardboard and limited commingled recycling have also been collected through a contractor. This service has grown and evolved organically, resulting in a mix of offerings and inconsistent fee structures. Currently, the fees collected do not cover the cost of delivering the service, and the shortfall is subsidised by general rates.

The majority of the City's residential waste collection is now managed through the 3-bin FOGO system, serviced by the City's contractor. However, due to accessibility, space, and logistical issues, many residences in the Fremantle town centre have not yet transitioned to this system. Instead, the City directly collects general waste in the town centre using the two-bin system. Waste collected from the town centre accounts for about 30% of residential waste collections in the district.





This portion of the residential service is retained and operated (collected) directly by the City. However, it has been recognised that the City's direct service in this area is significantly less effective and efficient compared to the contracted residential services that cover most of our local government area.

A comprehensive review of waste collection services has recently been concluded, focusing on commercial and industrial waste and enhancing residential collections, particularly in high-density areas of the city centre. This review was carried out with the assistance of a specialist waste consultant. The resulting report outlines key findings and recommendations, proposing revisions to the service model to align with strategic goals, improve recycling rates and cost-effectiveness, and adopt improved waste collection for multi-unit dwellings and emerging high-density developments in the city centre.

**FINANCIAL IMPLICATIONS**

The recommendations in this report do not require additional budget. The anticipated long-term financial impact includes annual operational savings of approximately \$650,000 to \$720,000 from discontinuing commercial and industrial waste services and outsourcing residential collections.

The estimated gross total annual operational benefits are as follows:

	<b>Current costs (pa)</b>	<b>Forecast costs (pa)</b>	<b>Estimated benefit</b>
<b>Commercial &amp; Industrial waste management</b>			
Revenue (fees):	\$(750,000)	--	\$(750,000)
Staff/Agency labor:	\$650,000	--	\$650,000
Plant (operational/running costs):	\$150,000	--	\$150,000
Waste disposal:	\$450,000	--	\$450,000
<b>Net value:</b>	<b>\$500,000</b>	<b>--</b>	<b>\$500,000</b>
<b>Residential waste collections</b>			
Staff/Contractor:	\$350,000	\$440,000 (1)	
Plant (operational/running costs):	\$100,000		
Waste Disposal:	\$200,000		
<b>Net value:</b>	<b>\$650,000</b>	<b>\$440,000</b>	<b>\$210,000 (2)</b>
<b>TOTAL:</b>	<b>\$1,150,000</b>	<b>\$440,000</b>	<b>\$710,000</b>

(1) Forecasted cost estimate based on the extrapolation of current contractor costs for the City's residential waste collections, assuming similar collection methods.

(2) This is the best estimate of the net benefit, assuming outsourcing of residential collections with similar methods. If residential services are restructured to address the needs of high-density residential developments or to transition to net zero carbon services, a portion of these savings may need to be allocated to cover the additional costs.





Regarding capital assets (waste trucks), it is anticipated that savings can be generated by the staged disposal of four out of the existing five waste trucks, eliminating the need to renew or replace these. The remaining truck, which will need to be renewed in the short term, will continue to service public bins.

The current fleet is assessed to be in average to poor condition. The forecast savings from removing four waste trucks from the capital replacement program are as follows:

	<b>Forecast Replacement Value</b>		
	<b>2024/2025</b>	<b>2026/2027</b>	<b>2027/2028</b>
Value of assets (waste trucks)	\$350k	\$300k	\$500k

These savings are estimated from the long-term asset replacement program, which can be reallocated to other asset replacement / renewal activities. This could include covering growth and capacity increases in other plant replacement requirements, asset upgrades, and transitioning to electric vehicles (EVs), for instance.

**LEGAL IMPLICATIONS**

While local governments in Western Australia have several key responsibilities regarding waste management within their jurisdictions, it is important to note that the City is not legally required to provide commercial and industrial waste collection services.

The Local Government Act 1995 makes provision for local government to provide essential services to their communities, including waste management services. This is also provided in Section 50 of the *Waste Avoidance and Resource Recovery Act 2007 (WARR)*.

Local governments are not obligated to manage waste beyond that originating from residential sources or as explicitly specified in regulations pursuant to Part 1, Section 3 of the WARR Act.

Officers have sought legal advice on this matter. Lawyers have confirmed that while the City is practically (if not strictly) obligated to manage waste collection services for its residents, it is not obliged to manage waste collection services for commercial or industrial entities.

**STRATEGIC IMPLICATIONS**

The service change proposed in this report is in keeping with the City of Fremantle’s Strategic Community Plan 2024 – 2034:

**Liveable City - Sustainable growth in city centre population**

- The matters contained in this report align to the intent of this theme's outcome.



## **CONSULTATION**

An extensive consultation process was undertaken through online and face-to-face discussions with commercial and industrial waste customers from November 3 to 21, 2023. Customers participated in a survey aimed at assessing the financial sustainability of our commercial waste services, strategically planning for future enhancements, evaluating fees, and considering potential service modifications.

The targeted engagement program garnered participation from across the City of Fremantle, resulting in the collection of 2,407 individual data points to support making a recommendation (see Attachment 1).

In summarising the outcomes of this consultation, the online anonymous survey attracted 118 visitors, with 82 actively participating by completing the questionnaire. Among these participants, 79 respondents (95% of the total) identified as commercial waste generators. The most represented commercial categories included service businesses (25%), retail (20%), office (12%), and food and beverage (8%). The participants were distributed across various parts of the Council area, with O'Connor (34 respondents, 41%), Fremantle CBD (14 respondents, 17%), and other areas such as O'Connor and Fremantle each represented by 11 respondents (13%).

The sample also included 73 respondents (90%) who are customers of the City-operated commercial waste collection services. Among these customers, 65 (89% of respondents) expressed satisfaction with the service provided by the City.

City services primarily focus on general waste collections, benefiting 91% of respondents. Additionally, 26% benefited from commingled recycling services, while only 17% utilised cardboard collections.

Out of the total respondents, 57 (74%) indicated they would not be willing to pay for the standard service currently provided by the City. Only 20 (26%) expressed some willingness to pay, with preferred amounts ranging from less than \$30 per service (11, 14%), \$31 to \$50 per service (7, 9%), and \$51 to \$60 per service (2, 3%). On average, respondents were willing to pay approximately \$10 per service.

To achieve financial sustainability, the service would need to be priced at a minimum of \$40 to \$50 per service for all City customers.

In addition, acknowledging the City of Vincent's recent withdrawal from commercial and industrial waste collection services, City officers have engaged and consulted with them to understand the challenges they faced and the transition solutions they have adopted to facilitate implementation. Feedback from the City of Vincent is detailed in Attachment 2, but can be summarised as follows.

The City of Vincent's post-implementation survey on the cessation of its commercial waste services has revealed several key findings. The survey aimed to assess the impact on local businesses following the service change, indicating that



most businesses have successfully adapted and are satisfied with their current arrangements post-service transition.

The decision to discontinue their service was based on strategic reasons, being alignment with waste management objectives aimed at achieving zero waste to landfill, recognition of the previous system's inadequacy in meeting diverse business needs, adaptation to the introduction of Food Organics Garden Organics (FOGO) bins, and financial prudence amidst the necessity for substantial service improvements.

Elected Member briefing sessions were held on 30/08/2023 and 4/12/2023, and provided a summary update sheet addressing remaining questions on 31/01/2024 (see Attachment 3).

The Cleansing Service Level Review has progressed concurrently with this review, offering further insights into proposed options for allocating remaining resources mentioned in this report. The purpose of this is to prioritise enhancing city cleaning service levels rather than continuing the collection of commercial and industrial waste.

## **OFFICER COMMENT**

### **Proposed service changes and their rationale**

In January 2023, a specialist waste consultant was engaged to conduct an audit of waste services and related financials. This has involved analysing the financial sustainability of current residential and commercial waste services. It included a comprehensive bin auditing program and financial analysis of existing waste income and cost accounts. The goal was to gain a clear understanding of income, costs, tonnage, types of bin services, and the number of businesses and residential properties served. The findings of this audit form the basis of this review report.

This exercise involved fieldwork such as tracking trucks, identifying bin locations and customers, identifying issues and opportunities, and reviewing financial and operational management information.

