



Minutes

Ordinary Meeting of Council

Wednesday 23 August 2023 6pm



Table of Contents

| | | |
|------------|---|----|
| 1 | Official opening, welcome and acknowledgment..... | 3 |
| 2 | Attendance, apologies and leave of absence..... | 3 |
| 2.1 | Attendance | 3 |
| 2.2 | Apologies | 3 |
| 2.3 | Leave of absence | 4 |
| 3. | Applications for leave of absence..... | 4 |
| 4. | Disclosures of interest by members | 4 |
| 5. | Responses to previous public questions taken on notice | 5 |
| 6. | Public question time | 6 |
| 7. | Petitions..... | 7 |
| 8. | Deputations | 7 |
| 8.1 | Special deputations..... | 7 |
| 8.2 | Presentations | 7 |
| 9. | Confirmation of minutes..... | 8 |
| 10. | Elected member communication..... | 8 |
| 11. | Reports and recommendations from committees..... | 9 |
| 11.1 | Planning Committee 2 August 2023 | 9 |
| PC2308-1 | DEFERRED ITEM - HERBERT STREET, NO. 21 (LOT 23), NORTH FREMANTLE – DEMOLITION OF EXISTING SINGLE HOUSE AND INCIDENTAL STRUCTURES (JZ DA0127/23).... | 9 |
| 11.2 | Finance, Policy, Operations and Legislation Committee 12 July 2023 | 19 |
| FPOL2308-2 | PROPOSAL FOR MAJOR LAND TRANSACTION FREMANTLE MARKETS | 19 |
| 12. | Motions of which previous notice has been given..... | 37 |
| FPOL2308-6 | NOTICE OF MOTION – CONSIDERATION OF A DETERMINATION TO PROHIBIT SMOKING IN WALYALUP KOORT AND HIGH STREET MALL – CR RACHEL PEMBERTON | 37 |
| 11.1 | Planning Committee 2 August 2023 | 39 |
| PC2308-6 | PROPOSED METROPOLITAN REGION SCHEME AMENDMENT 1404/41 – ROE 8 REMAINDER AND ROE 9 (REMOVAL OF PRIMARY REGIONAL ROADS RESERVATION) | 39 |
| 11.2 | Finance, Policy, Operations and Legislation Committee 12 July 2023 | 50 |
| | ITEMS APPROVED “EN BLOC” | 50 |
| FPOL2308-3 | STEVENS RESERVE GROUNDS MAINTENANCE | 51 |
| FPOL2308-4 | REQUEST FOR SUPPORT – FREMANTLE PARK CENTRE | 59 |
| FPOL2308-5 | WALYALUP RECONCILIATION ACTION PLAN 2024-2027 (WRAP) WORKING GROUP AND TERMS OF REFERENCE.... | 68 |

**Minutes – Ordinary Meeting of Council
23 August 2023**



| | |
|---|-----|
| 11.3 Audit and Risk Management Committee 14 August 2023 | 73 |
| ITEMS APPROVED "EN BLOC" | 73 |
| ARMC2308-1 PURCHASING POLICY EXEMPTIONS JUNE TO JULY 2023 .. | 74 |
| ARMC2308-2 TENDERS AWARDED UNDER DELEGATION JUNE TO JULY 2023 | 77 |
| ARMC2308-3 OVERDUE DEBTORS REPORT AS AT 31 JULY 2023 | 79 |
| ARMC2308-5 INFORMATION REPORT – AUGUST 2023 | 87 |
| ARMC2308-4 EMERGING ISSUES REPORT – AUGUST 2023 | 89 |
| 13. Reports and recommendations from officers | 91 |
| C2308-1 BUDGET AMENDMENTS - JULY 2023 | 91 |
| C2308-2 CEO ANNUAL PERFORMANCE REVIEW FOR 2022/23 AND ADOPTION OF PERFORMANCE CRITERIA FOR 2023/24.... | 103 |
| C2308-3 STATEMENT OF INVESTMENTS – JULY 2023 | 107 |
| C2308-4 SCHEDULE OF PAYMENTS – JULY 2023..... | 114 |
| C2308-5 MONTHLY FINANCIAL REPORT - JULY 2023 | 117 |
| 14. Motions of which previous notice has been given..... | 123 |
| PC2308-8 NOTICE OF MOTION – MC CABE ST PRECINCT - STRUCTURE PLANNING– CR SU GROOME..... | 123 |
| 15. Urgent business..... | 129 |
| 16. Late items | 129 |
| 17. Confidential business..... | 129 |
| FPOL2308-7 UPDATE ON DISPOSAL OF 5-15 QUARRY STREET, FREMANTLE | 129 |
| 18. Closure | 131 |



1 Official opening, welcome and acknowledgment

The Presiding Member declared the meeting open at 6:04pm and welcomed members of the public to the meeting.

The Presiding Member informed members of the public that the meeting was being recorded and streamed live on the internet. They further advised that while all care is taken to maintain privacy, visitors in the public gallery and members of the public submitting a question, may be captured in the recording.

2 Attendance, apologies and leave of absence

2.1 Attendance

| | |
|------------------------|--|
| Ms Hannah Fitzhardinge | Mayor/Presiding Member |
| Cr Frank Mofflin | Hilton Ward/Deputy Mayor |
| Cr Ben Lawver | Hilton Ward |
| Cr Doug Thompson | North Ward |
| Cr Bryn Jones | North Ward |
| Cr Rachel Pemberton | City Ward |
| Cr Adin Lang | City Ward |
| Cr Jenny Archibald | East Ward |
| Cr Su Groome | East Ward |
| Cr Geoff Graham | Beaconsfield Ward |
| Cr Fedele Camarda | Beaconsfield Ward |
| Cr Andrew Sullivan | South Ward |
| Cr Marija Vujcic | South Ward |
| Mr Glen Dougall | Chief Executive Officer |
| Mr Matt Hammond | Director City Business |
| Mr Russell Kingdom | Director Planning, Place and Urban Development |
| Mr Graham Tattersall | Director Infrastructure |
| Ms Melody Foster | A/Manager Governance |
| Ms Naomi Edwards | A/Manager Economic Development & Marketing |
| Ms Alida Ferreira | Manager Financial Services |
| Mr Adam Westberg | A/Manager Community Development |
| Ms Gabrielle Woulfe | Meeting Support Officer |

There were approximately 40 members of the public and no members of the press in attendance.

2.2 Apologies

Nil.



2.3 Leave of absence

Nil.

3. Applications for leave of absence

COUNCIL DECISION

Moved: Mayor, Hannah Fitzhardinge Seconded: Cr Doug Thompson

Cr Bryn Jones' request for leave of absence from 26 September 2023 to 10 October 2023 (inclusive) is approved.

Carried: 13/0

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham,
Cr Ben Lawver, Cr Fedele Camarda, Cr Frank Mofflin, Cr Doug Thompson,
Cr Bryn Jones, Cr Marija Vujcic, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang**

4. Disclosures of interest by members

Cr Geoff Graham declared an impartiality interest in item number FPOL2308-4 as he is a full member of the Fremantle Bowling Club which makes him a full member of the Fremantle Park Centre.

Cr Geoff Graham stated that he was confident that he could maintain impartiality during consideration of this item and would remain in the meeting.

Cr Rachel Pemberton declared an impartiality interest in item number FPOL2308-2 as the Fremantle Markets provided vouchers for her workplace to give away at a community event.

Cr Rachel Pemberton stated that she was confident that she could maintain impartiality during consideration of this item and would remain in the meeting.



5. Responses to previous public questions taken on notice

The following questions were taken on notice at the Ordinary Meeting of Council held on 26 July 2023.

Ian Ker asked the following questions in relation to item FPOL2307-10:

Question 1:

Given that Perth Glory has gone into voluntary administration, what are the effects on the City of Fremantle's financial and other relationships with the club?

Response:

Based on information provided by the Club in an email dated 27 July 2023, the club has advised it is business as usual and that the administration oversight has been appointed to finalise the process for new ownership of the club.

Question 2:

Given that Perth Glory has gone into voluntary administration, how does it effect the proposed sponsorship to be discussed at tonight's meeting?

Response:

As above, the club has advised it is business as usual.

Ian Ker asked the following questions in relation to items not on the agenda:

Question 1:

Council approved a budget for 2023/2024 that increased the amount to be raised by rates by \$5.3 m, a stated increase of 9%. At the same time Council say that this won't come as any surprise, and it can't continue it's funding of the Fremantle CAT bus. \$2.15 m or 40% of the increase of the rates was for the new toilets at South Beach, so I ask why is Council loading the whole cost of the South Beach facilities onto the rate payers of 2023/2024?

Response:

The South Beach changeroom project has a budget of \$3.04mil, and is funded as follows:

- \$2,150,000 from the 2023/24 budget
- \$500,000 reserve funds
- \$393,387 carried forward funds from the 2022/23 budget

The South Beach Changerooms, along with all other projects and expenditure that have been workshopped and prioritised by council prior to being included in the 2023/24 draft budget, contribute in some way to the overall budget deficiency to be made up by the imposition of rates.



Question 2:

Is Council confident that the South Beach facilities will be completed and paid for this financial year?

Response:

The first phase of the works is due to start over the next few weeks, with the demolition of the facility. Construction project is about to be tendered and works are due to commence around Christmas. The intention is for the project to be completed around mid 2024.

Jack Dowie asked the following question in relation to item FPOL2307-9:

Question 1:

The value up for endorsement for the Fremantle Surf Life Saving Club is \$34,500. Is the funding listed for endorsement inclusive of fully exempt rates or is it having the reduced rates incorporated into it?

Response:

This is not inclusive of rates. It is the full value of the sponsorship in cash, being proposed. There would still be rates payable by the club, and inclusive of the maximum rates waver.

An item will be brought to council to discuss any further discount in the 2023/24 rate charge for the club.

6. Public question time

The following members of the public spoke in favour of the Committee recommendation for item PC2308-1:

Mick Banovic
Kristina Milanja
Mike Simun

Ian Ker asked the following questions in relation to matters not on the agenda:

Question 1:

The rate payers of 2023/2024 are already getting negative benefits, as part of the South Beach reserve is a building site; and toilet and shower facilities are even more inadequate than they have been for the past year or so. In particular, there are no accessible toilets. How long must we put up with this state of affairs?

Response:

There are two phases to this project, with the first phase being the demolition of the existing facilities.

There have been some changes to the provision of temporary toilets for the demolition phase - these will include disabled facilities.



Question 2:

Are there even firm project timelines for the construction of the new toilets and change rooms?

Response:

There is a program of works - the anticipated start for the construction works of the new facilities is currently planned for late November.

Question 3:

Have tenders been called for the toilet and change rooms project?

Response:

The second phase of the project has not yet been tendered; it is about to go out to tender.

The following member of the public spoke against the Committee recommendation for item FPOL2308-2:

Margaret Ker

The following member of the public spoke in favour of the Committee recommendation for item FPOL2308-6:

Melissa Ledger

The following members of the public spoke in favour of the Committee recommendation for item FPOL2308-2:

Phillip Dawson
Natasha Atkinson

7. Petitions

Nil.

8. Deputations

8.1 Special deputations

Nil

8.2 Presentations

Cr Fedele Camarda presented on his recent travels to Capo d'Orlando, a Sister City of the City of Fremantle. John Ablertie notified Mayor Francesco Ingrassia and his wife Anita Paparone of his visit. From the outset it was clear that the people from Capo d'Orlando have an unbelievable respect for the Sister City relationship. Like other City of Fremantle representatives, he was shown and enjoyed hospitality that was second to none; being shown sites around town of which many have direct links to Fremantle.



Cr Fedele Camarda passed along a small memento from Mayor Francesco Ingrassia for the City of Fremantle Council, and a newspaper article that features the City of Fremantle and a historic lost statue.

9. Confirmation of minutes

COUNCIL DECISION

Moved: Mayor, Hannah Fitzhardinge Seconded: Cr Ben Lawver

Council confirm the minutes of the Ordinary Meeting of Council dated 26 July 2023.

Carried: 13/0

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham,
Cr Ben Lawver, Cr Fedele Camarda, Cr Frank Mofflin, Cr Doug Thompson,
Cr Bryn Jones, Cr Marija Vujcic, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang**

10. Elected member communication

Mayor Hannah Fitzhardinge made a statement on the passing of former Councillor June Hutchison OAM.



11. Reports and recommendations from committees

11.1 Planning Committee 2 August 2023

PC2308-1 DEFERRED ITEM - HERBERT STREET, NO. 21 (LOT 23), NORTH FREMANTLE – DEMOLITION OF EXISTING SINGLE HOUSE AND INCIDENTAL STRUCTURES (JZ DA0127/23)

| | |
|-----------------------------------|---|
| Meeting Date: | 2 August 2023 |
| Responsible Officer: | Manager Development Approvals |
| Decision Making Authority: | Committee |
| Attachments: | <ol style="list-style-type: none">1. Demolition Plan & Structural Engineer Report2. Site Photos3. City of Fremantle Heritage Impact Assessment4. Asbestos Condition and Inspection Report5. Structural Integrity Report6. Certificate for Identification of Asbestos |

SUMMARY

Approval is sought for the demolition of an existing Single house and incidental structures at No.21 (Lot 23) Herbert Street, North Fremantle.

The proposal is referred to Planning Committee (PC) as it involves the demolition of a dwelling located within the North Fremantle Heritage Area.

At it's meeting in July 2023, the PC referred the item back to the administration, to ensure consideration of late, additional supporting information provided by the applicant and to allow time for a site visit by the Committee members.

The application remains recommended for refusal.

PROPOSAL

Detail

Approval is sought for the demolition of an existing Single house and all incidental structures at No.21 (Lot 23) Herbert Street, North Fremantle. The property is not individually listed on the City of Fremantle Heritage List; however, it is located within the North Fremantle Heritage Area meaning development approval is required for the demolition under the *Planning and Development (Local Planning Schemes) Regulations 2015*. There is no new development proposed in this application.

Development plans and structural engineer report are included as Attachment 1.



Site/application information

Date received: 20 April 2023
Owner name: Venera Milanja
Submitted by: Venera Milanja
Scheme: Residential R25
Heritage listing: North Fremantle Heritage Area
Existing land use: Single House
Use class: Single House
Use permissibility: N/A





CONSULTATION

External referrals

Nil required.

Community

The application was advertised in accordance with Schedule 2, clause 64 of the *Planning and Development (Local Planning Schemes) Regulations 2015*, as the proposal included the demolition of a dwelling in a Heritage Area. The advertising period concluded on 22 May 2023, and four (4) submissions were received. The concerns of the submissions are provided in detail below:

- Concerns related to the loss of character and identity of the Herbert streetscape which is known for its old heritage cottages and Inter-War style housing;
- Concerns related to the heritage significance of the existing Single house and its similarity to existing houses on Herbert Street;
- Concerns regarding proposed demolition construction and traffic management so as to not impact livelihood of adjoining neighbours; and
- Concerns with safe asbestos removal (if demolition is to be approved).

The matters raised within the above submissions are discussed in detail within the officer comment section of this report below.

OFFICER COMMENT

Background

The subject site is located on the northern side of Herbert Street. The site has a land area of approximately 412m² and is currently an existing Single House. The site is zoned Residential and has a density coding of R25. The site is not individually listed, however it is located within the North Fremantle Heritage Area.

The buildings within Herbert Street predominantly date back to the early 20th Century with some Inter-War infill. There is a mixture of houses constructed from limestone and timber.

The existing dwelling on site is on a steeply sloping lot on the east side of Herbert Street. The single storey, timber framed house is sited centrally at the front of the block with a red face brick retaining wall to the front boundary and matching steps and red painted concrete path leading up to an enclosed verandah at the front of the house.

The item was presented to PC in July 2023, with a recommendation for refusal. Prior to the meeting, the applicant provided an additional two reports to support their argument that the dwelling was not able to be conserved and should be demolished. The following officer comments was published with the late documents:



After publication of the agenda, the applicant has submitted a request to have the application for demolition withdrawn from consideration at this meeting. To support this, they have submitted an additional two technical reports:

- *Structural Integrity Report (West Coast Inspections)*
- *Asbestos Inspection Condition Report (West Coast Inspections)*

Both reports state that the place is in poor condition and significant works are required to ensure it is safe for occupancy. It does not conclusively say that full demolition is the only option. The level of significance of the place does allow for substantial renovations to ensure it is safe for occupancy and free of asbestos. As outlined in the report, the condition of a place and potential financial cost of repairs, is not a reason to support demolition of a place with heritage significance. No alternate heritage impact assessment has been provided for consideration. Officers do not require additional time to assess these documents. However, Council may seek further time to review the late additional information provided by the applicant.

These reports are included as attachments to this report.

Statutory and policy assessment

The proposal has been assessed against the relevant provisions of the City's Local Planning Scheme No. 4 (LPS4) and relevant Council local planning policies.

Demolition requires careful consideration because it potentially removes all the heritage significance of the place, except for intangible historical and social values that are not dependant on physical fabric.

Clause 67(2) (k) and (l) of the *Planning and Development (Local Planning Schemes) Regulations 2015* (Deemed Provisions) require Local Governments to have due regard to the built heritage conservation of any place that is of cultural significance and the effect of the proposal on the cultural heritage significance of the area in which the development is located when making decisions on relevant applications.

Clause 4.14.1 of Local Planning Scheme No.4 (LPS4) also states:

4.14.1 Council will only grant planning approval for the demolition of a building or structure where it is satisfied that the building or structure:

(a) has limited or no cultural heritage significance, and

(b) does not make a significant contribution to the broader cultural heritage significance and character of the locality in which it is located.



4.14.2 *In considering an application under 4.14.1, Council shall have regard to any heritage assessment required under the Planning and Development (Local Planning Schemes) Regulations 2015.*

This clause provides the authority for the decision maker to issue approval for demolition, only if it meets both of the triggers (part a and b) of the clause. If it does not, there is no ability for the Council to approve demolition to the site.

Heritage and Demolition

City officers have reviewed the demolition proposal, structural engineer report (Attachment 1) and have undertaken a detailed Heritage Impact Assessment (HIA), prepared in accordance with the Burra Charter and LPP 1.6, for which full details can be found at Attachment 2 of this report. The applicant has not provided their own HIA/

The following excerpt from City's HIA summarises it's conclusions:

21 Herbert Street is a largely intact Inter-War era timber house that has been modified in the Post-War era by replacing most of the external weatherboard wall cladding. While the replacement Brick-Clad wall cladding has reduced the heritage value of the place, this change is reversible, and the heritage value can be improved by the reinstatement of the original external finish to match surviving sections of original wall cladding. In its current form, 21 Herbert Street does not meet the threshold for inclusion on the Heritage List.

Despite the replacement of the external wall cladding, the scale, form and composition of 21 Herbert Street is still clearly legible, and the place contributes to the character of the largely intact heritage streetscape of Herbert Street which contains a mix of single storey Late Nineteenth to early Post War era timber and limestone houses. 21 Herbert Street is a Contributory Place within the North Fremantle Heritage Area.

Information provided by the applicant has shown that while the house needs to be refurbished and repaired, it is not structurally unsound and is in reasonable condition for a house of its age and construction type. Both reports recommend the demolition of the house but this is based on the cost of removal of asbestos and refurbishment being more expensive than demolition and construction of a standard new home (\$250,000 allowed).

The removal of the intrusive, asbestos bearing 'Brick Clad' external wall cladding will remove the potential health risk and improve the contribution that the place makes to Herbert Street and the North Fremantle Heritage Area. The rear addition which contains asbestos bearing wall and ceiling lining has no heritage significance and can be removed with no impact on the heritage value of the place or its contribution to the Heritage Area.



As detailed in the HIA above, the property is deemed to have *some* cultural heritage significance (not limited or no significance) for the following reasons:

- The scale, form and composition of the existing Single House provides aesthetic value to the streetscape and contributes to the intact heritage streetscape of Herbert Street (compromising mostly of Late Nineteenth to early Post War era timber and limestone houses).
- The existing streetscape consists largely of houses that have a similar built form, style and material. Combined, these houses form an identifiable streetscape character.
- The existing Single house at 21 Herbert Street is an Inter-War timber framed house and is an example of the style of housing present within the North Fremantle Heritage Area, therefore is considered contributory.