The consultant also interacted with staff at various levels of service delivery, including senior staff, to validate their preliminary findings against the City's internal controls and observations.

At the conclusion of this process the consultant presented the following main findings regarding commercial and industrial waste:

- The current *Schedule of Fees and Charges* for domestic and commercial waste services does not accurately reflect the cost of servicing. It is recommended that the City establish a true cost of service to be included as a separate waste fee.



- The City of Fremantle implements a comprehensive program of system restructure and improvement.
- Prepare tender documents for the collection of general waste from residential and commercial areas in the CBD and industrial zones.

Based on these findings, a review of the existing financial information has been undertaken, an overall services review has been undertaken, and the following recommendations are proposed:

- Transition and cease commercial waste collections.
- Fully outsource residential waste collections for the City centre, including revising the servicing model for high-density residential developments.

Discontinuing commercial waste collection services and outsourcing remaining residential collections are intended to provide several benefits:

**Improved waste recovery / FOGO expansion:** the move away from the remaining two bin residential collection system in the CBD / inner City areas and the inclusion of multi-unit dwellings in the extension of the 3 bin FOGO collection system will further reduce the City's waste to landfill and improve waste recovery through FOGO processing.

**Savings:** This includes reduced vehicle, equipment, and associated costs, while ensuring the expected level of service for residents and customers is improved. There is also potential to reallocate operational resources to enhance city cleaning service levels (see below).

Relevant economic factors include the cost-effectiveness of service provision, potential revenue and cost recovery, and the impact on local businesses.

Cost-effectiveness of services is important, evaluating whether Fremantle can efficiently collect waste at a competitive cost compared to private firms is essential. A financial analysis of current residential and commercial waste services, including bin audits and expenditure reviews, was conducted.

The assessment provided critical insights into the viability of the City continuing waste services while highlighting opportunities for improvement. Based on the review and financial data, providing waste management services directly appears economically inefficient for the City.

The higher cost of waste collection compared to private contractor services is influenced by factors such as economies of scale, technology suitability, and improved asset utilisation if included in the contractor's scope of work. Furthermore, inefficiencies stem from an aging fleet and workforce, as well as historical under-investment in new technologies.

For example, the City currently operates 5 trucks for residential and commercial waste collection services with an average age of 13 years, well beyond their optimal replacement cycles. Apart from reliability issues leading to significant



downtime affecting operations, this also poses reputational risks associated with outdated City trucks.

In terms of Commercial & Industrial waste management, the City recovers only about 60% of costs, equivalent to \$750,000 annually, through service fees. The remaining 40% (\$500,000) is subsidised through general rates, totaling \$1.25 million. Additionally, Commercial & Industrial waste customers have identified they are unwilling to cover the full-service cost, as indicated by the engagement survey.

This evaluation demonstrates that the City's direct provision of commercial waste services lacks competitiveness in its current model. Moreover, its Commercial & Industrial waste management service is not financially sustainable—it does not cover its costs from direct revenue and lacks significant customer willingness to pay, making it commercially unviable without subsidy from general rates.

**Flexibility and Enhanced CBD Cleansing Service:** This allows the broader Waste Team to concentrate on core functions, such as maintaining public bins and strengthening city cleaning efforts. Savings from the recommendations of this waste review would enable the City to bolster cleansing activities and enhance city centre services, including street sweeping, footpath and paver cleaning, scrubbing, and hot/water pressure cleaning.

Implementing an appropriate model for servicing **higher density residential developments:** Outsourcing the complete residential collection scope allows for the procurement and provision of a tailored service to these customers. This includes specifying the contractor's ability to service buildings from within their premises—for example, through designated, easily accessible, and serviceable bin storage areas or rooms, rather than relying solely on kerbside bin placement and on-street collections. Officers will continue to collaborate to assess whether a future policy to support this approach is necessary.

This service component aims to resolve current issues of underservicing in high-density developments and improve street amenity by addressing the proliferation of multiple small-capacity bins currently placed along the city center's verges for collection.

**Innovation:** This involves accessing innovative, state-of-the-art approaches and techniques that are not currently utilised in-house, along with enhanced plant technology to support service delivery and environmental performance. Fleet modernisation is a key advantage of the proposed outsourced model for full-scale residential waste collections, sustainable and quieter fleet operation models, and the use of smaller, modern collection vehicles. Examples include meeting improved vehicle emissions standards, optimising routing, and integrating sustainability and Net Zero targets into daily operations.

### **Reviewing the City of Vincent's experience with similar changes**

A review of the outcomes for the City of Vincent was undertaken to gain valuable insights into the process. Vincent successfully completed a similar transition in



discontinuing commercial and industrial waste collection services. Additional details regarding the rationale behind City of Vincent's decision to discontinue their commercial and industrial waste management services are attached.

As of June 30, 2021, the City of Vincent discontinued its Waste Collection Service for businesses, following a decision made during the September 15, 2020 Ordinary Council Meeting. They have published an FAQ on the Commercial Waste Collection Service, available on the City of Vincent's website (at [Commercial Waste Collection Service » City of Vincent.](#))

In response to customer feedback, Vincent implemented a strategy to support their service transition, which included approving a rates rebate for FY 2021-2022 equivalent to the projected operational savings accruing during that period. The rebate was equally distributed among all commercial ratepayers, with an estimated average allocation of \$520 per commercial ratepayer; this was a one-off provision to assist with the transition to new waste services.

Importantly, the City of Vincent still offers a residential waste collection service to micro-businesses, under specific conditions. These are defined as those that can manage their waste with a standard residential bin setup (140L general waste, 240L recycling, 240L FOGO).

According to their website, this discretionary service is available for an annual fee of \$558.51, plus a one-time \$85.44 setup fee. It is primarily intended for businesses that produce minimal waste, for whom this option offers the most environmentally friendly solution. Additionally, to that end, businesses must be able to integrate with the City's existing residential waste collection system.

The rationale for this service was to support micro-businesses, despite an initial plan to exclude all businesses. Approximately 62 micro-businesses currently use this service, which is integrated into the residential waste collection system operated by the contractor. The service generally works well, although there are occasional issues with late payments and businesses attempting to exceed the bin limits.

### **Implementation: Customer Engagement and Communication Strategy**

The preliminary engagement and communication strategy details will be further developed in collaboration with the City's Community Engagement and Communication teams. The goals of this strategy include:

- Informing customers about the transition and discontinuation of commercial and industrial waste collection and the outsourcing of remaining residential waste collection.
- Addressing concerns, providing service clarity, fostering trust, and promoting responsible waste disposal practices.
- Ensuring a seamless transition to a new service provider for residential collections.

The target audiences of this strategy include:





- Commercial and industrial customers: Businesses currently using City waste collection services.
- Residential customers: Households currently using City waste collection services.
- Local community: Residents who may be affected by the upcoming changes.

The proposed communication channels for deploying this strategy include:

- Website: A dedicated webpage featuring FAQs, updates, and contact information, accessible through the My Freo platform.
- Email: Targeted email campaigns directed at affected customers.
- Social media: Official City accounts on platforms such as Facebook and Twitter.
- Press release: Announcement to local media outlets.
- Community meetings: Public forums for addressing questions and concerns.
- Flyers: Distribution in high-traffic areas.
- Business e-newsletter: Regular updates in the City's weekly business e-newsletter.
- Bin stickers: Placement by waste collection drivers on bins not yet switched over within one month of service cessation, notifying customers of impending service discontinuation.
- One-on-one outreach: Dedicated personnel available to address individual customer concerns.

The key messages for this strategy include:

- Transparency: Clearly outline reasons and the timeline for implementation.
- Benefits: Highlight expected cost savings and improvements in service.
- Choice: Inform about alternative providers and address any traffic concerns.
- Customer service: Emphasize the ongoing commitment to support.
- Financial impact: Address concerns about rates and discuss potential compensation options.

The communication timeline for the transition of both residential and commercial services, is proposed as follows:

- Pre-announcement (August/September 2024):
  - Develop communication materials and finalise messages.
  - Identify key stakeholders and influencers.
  - Schedule community meetings and plan media outreach.
- Announcement (October/December 2024):
  - Issue press releases and publish announcements on the website and social media.
  - Send targeted emails to affected customers.
  - Distribute flyers and other written materials.
  - Conduct community meetings.
  - Include updates in the business e-newsletter.
- Transition phase (January-June 2025):



- Provide regular updates and respond to customer inquiries through various channels.
- Procure necessary services through public tenders, if required.
- Introduce new service provider(s).
- Ensure a smooth transition with minimal service disruptions.
- Implementation (1 July 2025)
- Post-implementation (July-December 2025):
  - Monitor customer feedback and address any concerns.
  - Evaluate the effectiveness of the communication strategy and make adjustments as necessary.

Additional relevant considerations include:

- **Accessibility:** Ensure all communication materials are accessible to people with disabilities.
- **Language:** Provide translated materials for non-English speaking residents.
- **Feedback mechanisms:** Offer multiple avenues for customers to ask questions and voice concerns.
- **Visual aids:** Utilise infographics to enhance understanding.
- **Transparency portal:** Establish a dedicated online portal with comprehensive information about the changes and ongoing progress updates.

The proposed success metrics include:

- **Customer satisfaction:** Measure feedback through surveys and customer service inquiries.
- **Reduced service disruptions:** Monitor complaints and service interruptions throughout the transition.
- **Increased understanding:** Assess customer knowledge about the changes through surveys.
- **Positive media coverage:** Track media sentiment and coverage related to the changes.

By implementing this comprehensive customer engagement and communication strategy, the City aims to inform customers effectively, address concerns, and ensure a seamless transition to the new proposed service model. To meet the targeted go-live date of January 2025, it is essential to promptly proceed with the procurement of outsourcing for residential waste collections.

Officers will work closely with the People & Culture Team to address staffing requirements, ensuring thorough consultation with staff and adherence to relevant regulations and to minimise staff implications as much as possible.

## **Waste Education**

The City of Fremantle prioritises waste education as a cornerstone of sustainable waste management. This commitment is demonstrated through structured efforts to disseminate information and engage effectively with residents and community groups.





Aligned with this commitment, an ongoing initiative in waste and recycling education has been actively pursued over the years. Simultaneously, the capacity of the existing waste education team is continually assessed, with a proactive proposal to expand its scope to include Sustainability education for the community. Targeted efforts include:

- Encouraging FOGO bin adoption through ongoing engagement with strata property managers.
- Shifting focus to residential customers, thereby tackling contamination challenges in FOGO uptake by businesses, particularly concerning compostable plastics, within City operations.
- Increasing availability and promoting Containers for Change in Fremantle, especially among commercial customers, to enhance recycling rates and expand this community-centered and highly valued initiative.

The City is dedicated to enhancing educational resources and conducting awareness campaigns to empower the community to actively participate in waste reduction, recycling, the circular economy, Sustainability, and net-zero goals.

### **Transition Arrangements: Postponing Implementation and Micro-Business service offering**

To facilitate a smoother transition and allow businesses time to adjust to the new scenario, it is proposed to transition implementation from January until July 2025.

Additionally, the City might consider offering, similarly to the City of Vincent, on a discretionary basis and subject to adequate pricing and prior assessment, a waste collection service to small (micro-) businesses that generate minimal waste, as long as that represents the most environmentally friendly solution in those particular instances and the service can be integrated into the City's residential collections.

### **Contractual Obligations**

Throughout the transition period, existing contractual obligations for kerbside collection will be upheld. Concurrently, a new contract for kerbside and higher-density development collections, currently managed by the City, will undergo a separate procurement process.

### **Further Budget Allocation Options and Service Improvements**

Anticipated savings allow for several scenarios to enhance waste and cleansing activities. Examples include:

- a) **Enhancing CBD Cleansing:** Increase city centre cleaning frequencies and rapid response capabilities by reallocating appropriate resources and plant.
- b) **High-Density Building Servicing:** Include provisions for new high-density building servicing in the tender processes for outsourcing all residential collections to a suitable contractor. This new service offering would be a substantial upgrade compared to the current (kerbside collection) standard, in that it would extend to



medium and high density residential properties a bespoke collection from a suitable internal bin storage area within their building, subject to appropriate building standards and conditions being met. Estimated additional annual cost: \$200,000 (in addition to the estimated contract cost included in table 1 above).

These initiatives will be further explored and, if adopted, implemented during the next financial year.

### **Risk Assessment and Mitigation**

In evaluating the proposed changes, several risks have been identified along with corresponding mitigation strategies:

1. **Service Disruption Risk:** Ceasing commercial waste collections and outsourcing residential services may lead to transition disruptions.

To mitigate this risk, a comprehensive transition plan will be developed. Early engagement with stakeholders and clear communication will ensure a smooth handover process.

2. **Contractual Risks:** Outsourcing residential waste collections involves contractual commitments.

Mitigation strategies include thorough contractor vetting, establishing clear contracts with defined performance indicators, penalties, exit clauses, and ongoing performance monitoring to ensure contractual obligations are met.

3. **Reputational Risks:**

- a. Residents may oppose changes due to concerns about service quality or the outsourcing of services.

Mitigation involves proactive and transparent communication strategies. This includes public forums, information sessions, and feedback mechanisms to address concerns and highlight expected benefits, such as improved service levels for higher density developments and residential areas.

- b. Commercial and industrial customers may oppose the City-operated waste services being discontinued, potentially leading to negative publicity. Mitigation strategies include tailored communication strategies and a proactive public relations approach. This involves explaining the rationale behind the changes and emphasising the overall benefits to the community. Drawing on success stories from similar transitions, such as those in the City of Vincent, will help build confidence and support.

To facilitate a smooth transition, the Council may consider postponing implementation with an extended communication / transitional phase until July 2025, as previously mentioned.



In conclusion, pending Council endorsement, these proposed changes are expected to be implemented by early July 2025, following a thorough assessment, planning, communications approach and consideration of all findings.

## **VOTING AND OTHER REQUIREMENTS**

Simple Majority Required

## **OFFICER'S RECOMMENDATION**

### **Council:**

- 1. Note the outsourcing of the remainder of residential waste collection services, this to include accommodation of an appropriate collection scheme for high density residential and mixed-use developments, to take effect as from July 2025.**
- 2. Endorse the City of Fremantle's discontinuation of commercial and industrial waste management services as from July 2025.**
- 3. Support consideration of compensation to affected businesses through an adequately priced rates rebate, during the first financial year of implementation of the proposed change, subject to budget availability, to assist these businesses with the transition to new waste services.**
- 4. Support consideration to offer a waste collection service to small (micro) businesses that generate minimal waste. This service, would be integrated into the City's existing residential waste collection system, offered at the City's own discretion, subject to prior assessment, and priced appropriately (subject to a separate charge, over and above the applicable rate).**



## Committee and working group reports

### C2407-16 WORKING GROUP INFORMATION REPORT - JULY 2024

#### 1. FREMANTLE OVAL PROJECT WORKING GROUP

<b>WG meeting date:</b>	24 June 2024
<b>WG Chair:</b>	Mayor Hannah Fitzhardinge
<b>Responsible officer:</b>	Manager Strategic Planning and City Design
<b>Attachments:</b>	1. Fremantle Oval Precinct Redevelopment - Masterplan Engagement Report

Community engagement on the precinct masterplan concluded Friday 14 June. The engagement reached over 2,400 people representing local residents and business owners, community organisations, football club members and fans. Feedback from the community engagement has been consolidated into a report attached. Feedback from the community has helped shape the masterplan and advocacy material for senior government representatives.

#### 2. HILTON PARK PRECINCT PROJECT WORKING GROUP

<b>WG meeting date:</b>	No meeting in this reporting period
<b>WG Chair:</b>	Manager Parks and Landscape
<b>Responsible officer:</b>	Manager Parks and Landscape
<b>Attachments:</b>	Nil

The Hilton Park Project was presented to at the Ordinary Meeting of Council on 22 May 2024. Council adopted the Hilton Park Place Plan and endorsed the Hilton Park Master Plan for the purpose of community engagement. The Master Plan was consulted with the community through June 2024 and officers are currently completing the engagement report. The next Working Group meeting is scheduled for Tuesday 30 July 2024.