In accordance with the requirements of Cl 4.14 of LPS4, the demolition proposal for 21 Herbert Street is not supported as it is considered the existing house, being classified as a Contributory Place in the North Fremantle Heritage Area, makes a significant contribution to the locality of Herbert Street through the cultural significance of its built form and typology.

Notwithstanding the above, should Council determine that the place has limited or no significance AND that it does not make a significant contribution to the heritage of the locality, further assessment is also required against the criteria of LPP 3.6 Heritage Areas.

The applicant submitted a structural engineering report as supplementary information to support their application for demolition. The report clearly identifies there are no major structural issues with 21 Herbert Street and that it is confirmed to be 'safe and stable.' and recommends demolition only due to the costs of restoration compared with a new build. It is noted however, there are some areas of the house which will require refurbishment or replacements including the Brick-Clad external wall cladding, fit-out of bathroom, kitchen, and laundry areas. These alterations are likely to be possible, as they hold little significance to the overall heritage value of the house.

It is considered that these areas which are identified to be in poor condition within the submitted structural engineering report can be replaced or removed without damage to the heritage significance of the existing house. Therefore, it is not considered that the current condition of 21 Herbert Street is an acceptable reason for demolition (as prescribed in Cl 3.4.2 of LPP 3.6).

Further, LPP3.6 provides that demolition of a contributory place or removal of significant fabric within a heritage area is contrary to the objectives of the policy and will generally, not be supported. The policy adds that demolition approval of a contributory place will also not be considered on the grounds of economic or other perceived gain for the redevelopment of the land.



Demolition is therefore not supported.

STRATEGIC IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

LEGAL IMPLICATIONS

Nil

OFFICER'S RECOMMENDATION

Council:

REFUSE, under the Metropolitan Region Scheme and Local Planning Scheme No. 4, demolition of the existing Single House at No.21 (Lot 23) Herbert Street, North Fremantle, as detailed on the plans dated 20 April 2023, for the following reasons:

1. The demolition of the Single house does not meet the requirements of Clause 4.14 of Local Planning Scheme No.4 as it:
 - a) Is of "some" cultural heritage significance (i.e. is greater than little or no significance); and
 - b) Makes a significant contribution to the streetscape of Herbert Street and the North Fremantle Heritage Area.
2. The demolition proposal does not meet the relevant criteria of LPP 3.6 as it is classified as a Contributory Place to the North Fremantle Heritage Area and its loss would therefore reduce the heritage significance of the locality.
3. The demolition of the dwelling is contrary to Clause 67(2)(k) and (l) of the *Planning and Development (Local Planning Schemes) Regulations 2015(Deemed Provisions)* as it will have an adverse impact upon the cultural heritage significance of the North Fremantle Heritage Area.



COMMITTEE RECOMMENDATION ITEM PC2308-1
(Alternative recommendation)

Moved: Cr Bryn Jones

Seconded: Cr Geoff Graham

Council:

APPROVE under the Metropolitan Region Scheme and Local Planning Scheme No. 4, demolition of the existing Single House at No.21 (Lot 23) Herbert Street, North Fremantle, as detailed on the plans dated 20 April 2023, subject to the following conditions:

- 1. This approval relates only to the development as indicated on the approved plans, dated 20 April 2023. It does not relate to any other development on this lot and must substantially commence within four years from the date of this decision letter.**
- 2. Prior to the issue of a Demolition or Building Permit for the development hereby approved, an archival record is to be made of the building to be demolished and submitted to the City of Fremantle for approval, and shall include:**
 - a. A site plan prepared at 1:200 scale, floor plan(s) of the building and four elevations prepared at 1:100 scale.**
 - b. Digital photographs taken of the building (once vacated) to include:**
 - i. a general/overall photo of the building to be demolished;**
 - ii. photos of each of the four elevations;**
 - iii. internal photos of all rooms; and photos of any special architectural features.**

Advice note:

- i. A demolition permit is required to be obtained for the proposed demolition work. The demolition permit must be issued prior to the removal of any structures on site.**

Carried: 4/1

For

**Cr Bryn Jones, Cr Geoff Graham,
Cr Su Groom, Cr Ben Lawver**

Against

Cr Adin Lang

The above item is referred to the Ordinary Meeting of Council for determination in accordance with the City of Fremantle Delegated Authority Register which requires that at least 5 members of the committee vote in favour of the Committee Recommendation in order to exercise its delegation.



COMMITTEE RECOMMENDATION

Moved: Cr Bryn Jones

Seconded: Cr Su Groome

Council:

APPROVE under the Metropolitan Region Scheme and Local Planning Scheme No. 4, demolition of the existing Single House at No.21 (Lot 23) Herbert Street, North Fremantle, as detailed on the plans dated 20 April 2023, subject to the following conditions:

1. This approval relates only to the development as indicated on the approved plans, dated 20 April 2023. It does not relate to any other development on this lot and must substantially commence within four years from the date of this decision letter.
2. Prior to the issue of a Demolition or Building Permit for the development hereby approved, an archival record is to be made of the building to be demolished and submitted to the City of Fremantle for approval, and shall include:
 - a. A site plan prepared at 1:200 scale, floor plan(s) of the building and four elevations prepared at 1:100 scale.
 - b. Digital photographs taken of the building (once vacated) to include:
 - i. a general/overall photo of the building to be demolished;
 - ii. photos of each of the four elevations;
 - iii. internal photos of all rooms; and photos of any special architectural features.

Advice note:

- i. A demolition permit is required to be obtained for the proposed demolition work. The demolition permit must be issued prior to the removal of any structures on site.

**LOST: 6/7
For**

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome,
Cr Geoff Graham, Cr Fedele Camarda, Cr Marija Vujcic,**

Against

**Cr Ben Lawver, Cr Frank Mofflin, Cr Doug Thompson, Cr Bryn Jones,
Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang**



COUNCIL DECISION ITEM PC2308-1
(Officer's recommendation)

Moved: Cr Rachel Pemberton

Seconded: Cr Ben Lawver

Council:

REFUSE, under the Metropolitan Region Scheme and Local Planning Scheme No. 4, demolition of the existing Single House at No.21 (Lot 23) Herbert Street, North Fremantle, as detailed on the plans dated 20 April 2023, for the following reasons:

- 1. The demolition of the Single house does not meet the requirements of Clause 4.14 of Local Planning Scheme No.4 as it:
a) Is of "some" cultural heritage significance (i.e. is greater than little or no significance); and
b) Makes a significant contribution to the streetscape of Herbert Street and the North Fremantle Heritage Area.**
- 2. The demolition proposal does not meet the relevant criteria of LPP 3.6 as it is classified as a Contributory Place to the North Fremantle Heritage Area and its loss would therefore reduce the heritage significance of the locality.**
- 3. The demolition of the dwelling is contrary to Clause 67(2)(k) and (l) of the *Planning and Development (Local Planning Schemes) Regulations 2015(Deemed Provisions)* as it will have an adverse impact upon the cultural heritage significance of the North Fremantle Heritage Area.**

**Carried: 7/6
For**

**Cr Ben Lawver, Cr Frank Mofflin, Cr Doug Thompson, Cr Bryn Jones,
Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang**

Against

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome,
Cr Geoff Graham, Cr Fedele Camarda, Cr Marija Vujcic,**



11.2 Finance, Policy, Operations and Legislation Committee 12 July 2023

FPOL2308-2 PROPOSAL FOR MAJOR LAND TRANSACTION FREMANTLE MARKETS

| | |
|-----------------------------------|--|
| Meeting date: | 9 August 2023 |
| Responsible officer: | Director City Business |
| Decision making authority: | Council |
| Attachments: | <ol style="list-style-type: none">1. Business Plan – Fremantle Markets Lease Renewal2. Public Submissions – Fremantle Markets Business Plan3. Public Submissions – Fremantle Markets Business Plan (MySay Fremantle) |

SUMMARY

The purpose of this report is to present public submissions received following the advertising of a business plan proposing the disposal of the Fremantle Markets to Fremantle Markets Pty Ltd (FMPL).

This report recommends that Council receive the submissions, adopt the advertised business plan and authorise the Chief Executive Officer to finalise and enter into a lease in line with the essential terms outlined in the advertised business plan.

BACKGROUND

In June 2008 the City of Fremantle entered into a lease with Fremantle Markets Pty Ltd (FMPL) for the property located at 74 South Terrace known as the Fremantle Markets. The lease was for a period of 18 years and 4 months.

Since late 2019, the City has been in discussion with FMPL regarding investment into proposed works to the building. This has included discussion regarding a contribution from FMPL towards the works. FMPL requested a renewal of the current lease in return for them making a financial contribution towards the proposed works.

Following these discussions, officers sought approval from council to commence negotiations with FMPL on the renewal of their current lease subject to FMPL making a financial contribution to the building works.

At the Ordinary Meeting of Council on 10 June 2020 (item C2006-9) Council made the following resolution:



1. *Approve implementation of the essential works for the Fremantle Markets based on the attached Fremantle Markets Revitalisation Works (2019) schedule of works as an opportunity with the current COVID-19 shut down of the business, subject to part 2 below.*
2. *Authorise the Chief Executive Officer to negotiate with Fremantle Markets Pty Ltd (FMPL) the terms of a possible lease term extension for the current lease (dated 10 March 2008) for the property known as the 'Fremantle markets' (Lots 1376, 1380 and 1693 South Terrace, Fremantle) based on the following criteria;*
 - a. *Any extension be based on the delivery of the items noted as essential works in the schedule of works provided within the Markets Revitalisation Plan, as provided in attachment 1 of this item (10 June 2020);*
 - b. *A minimum contribution by the tenant of the value of the value of the essential works identified in (a) above;*
 - c. *Any term extension to be based on requirements of Local Government Act, 1995; and*
 - d. *Negotiated proposed terms to be brought back to council for further consideration.*

In response to the resolution, officers carried out the following:

- Officers confirmed with FMPL that:
 - Any extension to their existing lease term would be subject to the delivery of the essential works as agreed upon in the same resolution, and that a financial contribution would be required from them to deliver the essential works.
 - Any extension to their lease term would be subject to adhering to the requirements of the Local Government Act 1995.