#### 3. TOWARDS 2029 WORKING GROUP

<b>WG meeting date:</b>	24 June 2024
<b>WG Chair:</b>	Cr Jenny Archibald
<b>Responsible officer:</b>	Director Creative Arts and Community
<b>Attachments:</b>	1. Minutes Towards 2029 Working Group - Meeting #2 June 2024

The group contributed to a project scoping exercise exploring working group principles, what behaviors to nurture and champion, and behaviors to avoid. The group then scoped actions, planning, and advocacy required, considering the project's scale. This information will inform a project plan incorporating a timeline and stakeholder list to be presented at the next working group meeting. An overview of a new project titled Manjaree Hub was discussed with the next steps agreed upon moving to undertake Walyalup Aboriginal Cultural Centre Visioning, consultation with the Whadjuk Regional Corporation, and development of a Place



Framework.

## **VOTING AND OTHER SPECIAL REQUIREMENTS**

Simple Majority Required

## **OFFICER'S RECOMMENDATION**

**Council receive the following working group updates for July 2024:**

- 1. FREMANTLE OVAL PROJECT WORKING GROUP**
- 2. HILTON PARK PRECINCT PROJECT WORKING GROUP**
- 3. TOWARDS 2029 WORKING GROUP**



## Statutory reports

### **C2407-17 STATEMENT OF INVESTMENTS – JUNE 2024**

<b>Meeting date:</b>	24 July 2024
<b>Responsible officer:</b>	Manager Financial Services
<b>Voting requirements:</b>	Simple Majority Required
<b>Attachments:</b>	1. Investment Reports - June 2024 [14 pages]

#### **SUMMARY**

**This report outlines the investment of surplus funds for the month ending 30 June 2024 and provides information on these investments for Council consideration.**

**This report recommends that Council receive the Investment Report for the month ended 30 June 2024, as provided in Attachment 1.**

**The investment report provides a snapshot of the City's investment portfolio and includes information as at 30 June 2024 in relation to:**

- **Portfolio details;**
- **Portfolio credit framework;**
- **Portfolio liquidity;**
- **Portfolio fossil fuel summary;**
- **Interest income; and**
- **Investing activities.**

#### **BACKGROUND**

In accordance with the Investment Policy adopted by Council, the City of Fremantle 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 into appropriately rated and liquid investments, until the City requires the money for operational expenditure.

The City's investment policy seeks to limit investments in financial institutions which support, either directly or indirectly, fossil fuel companies, while balancing compliance with the Investment Policy, and achieving a suitable return on those investments.

#### **FINANCIAL IMPLICATIONS**

Investment interest earned year to date is \$2,635,657 against a full year budget of \$2,206,375. Interest earnings year to date are higher than YTD budget by



\$429,282 with \$185,488 being earned in June. The strong investment performance is due to the attractive interest rates in the current market.

The current official cash rate as determined by the Reserve Bank is 4.35%, which remained unchanged at their June Board meeting. The current cash rate remains the highest since April 2012.

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 4.46% for the month of June 2024. The City's actual portfolio return in the last 12 months is 4.23%, comparing on par with the benchmark Bloomberg AusBond Bill Index reference rate of 4.37% (refer to 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 which are overviewed by the Australian Prudential Regulation Authority (APRA).

## **STRATEGIC IMPLICATIONS**

This is in keeping with the City of Fremantle's Strategic Community Plan 2024 – 2034:

### **Corporate - Lead and empower the organisation to deliver the vision of 'strong reputation, stronger future'**

- Enable the City to maintain legislative compliance and accountability for organisational decision making.
- Support the City through financial, procurement and revenue functions whilst ensuring legislative compliance and providing excellent customer service.

## **CONSULTATION**

Nil

## **OFFICER COMMENT**

The City's Investment Portfolio Manager has provided a comprehensive Investment Report for the month ending 30 June 2024 which can be viewed in the Attachment. A summary of the investment report is provided below.

### **1. Portfolio Details**



As at 30 June 2024, the City’s investment portfolio totalled \$43.08m. The market value of this investment was \$43.90m at that time, which takes into account accrued interest.

The investment portfolio is made up of:

Cash Investments (<= 3 months)	\$10.58m
Term Deposits (> 3 months)	\$32.50m
<b>TOTAL</b>	<b>\$43.08m</b>

Of which:

Unrestricted cash	\$25.36m
Restricted cash (Reserve Funds)	\$17.72m
<b>TOTAL</b>	<b>\$43.08m</b>

The current amount of \$25.36m held as unrestricted cash represents 28.17% of the total adopted budget for operating revenue (\$90.02m).

## 2. Portfolio Credit Framework

The City’s Investment policy determines the maximum amount to be invested in any one Tier, or any one financial institution within a Tier, 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, and the current adopted Counterparty Credit Framework is noted below.

### Portfolio Credit Framework limits

The Portfolio Credit Framework limits prescribe the limit of investments that may be made within any Tier of financial institutions. The maximum allocation to be invested in each Tier, and the City’s actual investment allocation in those Tiers as at 30 June 2024, is outlined below. It shows that the distribution of the City’s investments across the four Tiers is compliant with the City’s investment policy.

Tier	Allocation	Allocation %	Maximum Allocation %	% Used of Maximum Allocation	% Available of Maximum Allocation	% Exceeded of Maximum Allocation
Tier 1	16,406,178.49	38.09%	100.00%	38.09%	61.91%	0.00%
Tier 2	19,670,159.50	45.66%	60.00%	76.10%	23.90%	0.00%
Tier 3	7,000,000.00	16.25%	35.00%	46.43%	53.57%	0.00%
Tier 4	0.00	0.00%	15.00%	0.00%	100.00%	0.00%
	<b>43,076,337.99</b>					

Values used in the above calculations exclude interest for term deposits and other simple interest securities.

Within each Tier, the Counterparty Credit Framework limits prescribe the limit of investments that may be made with any one financial institution. The maximum





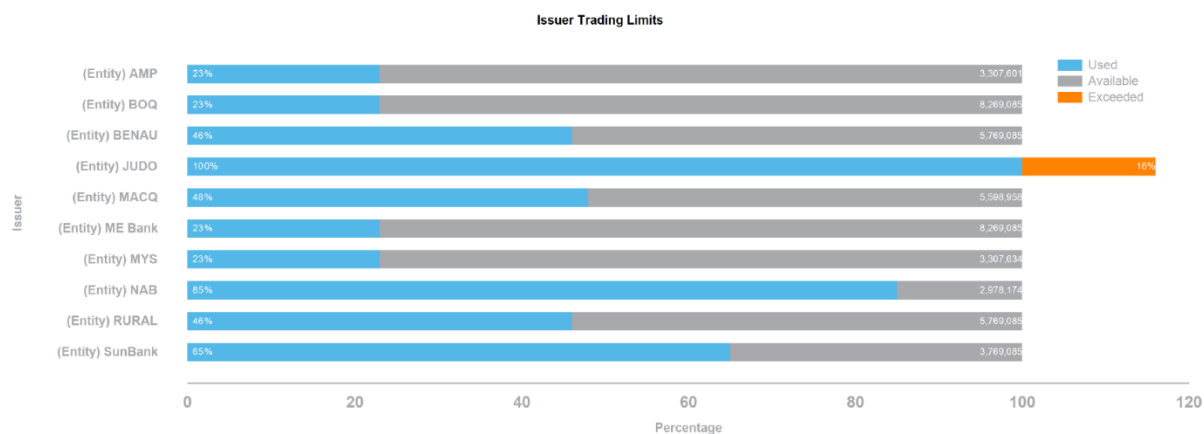
percentage of investments to be held with any one financial institution, within a given Tier, are outlined below.

**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 City’s funds invested as at 30 June 2024, relative to the Counterparty Credit Framework limits were as follows:



As previously reported in May and shown in the above graph, Judo Bank continues to exceed its threshold by 16% as at the end of June. Although the portfolio was compliant at the time of investment, subsequent maturities and year-end cash requirements have caused the investments in Judo Bank to surpass the trading limits as of 30 June 2024. This investment remained in excess of thresholds until the term deposit matured on 9 July 2024.

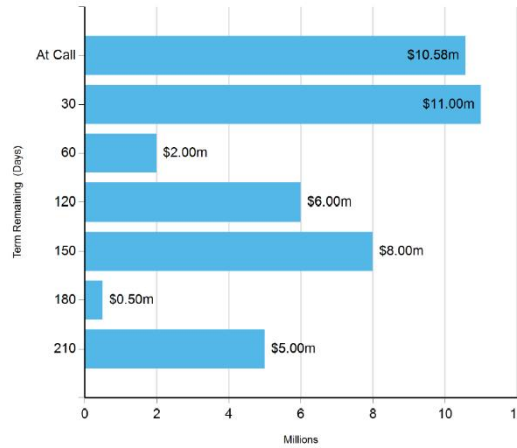
While officers make best efforts to plan for changes in thresholds at time of investment, it can be difficult to adequately plan for or foresee the impacts of other maturities and how they may change levels in thresholds. While this occurrence is rare, officers are currently determining an approach as how best to manage unforeseen shifts in these thresholds. This may include updating the current policy to better allow for or reflect variances that occur between time of investment and maturity, noting that these thresholds are set by council and not related to any legislative compliance-based requirement.

**3. Portfolio Liquidity Indicator**

The City’s 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



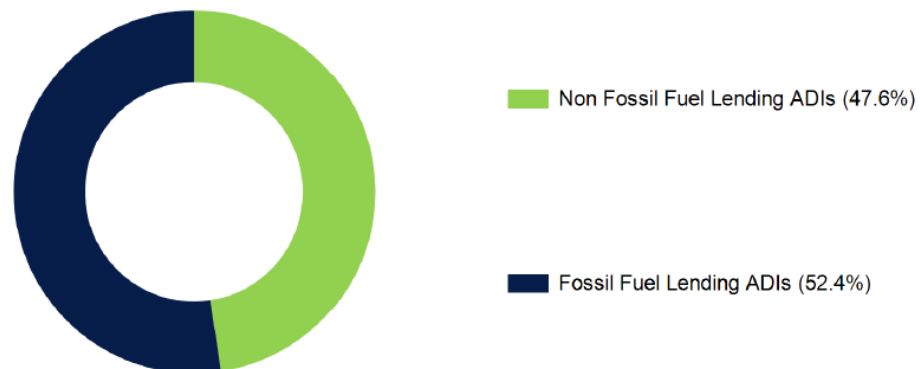
The below graph provides details on the maturity timing of the City’s investment portfolio as at 30 June 2024. Currently, all investments will mature in one year or less.

**4. Portfolio Summary by Fossil Fuels Lending Authorised Deposit-Taking Institutions (ADIs)**

To support 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, allowing greater flexibility. Since December 2020 investments have been made in accordance with the revised policy to increase the percentage invested in “Green Investments”; being ADIs that do not lend to industries engaged in the exploration for, or production of, fossil fuels (Non-Fossil Fuel Lending ADIs).

As at 30 June, \$20.5m (47.6%) of the City’s portfolio was invested in “Green Investments”.

Fossil Fuel vs Non Fossil Fuel Lending ADI



Refer to Attachment 1 (Note 7) for details on which financial institutions these investments are held in.



### *Australian Banking Industry's Financial Stability Risks*

According to the Reserve Bank of Australia's (RBA) Financial Stability Review published in March 2024, the Australian banking industry's financial stability remains robust, underpinned by strong capitalization, sound asset quality, adequate liquidity, and effective risk management practices. While challenges and risks persist, proactive regulatory measures and prudent banking practices continue to support the sector's resilience and ability to navigate uncertainties effectively.

Given the current financial stability risk assessment the City will implement the following investment strategies:

1. Diversify investment portfolio across different banks - continue to prioritise higher rated banks (Tier 1 & 2) when it comes to investment activity. If a non-fossil fuel lender is providing competitive rates that will generate a suitable return, and fall within a tier 1 or 2 category, these lenders will be prioritised.
2. Implement risk management strategies to protect the investment portfolio against downside risks - The City will prioritise low risk investment activity across higher tier banks in order to limit the City's exposure to the risk being faced across the sector.
3. Regular review and rebalance of investment portfolio to ensure alignment with the investment goals, risk tolerance and market conditions.

### **5. Interest Income for Matured Investments**

Per Attachment 1 (Note 9), interest income earned during June 2024 from matured investments was \$68,921.

### **6. Investing Activities**

In June 2024, there was one new term deposit of \$500,000. Full details of the institutions invested in, interest rates, number of days and maturity date for investments held as at 30 June 2024 are provided in Attachment 1 (Note 10).

### **VOTING AND OTHER REQUIREMENTS**

Simple Majority Required

### **OFFICER'S RECOMMENDATION**

**Council receive the Investment Report for the month ending 30 June 2024, as provided in Attachment 1.**



## **C2407-18 SCHEDULE OF PAYMENTS - JUNE 2024**

<b>Meeting date:</b>	24 July 2024
<b>Responsible officer:</b>	Manager Financial Services
<b>Voting requirements:</b>	Simple Majority Required
<b>Attachments:</b>	<ol style="list-style-type: none"><li>1. Warrant of Payments June 2024 [98 pages]</li><li>2. Purchase Card Transactions Report June 2024 [16 pages]</li></ol>

### **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 30 June 2024 as required by the *Local Government (Financial Management) Regulations 1996*.**

**This report recommends that Council accept the list of payments made under delegated authority and accept the detailed transaction listing of Purchase Card expenditure.**

### **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 30 June 2024, is provided within Attachments 1 and 2.

### **FINANCIAL IMPLICATIONS**

A total of \$9,568,392.72 in payments were made in the month of June 2024, 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;
  - (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.

## **STRATEGIC IMPLICATIONS**

This is in keeping with the City of Fremantle's Strategic Community Plan 2024 – 2034:

### **Corporate - Lead and empower the organisation to deliver the vision of 'strong reputation, stronger future'**

- Support the City through financial, procurement and revenue functions whilst ensuring legislative compliance and providing excellent customer service.

## **CONSULTATION**

Nil.

## **OFFICER COMMENT**

The following table summarises the payments for the month ending 30 June 2024, by payment type:

<b>Payment Type</b>	<b>Amount (\$)</b>
<i>Cheque / EFT / Direct Debit/International Payments</i>	\$ 7,281,739.04
<i>Purchase card transactions</i>	\$ 69,911.18
<i>Salary / Wages / Superannuation</i>	\$ 2,216,742.50
<b>Total</b>	<b>\$ 9,568,392.72</b>



Attachment 1 provides a detailed listing of the payments by Cheque, EFT and Direct Debit, while Attachment 2 provides a detailed listing of Purchase Card transactions for the month ending 30 June 2024.

## **VOTING AND OTHER REQUIREMENTS**

Simple Majority Required

## **OFFICER'S RECOMMENDATION**

### **Council:**

- 1. Accept the list of payments made under delegated authority, totalling \$7,281,739.04 for the month ending 30 June 2024 including the Cheque /EFT/ Direct Debits/ International Payments as contained within Attachment 1.**
- 2. Accept the detailed transaction listing of Purchase Card expenditure, totalling \$69,911.18 for the month ending 30 June 2024, as contained within Attachment 2.**



## **C2407-19 MONTHLY FINANCIAL REPORT - JUNE 2024**

**Meeting date:** 24 July 2024  
**Responsible officer:** Manager Financial Services  
**Voting requirements:** Absolute Majority Required  
**Attachments:** 1. Monthly Financial Report - June 2024 [30 pages]

### **SUMMARY**

**The draft monthly financial report for the period ending 30 June 2024 has been prepared and tabled in accordance with the *Local Government (Financial Management) Regulations 1996*.**