In June 2021, council approved the City to call tenders for architects to develop up the scope of works and design of works to be undertaken. That resolution stated;

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

As requested by Council in the resolution of June 2020, a negotiated proposal and terms with FMPL has been undertaken and this proposal was brought back to council in May 2023 for further consideration with these proposed terms set out in a draft business plan.

Based on the proposed terms and the nature of the disposal that is to be



considered, The Local Government Act 1995 requires a particular process to be followed before a disposal can be carried out, noting that currently no disposal has been agreed to.

Under section 3.59 of the Local Government Act, before a Local Government enters into a Major Land Transaction it must prepare a business plan (with defined content requirement under the Act) and is to give statewide public notice inviting public submissions on the proposal.

As such prior to commencing any disposal process, in May 2023 officers sought approval from council to advertise a business plan in accordance with section 3.59 of the Local Government Act.

Before seeking council approval on the advertising of the business plan, officers sought external independent legal advice on the structure and content of the business plan. All feedback and changes provided via the independent legal advice were incorporated in full, into the draft business plan that was presented to council for approval.

At the May 2023 Ordinary Council Meeting, Council resolved to:

- 1. Endorse the Business Plan outlining the proposed disposal of 74 South Terrace (the Fremantle Markets), as shown in Attachment 1.*
- 2. Authorise the Chief Executive Officer to advertise the attached Business Plan in line with the requirements of section 3.59 of the Local Government Act 1995.*
- 3. Note submissions received via the Business Plan process will be presented to Council as part of the consideration for approval of the proposed Business Plan following the conclusion of the business plan process.*

As per the above resolution from [Council Decision Item FPOL2305-3](#) Council approved the advertising of the business plan at the Ordinary Meeting of Council in May, 2023. As such officers have now given state-wide public notice of the business plan inviting public submissions. The advertising process closed at 5pm on Friday the 14 July 2023, which was determined based on the timeframe requirements set within the Act.

This report presents the submissions received from the advertising process for consideration by council and seeks authorisation to dispose of 74 South Terrace (The Fremantle Markets) in line with the proposed terms outlined in the attached business plan.

FINANCIAL IMPLICATIONS

Based on a current market valuation and the essential terms agreed to in principle by the proposed lessee, the disposal is expected to generate the following



positive impact on the City's budget over the term of the proposed lease, not including Consumer Price Index (CPI) adjustment over the term.

- Base rent – approx. \$550,000 per annum
- Turnover rent – approx. \$250,000 per annum
- Impact to budget over first term (10 years) = approx. \$5,500,000 in base rent received plus approx. \$2,500,000 in turnover rent received totalling \$8,000,000.
- Impact to budget over first further term (5 years) = approx. \$2,750,000 in base rent received plus approx. \$1,250,000 in turnover rent received totalling \$4,000,000.
- Impact to budget over second further term (5 years) = approx. \$2,750,000 in base rent received plus approx. \$1,250,000 totalling \$4,000,000.

The total revenue impact to the City's budget over the full term of the disposal would be approximately \$11,000,000 in base rent, and up to an additional \$5,000,000 in turnover rent, with any adjustments to CPI being in addition to this.

The proposed lease will also include provision to upgrade the building itself to the value of up to approximately \$3,000,000. It is proposed that these funds will be provided by the proposed lessee to fund the works.

The works to be funded by the proposed lessee's contribution include the following:

- Structural integrity works
 - Service yard roof demolition and construction of replacement roof.
 - Remediation and repair of entry gates and parapet wall on Parry Street side.
- Services and equipment works
 - Electrical switchboards and cabling replacement
 - Fire hydrants, exit signage and emergency lighting, detection and alarm systems.
 - Fire extinguishers
 - Fire engineered solutions to omit fire hose reels
 - Connection to natural gas supply and reticulation to replace LPG bottle system



- Traffic Management works
 - Installation of bollards at all market building entry points
- Adaption works
 - Refurbishment of fruit and vegetable hall to new standard stalls and all services upgrade including hydraulic, electrical and mechanical.
 - Second common use scullery installed for stall holders.

LEGAL IMPLICATIONS

The City is required to dispose of property in line with the requirements of the *Local Government Act 1995*. Under section 3.58 of the Act, a Local Government can dispose of property in the following ways:

- (a) the highest bidder at public auction; or
- (b) the person who at public tender called by the local government makes what is, in the opinion of the local government, the most acceptable tender, whether or not it is the highest tender.
- (c) If before agreeing to dispose of the property it gives local public notice of the proposed disposition and invites submissions to be made.

Under section 3.59 of the *Local Government Act 1995*, a local government can also dispose of property by developing, advertising, and inviting public submissions on a business plan outlining the proposed disposal, if the disposal is considered a major land transaction under the Act.

A disposal of property is considered as a major land transaction if the consideration under the transaction, together with anything done by the local government for achieving the purpose of the transaction, is more than either –

- (i) \$10,000,000; or
- (j) 10% of the operating expenditure incurred by the local government from its municipal fund in the last completed financial year, which in the case of the City and the expenditure from its municipal fund in FY21-22, was an amount of \$8,119,514.

The most recently completed financial year is 2022-23, however the financials from this year have yet to be audited. Notwithstanding this, 10% of the operating expenditure for the 2022-23 financial year is approximately \$8,557,472, pending end of year processing and the final audit.

The terms of the proposed disposal as outlined in the business plan (attachment 1) therefore constitute a major land transaction as defined in the *Local Government Act 1995* (Act).



Given this proposed disposal constitutes a major land transaction, officers have followed and adhered to the process required under section 3.59 of the Act. This has included the development and advertising of the business plan, and now the presentation of submissions received via that process for council consideration.

Further to adhering to the requirements of the Local Government Act 1995, consideration has also been given to the City's leasing in a competitive manner policy.

To give further guidance (in addition to the requirements of the Local Government Act) in determining the most suitable approach to disposing of the City's commercial property, council adopted the Leasing of City property in a competitive manner policy.

The policy provides guidance on the most suitable process to undertake while factoring in consideration for existing tenants that make a substantial contribution to the economic vibrancy of Fremantle.

The policy states that for investment properties:

- Approaching the conclusion of lease terms (between 6-12 months prior to expiry of lease), interested parties will be given an opportunity to compete in an open and competitive manner to lease investment properties, except for the following circumstances:
 - A property is leased to a tenant that:
 - is paying full commercial market rate or above, and
 - adds significant value to Fremantle's overall tenancy mix and appeal for visitors. Or
 - A property is to be leased for six months or less. Or
 - A property is not logistically accessible to any other party except for the current lease holder.

In determining the most suitable approach to the disposal, the Fremantle Markets was assessed in line with the policy as both paying full commercial market rate, and adding significant value to Fremantle's overall tenancy mix and appeal. Due to the significant nature of this business for sub-tenants, the operations of the Fremantle Markets and the need for reinvestment in the facility itself, it was considered appropriate to review renewal of the lease prior to the twelve-month expiration date.

CONSULTATION

As per section 3.59 of the *Local Government Act 1995*, a Council endorsed business plan outlining the details of the disposal was advertised statewide between Saturday the 27 May and Friday the 14 July 2023. Submissions closed at



5pm AWST on Friday 14 July 2023. The business plan was advertised as follows:

Advertising

- An advertisement was placed in the West Australian Newspaper on 27 May 2023.
- Notices were placed in the Fremantle Herald on 3 June, 17 June, and 1 July 2023.

Electronic Newsletters

- Notices were placed in the City's Freo Weekly email newsletter on June 22 and 29.

Website/s

- The business plan was published on the City's website and made available on the city's MySay Freo online engagement platform.

Hard Copies

- Hard copies were made available at the customer service desk at the Walyalup Civic Centre.

Notice Board

- A notice was placed on the City of Fremantle noticeboard in the customer service area in the Walyalup Civic Centre.

OFFICER COMMENT

Proposal from GTL Investments

Following the council resolution in June of, 2020, requesting officers to discuss the terms of a possible lease extension with FMPL, an unsolicited request for a meeting was received from a Mr. Tim Foster of GTL Investments in May 2022. The requested meeting was sought to *"make a proposal to the City of Fremantle to undertake the essential works to the Fremantle Markets, in addition to some further development ideas for the Fremantle Markets"*.

Officers met with Mr. Foster and advised that any decision regarding the Fremantle Markets would require a council decision, and that officers would be reviewing the most suitable approach to the disposal of the markets in line with any existing resolutions of council in early 2023.

In May 2023, Mr. Foster followed up with further correspondence requesting an update, and was advised by officers that discussions are now being presented to council for formal consideration, in accordance with previous resolutions of council, and that a report had been prepared for the Finance, Policy and Legislation (FPOL) Committee on Wednesday 10 May 2023.

Following this update, the Office of the CEO received correspondence via email from Cr. Maria Vujcic which included an email from Mr. Foster and an



attached proposal. The one-page proposal included the following essential terms with respect to the leasing of the Fremantle Markets:

- Income
 - \$3,000,000 (in a normal year)
- Expenses
 - Outgoings for 2022/3 \$860,000
 - Security staff \$150,000
 - Property management \$240,000 (just to invoice tenants, collect revenue and legal agreements with tenants)
 - Total \$1,250,000 these are unavoidable expenses
- Margin \$1,750,000
- Council to forego these funds (\$1,750,000) for 3 years to achieve \$5,250,000
- Funds then used to deliver list of upgrades as advertised in June 2020, and look at other requirements.
- GTL to facilitate the tendering and renovation with Commercial Trades.
- Council to have access to all documents and works for approval prior to commencement.
- Lease to be in place, commencing January 2023.
- Outcome: \$5,250,000 renovation of the Fremantle Markets
- Year 4 and beyond - normal Lease would produce the 25% return for \$750,000 Rent to the City.