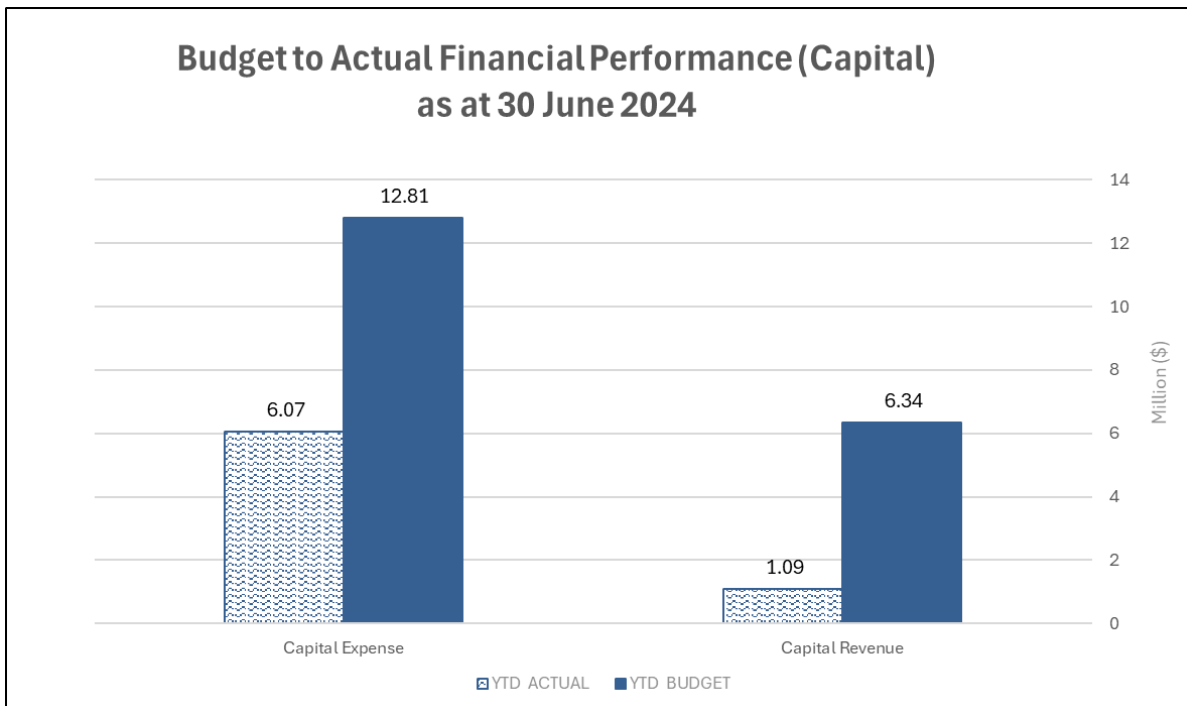
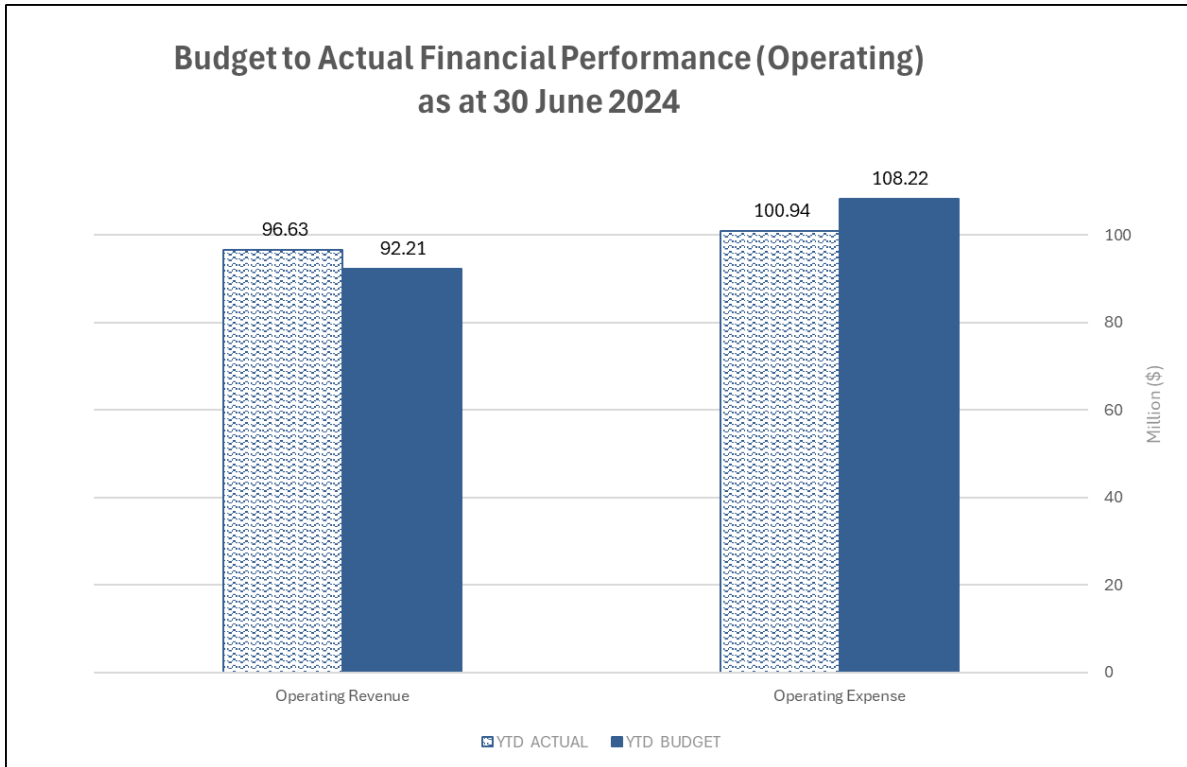
**This report provides an analysis of financial performance up to June 2024 based on the following statements:**

- **Statement of Comprehensive Income by Nature;**
- **Statement of Financial Activity by Nature and by Directorate; and**
- **Statement of Financial Position with Net Current Assets.**

**This financial report for the period ended 30 June 2024 is prepared considering accrued interest on borrowings (loans). Please note figures contained in this report are draft and subject to change with end-of-year adjustments yet to be completed.**

### **BACKGROUND**

The following charts and table provide a high-level summary of the Council's year to date financial performance as at 30 June 2024.







**STATEMENT OF FINANCIAL ACTIVITY – BY NATURE FOR THE PERIOD TO 30 June 2024**

The table to follow provides a summary of the year-to-date Statement of Financial Activity by Nature, to 30 June 2024. The detailed Statement can be found in the attached Monthly Financial Report.

**STATEMENT OF COMPREHENSIVE INCOME – BY NATURE AND TYPE FOR THE PERIOD TO 30 June 2024**

As detailed in the Statement of Comprehensive Income by Nature and Type, operating income and expenses have varied to the Adopted Budget as follows:

Description	YTD Adopted Budget \$	YTD Actual \$	Variance \$	Variance %
<b>Operating Income</b>				
<b>Rates (including Annual Levy)</b>	58,917,371	59,834,040	916,669	1.56%
<b>Service Charges</b>	8,804	12,680	3,876	44.03%
<b>Op. Grants, Subsidies &amp; Contributions</b>	2,996,703	4,365,999	1,369,296	45.69%
<b>Fees and Charges</b>	24,794,167	26,744,331	1,950,164	7.87%
<b>Interest Earnings</b>	2,674,375	3,147,560	473,185	17.69%
<b>Reimbursement Income</b>	1,726,233	1,455,347	(270,886)	(15.69%)
<b>Other Income</b>	776,431	1,038,211	261,780	33.72%
<b>Total</b>	91,894,084	96,598,168	4,704,084	5.12%
<b>Operating Expenses</b>				
<b>Employee Costs</b>	(45,158,069)	(41,553,112)	3,604,957	7.98%
<b>Employee costs - Agency Labour</b>	(968,220)	(1,239,374)	(271,154)	(28.01%)
<b>Materials and Contracts</b>	(33,637,297)	(30,919,289)	2,718,008	8.08%
<b>Depreciation - Non-Current Assets</b>	(22,431,345)	(22,149,589)	281,756	1.26%
<b>Interest Expenses</b>	(475,729)	(469,988)	5,741	1.21%
<b>Utility Charges</b>	(2,109,155)	(1,868,317)	240,838	11.42%
<b>Insurance Expenses</b>	(1,167,587)	(1,039,572)	128,015	10.96%
<b>Other Expenditure</b>	(1,884,011)	(1,591,952)	292,059	15.50%
<b>Total</b>	(107,831,413)	(100,831,192)	7,000,221	6.49%

Further explanation of material variances can be found within the Officer’s Comment section of this report.



## **FINANCIAL IMPLICATIONS**

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

## **LEGAL IMPLICATIONS**

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

## **STRATEGIC IMPLICATIONS**

This is in keeping with the City of Fremantle's Strategic Community Plan 2024 – 2034:

### **Corporate - Lead and empower the organisation to deliver the vision of 'strong reputation, stronger future'**

- Support the City through financial, procurement and revenue functions whilst ensuring legislative compliance and providing excellent customer service.

## **CONSULTATION**

Nil.