Following the publishing of the draft business plan via the agenda for the FPOL meeting on the 10 May 2023, which included the proposed essential terms for a proposed lease between FMPL and the City of Fremantle, a subsequent updated proposal was received by the City from Mr. Foster dated the 22 May 2023 which included the following essential terms with respect to the leasing of the Fremantle Markets:

- Base rent is \$650,000 p.a. from date of lease commencement (CPI Adj.), plus audited turnover performance rent adjustment from the immediate prior year.
- Turnover rent totals any amount by which the base rent is exceeded by 26% of gross revenue, annually in arrears – Forecast at approx. \$250,000[^] average.



- Year 1, once-off payment up to \$200,000 for offsetting any transition impact to the turnover performance adjustment fee – upon agreed audited figures.
- Implementation of a 10 year, \$6.5m capital works program, with up to \$4m committed to priority work upgrades and building improvements over first three years.
- Based on initial lease term of 20 years.
- Rent reviewed every 24 months and capped at the lesser of CPI or 5%.
- Market rent review to occur every 2nd (second) Rent review date (every 4 years), with a cap (increase) and a collar (decrease) of 6%.
- Annual preventative maintenance contribution of \$50,000, adjusted annually at the lesser of CPI or 3%.

This proposal was resubmitted on Friday the 14 July 2023, as a submission to the public advertising process for the Fremantle Markets Business Plan.

With respect to the receipt of Mr Foster's unsolicited proposals regarding the disposal of the Fremantle Markets, officers in the first instance have been working to carry out the process as required under the Local Government Act, in order to conclude required actions outlined in the resolution of council in June of 2020 (item C2006-9).

The advertising of the business plan has provided an opportunity for any person to make a submission on the disposal being proposed in the business plan, which Mr Foster has done. This process undertaken in accordance with the Act ensures council may be fully informed of any issues or comments in relation to the proposal before making a decision on whether or not to proceed with the proposal to renew the existing lease with FMPL and associated conditions.

Submissions Received via the Public Advertising Process

Upon conclusion of the advertising period for the business plan that proposes a lease between the City of Fremantle and FMPL for the Fremantle Markets, Council received a total of 387 public submissions via the advertising process. This included:

- 135 submissions to the City's MySay portal.
- 252 written submissions via email or post.

The public submissions received have been provided in Attachment 2 and Attachment 3. Of the submissions received:

- 88% of the submissions were supportive of the proposed disposal outlined in the business plan.



- 9% of the submissions were in opposition to the proposed disposal outlined in the business plan.
- 3% of the submissions neither supported nor opposed the proposed disposal outlined in the business plan.

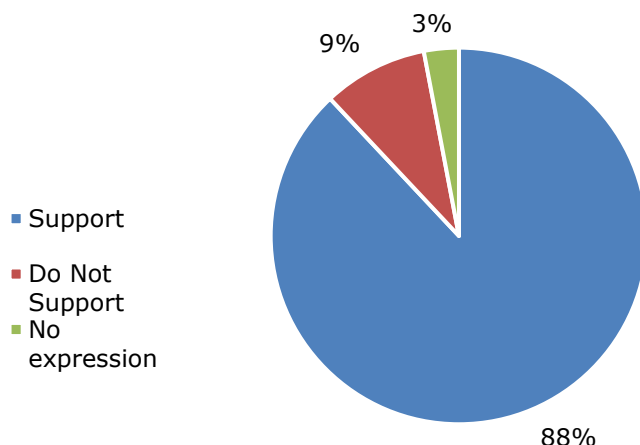


Chart - Public submissions received.

Upon receipt of the submissions, following the closing date officers undertook an extensive review of the feedback provided in order to determine the most suitable recommendation. Submissions in support of the advertised Fremantle Markets Business Plan (88%) expressed the following:

- Track record of FMPL as a reliable and consistent operator of the Fremantle Markets.
- Track record of FMPL in maintaining high visitor numbers to Fremantle Markets.
- The Fremantle Markets have a reputation as an iconic heritage tourism venue for Fremantle and Western Australia.
- The Fremantle Markets are an award-winning destination for Fremantle.
- Quality of attractions and retail experiences consistently experienced by visitors who are local to Fremantle or have come from other parts of Perth.
- Longevity of some stall holders and the relationships they have built with the community over decades of operation.
- Concerns that a public tender could result in the loss of a known and reliable operator of the Fremantle Markets.
- Concerns that a public tender could result in no other expressions of interest to operate the Fremantle Markets.
- Concerns that a public tender would see the City not follow its own leasing policy, and damage the reputation of the City as a good landlord.
- Support for a business plan that will see the operator fund major improvements that are sorely needed for the heritage listed building.



- 108 individual submissions were submitted by stall holders at the Fremantle Markets in support of the advertised business plan.

Submissions against the advertised Fremantle Markets Business Plan (9%) expressed the following:

- The City of Fremantle not being competitive and bold enough to see what other operators might bring to the table, and present other options for long-term agreement with the City.
- A public tender would allow for a complete refresh in how the market is run, and its economic impact on the City.
- The opportunity to make FMPL also compete within a public tender.
- Disappointment in FMPLs overall handling and operation of the Fremantle Markets to-date.
- Neglect and disrepair of the heritage listed building.
- Maintaining consistency in the City's process – have a public tender similar to what happened to South Fremantle Markets.
- Some stall holders who are disappointed with high stall and operational fees as a sub-lessee at the Fremantle Markets.

All submissions have been provided for council's consideration in Attachment 2 and Attachment 3.

Recommendation

The proposed essential terms for the disposal of the Fremantle Markets as outlined in the business plan that was advertised are as follows:

- Lease term
 - First Term: 10 years
 - First Further Term: 5 Years
 - Second Further Term: 5 years
- Commencement date
 - Current lease to be rescinded and new lease terms to be brought into effect within the 2023 calendar year.
- Commencement rent
 - Base rent of \$550,000 plus audited turnover rent amount from immediate prior year.
- Turnover rent
 - Any amount by which the base rent is exceeded by 26% of the tenant's gross revenue, paid annually.
 - Estimated at approximately \$250,000 on average per annum subject to annual gross revenue achieved by tenant.
- Annual rent payable
 - Base rent of \$550,000 plus turnover rent.



- Rent Review
 - Rent reviewed every 18 months and capped at the lesser of CPI or 5%
 - Market rent review to occur every 2nd (second) Rent Review Date (every 3 years).
 - Market rent reviews to have a cap (increase) and a collar (decrease) of 6%.
- Preventative maintenance contribution
 - A minimum annual preventative maintenance contribution of \$50,000 to be made by the tenant, adjusted annually at the lesser of CPI or 3%.

As articulated in the attached business plan, the proposed disposal is likely to continue to have the following positive effect on the community given the property, as operated by the current tenants delivers the following for the local economy:

- The Fremantle Markets is considered an iconic destination in the context of the WA tourism industry and features in the marketing of all major tourism stakeholders including TWA, Destination Perth, Tourism Australia.
- There are 157 businesses operating in the Fremantle Markets equating to approximately 400 jobs.
- Up to 33.5 million people have visited the Markets since the start of the current lease in June 2008 and average of 2.6 million per year in the period leading up to covid in March 2020.
- FMPL has invested approximately \$4.5 million in to promoting and advertising the markets, its traders and Fremantle as a whole. Current annual marketing budget is \$370,000.
- FMPL has invested at least \$370,000 on building preventative maintenance over the term and more on the general maintenance of the building.
- In 2008 a study commissioned by FMPL indicated there is over \$40 million spent within the Fremantle Markets per year. FMPL believes this is now closer to \$55-\$60 million per year.
- The Fremantle Markets have been winners in 2013, 2014, 2015 and Hall of Fame in the Fremantle Chamber Business Awards for Tourism. The Fremantle Markets have been finalists in 2013, 2015 for the WA Tourism Awards as a Major Tourist Attraction.
- On the days that the service is delivered, the Fremantle Markets acts as a major retail anchor for the City centre by attracting significant visitation and footfall which benefits other retailers and small businesses in the area.



Further to the above and noting that 88% of public submissions were in favour of the disposal proposed within the business plan, officers are recommending that Council proceed with the proposed lease with FMPL in line with the essential terms outlined in the advertised business plan.

VOTING AND OTHER SPECIAL REQUIREMENTS

Absolute majority required.

COMMITTEE RECOMMENDATION ITEM FPOL2308-2 (Officer's recommendation)

Moved: Cr Jenny Archibald

Seconded: Cr Geoff Graham

Council:

- 1. Receive the submissions provided in Attachment 2 and Attachment 3 which relate to the Business Plan (Attachment 1), noting the Business Plan was publicly advertised in line with the requirements of section 3.59 of the Local Government Act 1995.**
- 2. Adopt the proposed Business Plan, without amendment, as provided in Attachment 1.**
- 3. Authorise the Chief Executive Officer to finalise and enter into a lease with Fremantle Markets Pty Ltd (FMPL) for the property at 74 South Terrace, Fremantle WA 6160 (The Fremantle Markets) in line with the essential terms outlined in the Business Plan provided in Attachment 1.**

Carried: 6/1

For:

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Doug Thompson,
Cr Rachel Pemberton, Cr Frank Mofflin, Cr Geoff Graham**

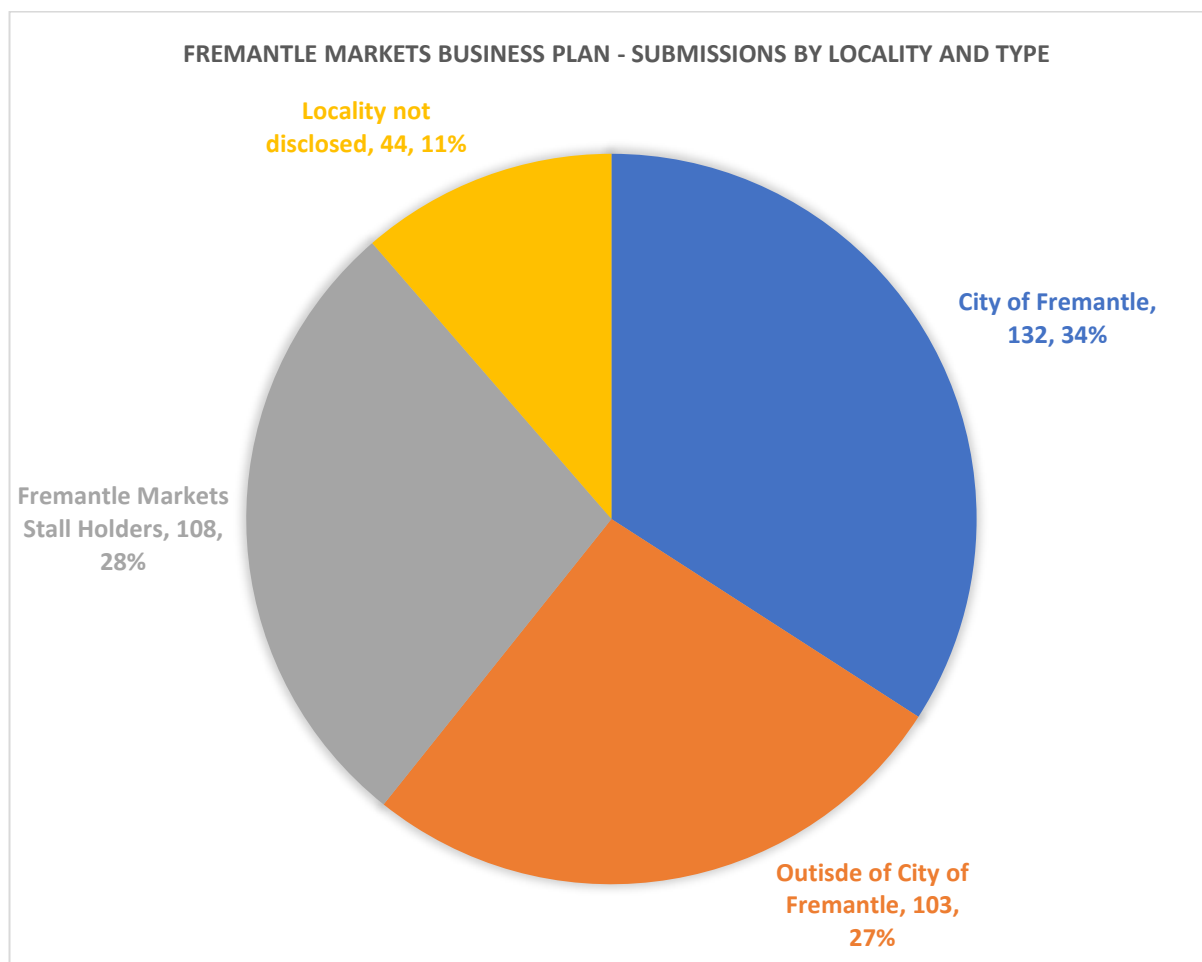
Against:

Cr Marija Vujcic

ADDITIONAL OFFICERS COMMENT

Further information regarding the geographic origin of submissions was requested at the FPOL meeting on Wednesday 9th August. A chart indicating the breakdown of submission locality and type has been provided to follow.

240 of the 387 submissions (62%) were from within the City of Fremantle LGA (inclusive of submissions received from Fremantle markets stakeholders). 27% of submissions received were from people located outside of the City of Fremantle LGA, and 11% of the submissions did not disclose a location.



COMMITTEE RECOMMENDATION

Moved: Mayor, Hannah Fitzhardinge

Seconded: Cr Frank Mofflin

Council:

1. Receive the submissions provided in Attachment 2 and Attachment 3 which relate to the Business Plan (Attachment 1), noting the Business Plan was publicly advertised in line with the requirements of section 3.59 of the Local Government Act 1995.
2. Adopt the proposed Business Plan, without amendment, as provided in Attachment 1.
3. Authorise the Chief Executive Officer to finalise and enter into a lease with Fremantle Markets Pty Ltd (FMPL) for the property at 74 South Terrace, Fremantle WA 6160 (The Fremantle Markets) in line with the essential terms outlined in the Business Plan provided in Attachment 1.



PROCEDURAL MOTION

At 7:01pm the following procedural motion was moved:

Moved: Cr Marija Vujcic

Seconded: Cr Fedele Camarda

The item be deferred to the next appropriate Council meeting for the Chief Executive Officer to engage with FMPL and GTL Enterprises to verify both proposals and to present the proposals back to Council for further consideration, prior to a decision.

LOST: 3/10

For

Cr Ben Lawver, Cr Fedele Camarda, Cr Marija Vujcic

Against

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome,
Cr Geoff Graham, Cr Frank Mofflin, Cr Doug Thompson, Cr Bryn Jones,
Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang**

Reason for procedural motion:

Due to identified issues with reliability and validity of data relating to the submission responses and the considerable financial variance between the two proposals FMPL and GTL Enterprises.

AMENDMENT

Moved: Cr Ben Lawver

Seconded: Cr Adin Lang

To amend the Committee Recommendation, to include an additional part 4, as follows:

Council:

4. Amend the business plan to include the following changes:

a. Rent Review Clause in Appendix 1 – Lease essential terms:

Rent reviewed every 18 months and adjusted by capped at the lesser of CPI for that period. ~~or 5%~~

b. Prevention Maintenance Contribution Clause in Appendix 1 – Lease essential terms:

A minimum annual preventative maintenance contribution of \$50,000 to be made by the tenant, adjusted annually at the lesser of by CPI for that period. ~~or 3%~~



c. 'Expected Financial Effect on the City of Fremantle' section of the business plan on page 16:

The proposed lease will also include provision for an initial upgrade for the building itself to the value of **at least up-to-approximately \$3,000,000**. These funds will be provided upfront by the proposed tenant to fund the works, **which are to be delivered in line with a time frame as agreed to by the City and in line with any City of Fremantle policies relating to the transitioning towards net zero emissions**. In the absence of the proposed tenant contributing these funds to the value of **at least up-to \$3 million**, it is likely the City would be required to fund this, which would impact on the City's other projects within its capital works program.

**Amendment carried: 12/1
For**

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham,
Cr Ben Lawver, Cr Fedele Camarda, Cr Frank Mofflin, Cr Doug Thompson,
Cr Bryn Jones, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang**

**Against
Cr Marija Vujcic**

Reasons for amendment:

CPI is a fair and reasonable indicator about how future increases should be applied. By applying the "less of" language between CPI and a fixed percentage over such a long contract we are putting the city and ratepayers on the hook to pay for any unforeseen increases in the future.

Clarification that the tenant will spend \$3million on capital works within a certain time period and these works (made to a city owned asset) need to be in line with our policies about transitioning away from fossil fuels.

It is unclear how much the tenant would actually pay in the business plan as written, what works will be done, and in what timeframe they would be completed. The language "up to" means any dollar amount between 1\$ and \$2,999,999 would satisfy this condition and there is no specific timeframe for the works to be completed.



COUNCIL DECISION ITEM FPOL2308-2
(Amended Committee recommendation)

Moved: Mayor, Hannah Fitzhardinge

Seconded: Cr Frank Mofflin

Council:

- 1. Receive the submissions provided in Attachment 2 and Attachment 3 which relate to the Business Plan (Attachment 1), noting the Business Plan was publicly advertised in line with the requirements of section 3.59 of the Local Government Act 1995.**
- 2. Adopt the proposed Business Plan, ~~without amendment~~, as provided in Attachment 1, *with the minor amendments shown in part 4.***
- 3. Authorise the Chief Executive Officer to finalise and enter into a lease with Fremantle Markets Pty Ltd (FMPL) for the property at 74 South Terrace, Fremantle WA 6160 (The Fremantle Markets) in line with the essential terms outlined in the Business Plan. ~~provided in Attachment 1.~~**
- 4. Amend the business plan to include the following changes:**
 - a. *Rent Review Clause in Appendix 1 – Lease essential terms:***
Rent reviewed every 18 months and *adjusted by CPI for that period.*
 - b. *Prevention Maintenance Contribution Clause in Appendix 1 – Lease essential terms:***
A minimum annual preventative maintenance contribution of \$50,000 to be made by the tenant, adjusted annually by CPI for that period.
 - c. *'Expected Financial Effect on the City of Fremantle' section of the business plan on page 16:***
The proposed lease will also include provision for an initial upgrade for the building itself to the value of *at least \$3,000,000.* These funds will be provided upfront by the proposed tenant to fund the works, *which are to be delivered in line with a time frame as agreed to by the City and in line with any City of Fremantle policies relating to the transitioning towards net zero emissions.* In the absence of the proposed tenant contributing these funds to the value of *at least \$3 million,* it is likely the City would be required to fund this, which would impact on the City's other projects within its capital works program.

**Minutes – Ordinary Meeting of Council
23 August 2023**



Carried: 11/2

For

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham,
Cr Ben Lawver, Cr Frank Mofflin, Cr Doug Thompson,
Cr Bryn Jones, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang**

Against

Cr Fedele Camarda, Cr Marija Vujcic



12. Motions of which previous notice has been given

FPOL2308-6 NOTICE OF MOTION – CONSIDERATION OF A DETERMINATION TO PROHIBIT SMOKING IN WALYALUP KOORT AND HIGH STREET MALL – CR RACHEL PEMBERTON

Meeting date: 9 August 2023
Responsible officer: Chief Executive Officer
Decision making authority: Council
Attachments: Nil

ELECTED MEMBER SUMMARY

The purpose of this notice of motion is to request that notice be given of the intention to make a determination under the [City's Property Local Law 2002](#) to prohibit smoking (including the use of vapes) throughout Walyalup Koort and the High Street Mall.

This will ensure Walyalup Koort, including Newman Court and the urban playground, plus the High Street Mall can be enjoyed as smoke free outdoor environments in our city centre. It will also enable City of Fremantle Community Safety Officers to ask people who are smoking or vaping in these areas to cease doing so, or to move outside the area. Therefore, this may also have the added benefit of reducing antisocial behaviour in this precinct.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required.

ELECTED MEMBER MOTION

Requests officers prepare a determination under the City of Fremantle Local Government Property Local Law, to prohibit smoking (and the use of vapes) throughout Walyalup Koort and the High Street Mall.

OFFICER COMMENT

In accordance with clause 2.1 (1)(b) of the City's Property Local Law, Council may make a determination to prohibiting a person from pursuing all or any of the activities referred to in clause 2.8 on specified local government property.