## **OFFICER COMMENT**

### **Summary of financial performance**

The financial data presented in this report is draft as at the date of this report. There are still transactions being processed for the financial year 2023-24 which could materially vary the results presented.

As at the end of June 2024, the City demonstrated strong financial performance with a closing funding position of \$14.18m.

In summary, as at the end of June 2024, the current closing position exceeds the YTD amended budget by \$14,165,057. This is mainly due to favourable variances against the year-to-date budget across the following areas:

- Increased Rates revenue of \$0.92m;
- Increased revenue from Operating grants, subsidies and contributions of \$1.37m;
- Increased revenue from Fees and Charges of \$1.95m;
- Increased revenue from Interest earnings of \$0.47m;
- Operating expenditure underspend of \$3.60m from Employee Cost;
- Operating expenditure underspend of \$2.72m from Material and Contracts;
- Operating expenditure underspend of \$0.24m from Utility costs;



- Operating expenditure underspend of \$0.29m from Other Expenditure;
- Capital expenditure underspend of \$6.7m, however this is largely funds to be carried forward.

These favourable variances are offset by:

- Decreased revenue of \$0.79m recognised for Capital grants and contributions.
- Decreased revenue of \$4.5m recognised for Proceeds from disposal of assets.

### **Explanation of Material Variances & YTD Performance**





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 by Nature in the 2023-24 financial year for reporting material variances as 10% together with the minimum value of \$100,000 (Refer Item C2306-1 from Council meeting on 28 June 2023).

The material variance thresholds are adopted annually by Council and indicate whether actual expenditure or revenue varies materially from the year-to-date budget. The following is an explanation of significant operating and capital variances to budget as identified in the Statements of Financial Activity by Nature.

Building on the favourable opening net position for the year, the following items explain the City’s major variances in operating performance for this financial year, as highlighted in the year-to-date Financial Activity Statement as at 30 June 2024:

<b>Description</b>	<b>Variance Amount (\$)</b>		<b>Comment</b>
<b>Grants, subsidies and contributions</b>	<b>1,369,296</b>		<b>45.69%</b>
<b>Major Variances:</b>			
Receive general purpose grants and contributions	1,199,783		Advance Payment of 85% of allocated 2024-25 Financial Assistance Grant. A Budget amendment for 2024-25 will be made in due course.
<b>Interest Earnings</b>	<b>473,185</b>		<b>17.69%</b>
<b>Major Variances:</b>			
Receive investment income	429,282		Higher interest earning is mainly due to higher interest rates on investments along with higher cash holdings due to above



<b>Description</b>	<b>Variance Amount (\$)</b>	<b>Comment</b>
		budget revenue and underspends. Current investment markets continue to offer attractive interest rates.
<b>Profit on Sale of assets</b>	<b>(289,070)</b>	 <b>(92.35%)</b>
<b>Major Variances:</b>		
Profit on sale	(257,000)	The sale of land at Quarry street is pending settlement and the final profit or loss will be accounted for at the time of settlement.
<b>Reimbursement Income</b>	<b>(270,886)</b>	 <b>(15.69%)</b>
<b>Major Variances:</b>		
Lead infrastructure directorate	(271,484)	Resource Recovery Group Financial Due Diligence phase 1 is now managed through another member Council. The cost to the City will be a 1/3 share of consultant fees.
<b>Other Revenue</b>	<b>265,983</b>	 <b>34.26%</b>
<b>Major Variances:</b>		
Manage destination marketing plan implementation	152,817	Unbudgeted income including Tourism WA \$80K - Woola Walyalup, \$25K Cruise welcomes and shuttle bus servicing, \$20K Funmantle event.
Lead the organisation	79,500	Legal costs recovered regarding 142 High Street.
Containers for Change	75,243	Higher turnover than expected, resulting in higher revenue.
Maintain Walyalup Civic Centre	49,050	Works still to be undertaken.
Fremantle Art Centre - Water damage - Insurance	(162,000)	Timing variance: submitted the evidence for claim.
<b>Employee costs - Agency Labour</b>	<b>(271,154)</b>	 <b>(28.01%)</b>
<b>Major Variances:</b>		




<b>Description</b>	<b>Variance Amount (\$)</b>	<b>Comment</b>
Parks and Landscapes Team	114,814	Agency labour used to cover vacant positions, offset by savings in staff establishment budget.
IT Operations Team	73,622	
Financial Accounting Team	29,277	
Traffic and Engineering Design Team	23,134	
<b>Utility Charges</b>	<b>240,838</b>	<b>▲ 11.42%</b>
<b>Major Variances:</b>		
Contribute to Public Street lighting	77,476	Timing variance: Billing for one month outstanding.
Maintain Walyalup Civic Centre	45,621	Actuals tracking lower than budget.
Operate Fremantle leisure centre (administration)	27,842	Timing variance: Billing for one month gas supply outstanding.
Operate Fremantle library	26,753	Actuals tracking lower than budget.
<b>Loss on Sale of assets</b>	<b>281,603</b>	<b>▲ 72.83%</b>
<b>Major Variances:</b>		
Loss on sale	281,603	Disposal of plant items pending auction date in September with actual profit or loss to be recognised based on sale value less asset written down value at time of disposal.
<b>Insurance Expenses</b>	<b>128,015</b>	<b>▲ 10.96%</b>
<b>Major Variances:</b>		
Public liability Premium	61,780	Actual cost lower than budget.
Property ISR Premium	33,556	Actual cost lower than budget.
Vehicles Premium	29,060	Actual cost lower than budget.
<b>Other Expenditure</b>	<b>292,059</b>	<b>▲ 15.50%</b>
<b>Major Variances:</b>		
Support the mayor and councillors	79,896	Underspend on sponsorships \$33K and meeting allowances compared to anticipated budget.



<b>Description</b>	<b>Variance Amount (\$)</b>	<b>Comment</b>
Contribute to the operations of Regional Resource Recovery Centre	65,694	Awaiting one Q4 2024 invoice and all June 2024 RRG invoices remain outstanding.
Support Fremantle Football Club	54,700	Timing variance: FY23/24 Sponsorship payment due to be processed in July.
Train and develop elected members	39,355	Underpend on Mayor and Councillors training and development compared to anticipated spend.
Support Community and Sporting Groups	22,273	Timing Variance: Outstanding Payments being processed in July.
<b>Capital Grants and Subsidies/Contributions for the development of Assets</b>	<b>(788,622)</b>	<b>▼ (43.65%)</b>
<b>Major Variances:</b>		
Purchase - Wayfinding system	(149,162)	Timing variance: Funds received. Income to be recognised in line with expenditure.
Design and construct - John St Riverwall Replacement	(164,398)	Timing variance: The Contract has been awarded. Works have been put on hold whilst the City obtains Section 18 approval for works within the Swan River.
Design and construct-Port Beach coastal adaptation	(201,100)	Timing variance: The dune revegetation works were completed in May 2024. The balance of the WA Recovery Fund grant monies are to be held by the City for the purpose of maintenance as per the Grant funding agreement.
Town Hall - Balcony	(260,750)	Timing variance: \$203K has been received to date and income will be recognised in line with expenditure.
<b>Proceeds from Disposal of Assets</b>	<b>(4,456,598)</b>	<b>▼ (98.40%)</b>
<b>Major Variances:</b>		



<b>Description</b>	<b>Variance Amount (\$)</b>	<b>Comment</b>
Disposal-7 and 9 Quarry St	(4,350,000)	Timing Variance: Sale of land pending settlement. Proceeds will be realised at settlement.
<b>Payment for Investment properties</b>	<b>750,197</b>	 <b>85.14%</b>
<b>Major Variances:</b>		
P-11944 Design and construct – 38-40 Henry Street – Façade’	300,000	Timing Variance: FY23/24 \$300,000 is a carry forward to add to the FY24/25 budget of \$500,000. Total budget of \$800,000. This project involves substantial cost in prelims and plant (scaffolding, traffic anagement, potential cranes) and it is logical to find cost efficiencies in amalgamation of annual budgets. The project must be delivered with minimal impact to University staff and students. This identifies the only possible delivery period as December – end February. Project is on track and due for construction end February/ early March.
P-12171 Install - Old Fire Station - Electrical and fire sys	300,000	Timing Variance: Specialist consultant currently being procured. Navigating project scheduling and access with leasing negotiations. This project has been carried forward into FY24/25.
P-12176 Install - Moores Building - Electrical	46,323	Timing Variance: Main works awaiting approval from State Heritage. There is an outstanding invoice for a further \$4.5k relating to FY23/24. The FY23/24 unspent balance carried forward will be finalised upon completion of year end.
P-12174 Install - Victoria Pavilion - Fire system	32,673	Project complete. Expect to realise savings.