In relation to smoking, clause 2.8 enables Council to make a determination to prohibit a person from pursuing the following activities:

- (a) *smoking on premises; or*
- (k) *smoking in contravention of a sign which prohibits the act of smoking.*



Clause 2.8 (3) of the Property Local Law, defines the meaning of "*premises*" as a building, stadium or similar structure which is local government property, but not an open space such as a park or a playing field.

Given the above definition, part (a) would not apply to these areas. However, a determination to prohibit smoking in these areas using the provision provided in part (k) may be considered.

The procedure for making a determination under section 2.2 of the City of Fremantle Local Government Property Local Law, is as follows:

1. The local government is to give local public notice of its intention to make a determination (advertising a 21-day public submission period).
2. Council is to consider submissions received and give public notice of the outcome of its consideration:
 - a. Adoption of the proposed determination
 - b. Amendment and further advertising of the proposed determination
 - c. Not to continue with the proposed determination.

It should be noted that in order for this determination to take effect within the areas specified, the City will be required to erect appropriate signage to alert patrons that smoking is prohibited in the area. If supported by Council, officers will identify appropriate signage options that are aesthetically pleasing and uses existing structures where possible. Depending on the costs required to design and produce this signage, officers may be required to prepare a budget amendment for Council consideration.

If Council wish to consider a determination as outlined in this motion, officers will review this matter further and bring a report back to Council to provide appropriate options to prohibit smoking on local government property, for Council consideration.

COUNCIL DECISION ITEM FPOL2308-6
(Committee recommendation)

Moved: Cr Rachel Pemberton

Seconded: Cr Adin Lang

Requests officers prepare a determination under the City of Fremantle Local Government Property Local Law, to prohibit smoking (and the use of vapes) throughout Walyalup Koort and the High Street Mall.

Carried: 10/3

For

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome,
Cr Fedele Camarda, Cr Frank Mofflin, Cr Doug Thompson, Cr Bryn Jones,
Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang**

Against

Cr Geoff Graham, Cr Ben Lawver, Cr Marija Vujcic



Cr Su Groome left the meeting at 8:22pm and returned at 8:25pm prior to the vote on the following item.

11.1 Planning Committee 2 August 2023

PC2308-6 PROPOSED METROPOLITAN REGION SCHEME AMENDMENT 1404/41 – ROE 8 REMAINDER AND ROE 9 (REMOVAL OF PRIMARY REGIONAL ROADS RESERVATION)

| | |
|-----------------------------------|---|
| Meeting date: | 2 August 2023 |
| Responsible officer: | Manager Strategic Planning and City Design |
| Decision making authority: | Committee |
| Attachments: | <ol style="list-style-type: none">1. Proposed MRS Amendment Report Vol. 12. Proposed MRS Amendment Report Vol. 23. Amending Plan 3208.74. Indicative concept plan and potential green linkage plan |

SUMMARY

The Department of Planning, Lands and Heritage (DPLH) has commenced public engagement on a proposed Metropolitan Region Scheme (MRS) Amendment for the western section of the land corridor originally reserved for the Roe 8 (West) and Roe 9 Highway extension from North Lake Road, Coolbellup to Healy Road, Hamilton Hill. This corridor is currently reserved for Primary Regional Road purposes under the MRS.

Only a small portion of the corridor lies within the City of Fremantle, at the boundary with City of Cockburn on the south-eastern corner of Clontarf Hill. However, the uses for the remainder of the corridor may have implications for the City, particularly with regard to transportation links.

The DPLH has previously undertaken public engagement on potential future land use and zoning opportunities via the Roe 8 (West) and Roe 9 Corridor Planning Study. The study was designed to understand existing values and opportunities, to inform longer-term land uses, and promote development and revitalisation opportunities within the study area. The DPLH prepared an informal draft concept plan for the corridor, showing a potential mix of land uses that could be considered in the study area, with the aim of promoting discussion and community feedback.



A formal MRS rezoning process has been commenced to replace the existing Primary Regional Road reservation with more 'Urban' and 'Parks and Recreation' reserve classifications. This will provide a framework for the affected local governments to update their local planning framework to facilitate appropriate land uses and development.

This report recommends that Council:

Lodge a submission with the DPLH on the proposed Roe 8 (West) and Roe 9 Corridor MRS Amendment:

- a. Expressing support for the land included in the study within the City of Fremantle being designated as 'Urban' in the Metropolitan Region Scheme;**
- b. Expressing support for the land to the south-east of Clontarf Hill being designated as 'Parks and Recreation' in the Metropolitan Region Scheme.**

BACKGROUND

The Perth Freight Link was a state government infrastructure project proposed in 2014, to improve the road freight link between Kewdale and Fremantle Harbour. It would have included multiple stages: a five-kilometre extension of Roe Highway to Stock Road (Roe 8); a second stage linking Roe 8 to Stirling Highway, bypassing fourteen sets of traffic signals (Roe 9); and a final stage connecting into the Port of Fremantle. The extension would have taken the highway from its current terminus at Kwinana Freeway, approximately five kilometres further west, through the Beeliar Wetlands to Stock Road, near Forrest Road in Coolbellup.

In 2015, preliminary site works began on the project and in early 2017, approximately 18 hectares of native vegetation was cleared in Bibra Lake, North Lake and Coolbellup. After extensive lobbying by the community against the project, the new state government cancelled the project in 2017 and in August 2021 passed the *Metropolitan Region Scheme (Beeliar Wetlands) Act 2021*. The Act rezoned approximately 34 hectares of the wetlands from a Primary Regional Roads reserve to a Parks and Recreation reserve, stopping any future destructive road development in this area and strengthening its A-Class conservation reserve status.

In 2022, the DPLH undertook investigation into whether the Roe 8 (West) and Roe 9 corridor – from North Lake Road, Coolbellup to Healy Road, Hamilton Hill – which is currently reserved for Primary Regional Road purposes under the MRS, had suitability to be rezoned for other purposes.



The objective of the Roe 8 (West) and Roe 9 Corridor Planning Study was to understand existing values and opportunities. These were then used to inform longer-term land uses and promote development and revitalisation opportunities for the study area. The DPLH prepared an informal draft concept plan for the corridor (refer to additional information 1), showing a potential mix of land uses that could be considered in the study area. The aim of the draft concept plan was to promote discussion and community feedback and though it does not have any formal status or endorsement, it will continue to evolve over time and inform future strategic planning for the area.

At its Ordinary Meeting on 14 December 2022, Council resolved that:

"Council request officers to lodge a submission with the Department of Planning, Lands and Heritage on the Roe 8 (West) and Roe 9 Corridor Planning Study that:

- 1. Expresses Council's appreciation to the State Government for the opportunity to provide comment on the Roe 8 (West) and Roe 9 Corridor Planning Study.*
- 2. Advises the Department of Planning, Lands and Heritage that it supports the general aspirations contained within the Roe 8 (West) and Roe 9 Corridor Planning Study, noting the following matters for consideration:*
 - a. A preference for the land included in the study within the City of Fremantle being designated as 'Parks and Recreation' in the Metropolitan Region Scheme to highlight the regionally important green corridor and cultural significances that require planning connectivity between Clontarf Hill and the Hamilton Hill Swamp Precinct;*
 - b. Expressing support for the land to the south-east of Clontarf Hill being designated as 'Parks and Recreation' in the Metropolitan Region Scheme, including all of the government held land of the (currently infilled) Hamilton Hill Swamp, the existing open space and bushland areas to the west of the infilled swamp, the Randwick Stables precinct, and the land south of Cardigan Street;*
 - c. Acknowledging that Clontarf Hill is outside the study area but highlighting its regional importance as an area of considerable environmental and Aboriginal heritage significance, and requesting that it be considered as a regional 'Parks and Recreation' reserve under the Metropolitan Region Scheme as a part of the proposed planning work in the area for the reasons outlined in this report, including possible incorporation of Clontarf Hill into Beeliar Regional Park and establishing a generous connection to Manning Reserve as part of any future review of the Primary Regional Road reservation along the Manning ridgeline;*
 - d. Setting aside in an appropriate zoning all government held land located south and south-east of the Wally Hagen Centre through to Rockingham Road, including a review of the location/function of Leda Street,*



that both accommodates the expansion of this regionally significant recreation centre and to provide sufficient land to restore the full extent and curtilage of the currently infilled Hamilton Hill Swamp; and,

- e. Suggest that in future planning within the study area, a continuous east-west shared path route is considered to enable active travel to and from the coast, to help address transport connectivity.*
3. *Provide a copy of this report and the Council’s ‘Reasons for Amendment’ below to:*
- a. the Department of Planning, Lands and Heritage as a summary and background to the submission points above: and,*
 - b. The City of Cockburn with an invitation to discuss the important inter-relationships between Clontarf Hill, the Hamilton Hill Swamp precinct and the Wally Hagan Centre redevelopment opportunities.”*

Officers subsequently carried out these actions, lodging a submission with the DPLH on 23 December 2022 and writing to the City of Cockburn on 3 January 2023.

Following engagement on the study, a formal MRS rezoning process is required to replace the existing Primary Regional Road reservation with ‘Urban’ and ‘Parks and Recreation’ reserve classifications under the MRS. This would then provide a basis for the affected local governments to update their local planning framework to facilitate appropriate land uses and development.

FINANCIAL IMPLICATIONS

Nil.

LEGAL IMPLICATIONS

Nil.

CONSULTATION

Once submissions have been received by the Western Australian Planning Commission (WAPC), the WAPC will consider the submissions and present the amendment to the Minister for Planning, with the modifications, if any, it thinks fit to make. The Minister will then determine whether the amendment should proceed, be withdrawn or readvertised due to modification.

OFFICER COMMENT

The WAPC is undertaking engagement on proposal to rezone the Roe 8 remainder and Roe 9 corridor under the MRS from 'Primary Regional Road' to the 'Urban' zone and 'Parks and Recreation' reserve, meaning the land could no longer be earmarked for a primary regional road corridor and would instead consist of a mixture of residential and commercial uses, local roads, reserves etc.