<b>Description</b>	<b>Variance Amount (\$)</b>	<b>Comment</b>
<b>Payment for Property, plant and equipment</b>	<b>4,660,851</b>	<b>▲ 66.23%</b>
<b>Major Variances:</b>		
P-12041 Program - Ticket machines	1,706,000	Timing Variance: Ticket machines have arrived in Port. Rollout of ticket machines anticipated for August/September. Payments likely by end of calendar year. The FY23/24 unspent balance to be carried forward will be finalised upon completion of year end.
P-11843 Design and construct- Markets Building Services	401,818	\$50,000 budget carried forward FY24/25 for consultancy fees. Works not being delivered by CoF, schedule is managed by the Fremantle Markets. \$350k unspent funds reflected in budget 24/25 opening net position.
P-12189 Program - Fleet replacement	275,282	Timing Variance: Pending delivery of the last plant item of FY23/24 budget, due July, valued at approximately \$260k. The FY23/24 unspent balance carried forward will be finalised upon completion of year end.
P-12208 Town Hall Balcony	260,750	Timing variance: Additional funding of \$306,500 has been allocated FY24/25. Project requires FY24/25 budget in order to award and execute, with construction scheduled between August and November 2024. The FY23/24 unspent balance to be carried forward will be finalised upon completion of year end.
P-11989 - Design and construct - Hilton Park Precinct	258,549	Timing variance: The project is currently in the engagement phase for the Masterplan. Once adopted, the individual scope of works for projects will be defined. The FY23/24 unspent





Description	Variance Amount (\$)	Comment
		balance carried forward will be finalised upon completion of year end.
P-12203 Depot - Amenities	249,000	Timing variance: Project is underway and due for completion August 2024. The FY23/24 unspent balance to be carried forward will be finalised upon completion of year end.
P-11992 Design & construct- South Beach-Changerooms	207,534	Timing variance: The Contract has been awarded and works commenced on site in June. The FY23/24 unspent balance to be carried forward and will be finalised upon completion of year end.
P-12082 Design and construct - Brad Hardie Changerooms	200,000	The Brad Hardie Changerooms are being considered in the Hilton Park Masterplan Project. The project has been put on hold until the scope of works for refurbishment is clearly defined following engagement, use and needs analysis, functional requirements, master planning and budget/funding development. This project has been carried forward to FY24/25.
P-12201 Purchase - Wayfinding system	199,162	Timing variance: Tender issued in April. The FY23/24 unspent balance to be carried forward and will be finalised upon completion of year end.
P-12036 Purchase - Parking licence plate recognition cameras	180,000	Timing Variance: Partially rolled out 1 July, cameras to be rolled out with ticket machines August/September. The FY23/24 unspent balance to be carried forward and will be finalised upon completion of year end.
P-12112 Design and construct - Stevens Res - Facility	146,860	Final concept plan and feasibility plan report received. Project in close out phase. Unspent funds allocated to budget 24/25 opening net position.



<b>Description</b>	<b>Variance Amount (\$)</b>	<b>Comment</b>
P-11829 Design and construct-Kings Square Commercial tenancy	134,779	Timing Variance: The FY23/24 unspent balance to be carried forward and will be finalised upon completion of year end.
P-12159 Tenancy Fitout	132,757	Timing Variance: The FY23/24 unspent balance to be carried forward and will be finalised upon completion of year end.
P-12197 Demolition - Ken Allen Clubhouse	96,574	Pending decision regarding Hilton Park planning outcomes and asset retention. The FY23/24 unspent balance to be carried forward and will be finalised upon completion of year end.
<b>Payment for Construction of infrastructure</b>	<b>1,332,016</b>	 <b>27.21%</b>
<b>Major Variances:</b>		
P-11823 Design and construct-Port Beach coastal adaptation	201,100	The dune revegetation works were completed in May 2024. The balance of the WA Recovery Fund grant monies are to be held by the City for the purpose of maintenance as per the Grant funding agreement.
P-12138 Design and construct - John St Riverwall Replacement	146,871	The Contract has been awarded. Works have been put on hold whilst the City obtains Section 18 approval for works within the Swan River.
P-10077 Program-Parks-Infrastructure	146,459	Timing variance: The Fremantle Park cricket nets have been awarded and construction is due for completion in July 2024. The FY23/24 unspent balance carried forward will be finalised upon completion of year end.
P-12191 Install - Fremantle Oval - Bore	133,794	Timing variance: The project is in the procurement phase with works scheduled for July/August 2024. The City is in the process



Description	Variance Amount (\$)	Comment
		of a heritage assessment by an archaeologist. The FY23/24 unspent balance carried forward will be finalised upon completion of year end.
P-12200 Fremantle Park - Tennis Court	120,037	Timing variance: Consultancy is engaged and a solution is being determined to develop construction documentation for tender. The FY23/24 unspent balance carried forward will be finalised upon completion of year end.
P-12097 Design and construct - South Beach - Bore	110,953	Timing variance: The project contract has been awarded and works commence on site in July 2024. The FY23/24 unspent balance carried forward will be finalised upon completion of year end.
P-12169 QUARANTINED - Resurface – Delamere Lane	102,000	Timing Variance: Project requires further consideration. Unspent funds allocated to budget 24/25 opening net position.
P-11878 - Design and construct -Walyalup Koort – Public Artwork	79,449	Timing variance: This project has been carried forward into FY24/25.
P-12129 Program - Prawn Bay - Ecological restoration	65,302	Timing variance: The project community engagement has completed with a follow up session planned in July as a next step. A report will be brought to Council to endorse the Concept plan following the engagement and ahead of progressing to detailed design. The FY23/24 unspent balance carried forward will be finalised upon completion of year end.
P-12188 Program - Drainage catchment	47,197	Timing variance: Invoices have been processed in early July and will be recognised in FY23/24 as part of year end adjustments.



<b>Description</b>	<b>Variance Amount (\$)</b>	<b>Comment</b>
P-12114 Design and construct - Notre Dame - Drainage	46,185	City Officers are experiencing challenges scheduling access to the site with a private landowner. The FY23/24 unspent balance carried forward will be finalised upon completion of year end.
<b>Repayment of Operating Lease</b>	<b>333,901</b>	<b>▲ 33.02%</b>
<b>Major Variances:</b>		
Manage Lease liability – principal element of lease payments	333,901	Budget estimate was higher than actual lease principal element calculated in line with applicable accounting standards.
<b>Transfer to/from Reserves</b>	<b>1,088,422</b>	<b>▲ 13.23%</b>
<b>Major Variances:</b>		
Transfer to Reserves (Restricted) - Capital	4,350,005	Timing variance: awaiting proceeds from disposal of land at Quarry street currently pending settlement.
Transfer from Reserve (Restricted) – Capital	(3,206,946)	Timing variance: variance is primarily attributed to the timing on capital works, therefore, the required funding from Reserves is pending release.

### **Accounting methods**

The City manages its finances in line with the requirements of the *Local Government Act 1995*, associated regulations and Australian accounting standards.

The City carries out accounting on both an accrual basis and a cash basis.

Accrual accounting requires accounting transactions to be recognised and recorded when they occur, regardless of whether payment/receipt has been made at that time, in accordance with the Australian Accounting standards.

The City accounts for Rates, Service Charges, Interest income on term deposits, Insurance expenses and Interest expenses on borrowings (loans) & leases on an accrual basis.

The remainder of income and expenditure items are recognised and recorded at the period they are encountered.



## **VOTING AND OTHER REQUIREMENTS**

Absolute Majority Required

## **OFFICER'S RECOMMENDATION**

**Council receive the Draft Monthly Financial Reports, 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 30 June 2024.**



## **Motion 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 in accordance with the Meeting Procedures Policy.

Nil.

## **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.

## **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.

## **Confidential business**

Nil.

## **Closure**