Following the MRS amendment, the affected local governments (predominantly City of Cockburn) would undertake local-level rezoning processes to provide for appropriate and desired land uses, local roads, and reserves in the area.

The City of Fremantle only has a small portion of the corridor within of its boundary, being on the south-eastern corner of Clontarf Hill at Healy Road, directly abutting the City of Cockburn – refer to Figure 1.

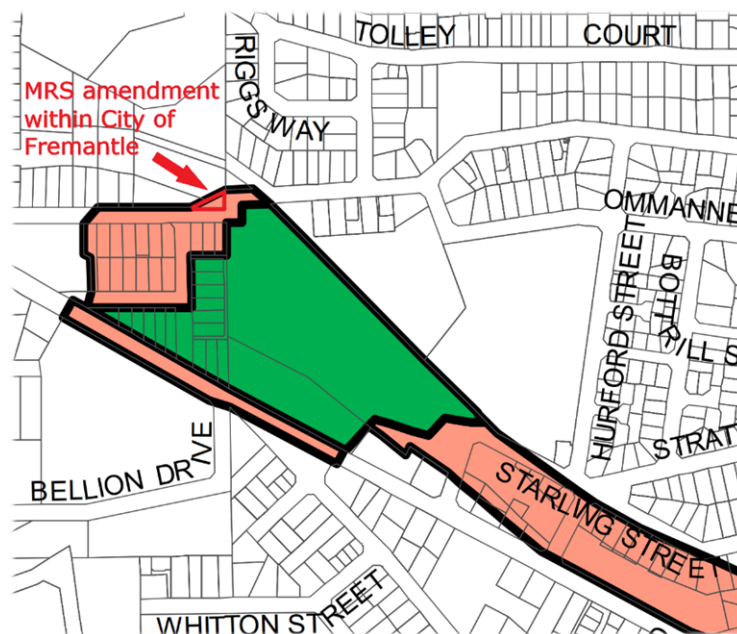


Figure 1. Excerpt from the proposed MRS amendment map – the red triangle highlights the area within the City of Fremantle.

The proposed amended MRS map (see Attachments 1 and 3) shows the land under the 'Urban' zone. While at odds with the City's submission on the Roe 8 (West) and Roe 9 Corridor Planning Study, which sought for the land to be included in the 'Parks and Recreation' reserve, this is consistent with the surrounding land in the Region Scheme, including Clontarf Hill (though it is zoned as an 'Open Space Reserve' under Town Planning Scheme No. 4) and is reflective of the land's status as a road reserve (Healey Road).

Two key "Transport and connectivity" outcomes of the City's Strategic Community Plan include Fremantle being recognised as a pedestrian and cycle-friendly city



and public and active transport being the preferred methods of transport. By placing Healy Road under the 'Urban' zone in the MRS, this east-west link between Hamilton Hill and South Fremantle would be maintained, allowing for active transport between the two suburbs.

The MRS amendment also identifies the land to the south-east of Clontarf Hill, within the City of Cockburn, as 'Parks and Recreation' reserve (see Attachments 1 and 3). Both Clontarf Hill and the land to the south-east are part of a Registered Aboriginal Heritage site for artefacts / scatter, ceremonial and mythological significance, and as a natural feature, camp and hunting place. A key "Character, culture & heritage" outcome of the City's Strategic Community Plan is to recognise and celebrate Aboriginal heritage and culture by strengthening sense of place, history and heritage. Although Clontarf Hill lies outside of the amendment area, it forms part of the Manjaree Trail developed by the Noongar community of Fremantle and Cockburn. Due to the Aboriginal heritage significance of the overall site, Officers are supportive of the land to the south-east of Clontarf Hill, in the City of Cockburn, being designated as 'Parks and Recreation' in the MRS, as this would afford it a further layer of statutory protection. It is also noted that this reserve designation has been expanded to the west, up to Rockingham Road below Cardigan Street (see Attachments 1, 3 and 4), which is consistent with the City's submission on the initial Roe 8 (West) and Roe 9 Corridor Planning Study.

The City's submission on the Roe 8 (West) and Roe 9 Corridor Planning Study also requested that as part of any subsequent MRS amendment process, Clontarf Hill be considered for designation as a 'Parks and Recreation' reserve. Although Clontarf Hill was not included in the study area, it adjoins the area in the City of Cockburn that is proposed to be rezoned to 'Parks and Recreation' (Refer to figure 1) and shares commonalities with this land (being Aboriginal and environmental significance). However, the focus of the MRS amendment is the removal of the Primary Regional Road reserve along the Roe 8 (West) and Roe 9 corridor and the inclusion of Clontarf Hill within the 'Parks and Recreation' reserve is beyond its scope.

Of final note, it is proposed to rezone the land to the south and south-east of the Wally Hagen Basketball Stadium, in the City of Cockburn, to 'Urban'. This is broadly consistent with the City's submission on the Roe 8 (West) and Roe 9 Corridor Planning Study insofar as it would facilitate a review of the location/function of Leda Street and could accommodate both the expansion of the regionally significant Wally Hagen Stadium and provide sufficient land to restore the full extent and curtilage of the currently infilled Hamilton Hill Swamp, should these projects be pursued (see Attachments 1, 3 and 4).

In conclusion, Officers are supportive of the proposed MRS amendment in its current form, particularly as it pertains to the City of Fremantle and its immediate environs within the City of Cockburn.



VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required.

COMMITTEE RECOMMENDATION ITEM PC2308-6 **(Officer's recommendation)**

Moved: Cr Bryn Jones

Seconded: Cr Geoff Graham

Council request officers to lodge a submission with the Western Australian Planning Commission on Metropolitan Region Scheme Amendment 1404/41 – Roe 8 Remainder and Roe 9 (Removal of Primary Regional Roads Reservation) that:

- 1. Expresses Council's appreciation to the Western Australian Planning Commission for the opportunity to provide comment on Metropolitan Region Scheme Amendment 1404/41 – Roe 8 Remainder and Roe 9 (Removal of Primary Regional Roads Reservation).**
- 2. Advises the Western Australian Planning Commission that it supports the rezoning proposals contained within Metropolitan Region Scheme Amendment 1404/41 – Roe 8 Remainder and Roe 9 (Removal of Primary Regional Roads Reservation).**
- 3. Provide a copy of this report to:**
 - a. the Western Australian Planning Commission as a summary and background to the submission above: and,**
 - b. the City of Cockburn for its records.**

Carried: 4/1

For

**Cr Bryn Jones, Cr Geoff Graham,
Cr Su Groome, Cr Adin Lang**

Against

Cr Ben Lawver

The above item is referred to the Ordinary Meeting of Council for determination in accordance with the City of Fremantle Delegated Authority Register which requires that at least 5 members of the committee vote in favour of the Committee Recommendation in order to exercise its delegation.



COMMITTEE RECOMMENDATION

Moved: Cr Bryn Jones

Seconded: Cr Ben Lawver

Council request officers to lodge a submission with the Western Australian Planning Commission on Metropolitan Region Scheme Amendment 1404/41 – Roe 8 Remainder and Roe 9 (Removal of Primary Regional Roads Reservation) that:

- 1. Expresses Council’s appreciation to the Western Australian Planning Commission for the opportunity to provide comment on Metropolitan Region Scheme Amendment 1404/41 – Roe 8 Remainder and Roe 9 (Removal of Primary Regional Roads Reservation).**
- 2. Advises the Western Australian Planning Commission that it supports the rezoning proposals contained within Metropolitan Region Scheme Amendment 1404/41 – Roe 8 Remainder and Roe 9 (Removal of Primary Regional Roads Reservation).**
- 3. Provide a copy of this report to:**
 - a. the Western Australian Planning Commission as a summary and background to the submission above: and,**
 - b. the City of Cockburn for its records.**

AMENDMENT

Moved: Cr Andrew Sullivan

Seconded: Cr Adin Lang

To amend the Committee’s Recommendation as follows:

Council request ~~the CEO officers~~ to lodge a submission with the Western Australian Planning Commission on Metropolitan Region Scheme Amendment 1404/41 – Roe 8 Remainder and Roe 9 (Removal of Primary Regional Roads Reservation) that:

- 1. Expresses Council’s appreciation to the Western Australian Planning Commission for the opportunity to provide comment on Metropolitan Region Scheme Amendment 1404/41 – Roe 8 Remainder and Roe 9 (Removal of Primary Regional Roads Reservation).**
- 2. Reiterates the issues noted in Council’s previous decision relating to the amendment area from the Ordinary Council Meeting held on 14 December 2022;***



3. *Supports the community’s vision for the Cockburn Community Wildlife Corridor, and applauds the work undertaken by Nature Link Perth and UWA Landscape Architects that demonstrates how the corridor may be achieved within sensitive and strategic urban development;*
4. *Supports the need for further review of the “Indicative Concept Plan – Roe 9” and the “Indicative Concept Plan – Roe 8 Remainder”, with the purpose to deliver more certainty via a district level structure plan, or a similar planning instrument, to include the following:*
 - a. *a wide, continuous, legible and sustainable green corridor for the movement of wildlife between the coast and the Beeliar wetlands and safe active transport link through all of the proposed urban zones, including a green link between the Hamilton Hill Swamp area and the proposed Parks and Recreation reserve along Ahern Street;*
 - b. *provision of additional reserve land to facilitate the full redevelopment of the Wally Hagan centre and the reinstatement of Hamilton Hill Swamp, including review of the need for Starling Street west of Leda Street, the inclusion within the reserve of the properties at 60 – 70 Rockingham Road, and the potential to re-locate Leda Street further east; and*
 - c. *the inclusion of the land noted in 4(b) above as Parks and Recreation reserve in the MRS in recognition of the regional importance of the Wally Hagan facilities, or alternatively secured within local recreation reserve(s) specifically for that purpose.*
- ~~2~~ 5. **Advises the Western Australian Planning Commission that it:**
 - a. *supports the rezoning proposals located within the City of Fremantle contained within Metropolitan Region Scheme Amendment 1404/41 – Roe 8 Remainder and Roe 9 (Removal of Primary Regional Roads Reservation); and,*
 - b. *supports the rezoning proposals located within the City of Cockburn subject to further consideration of the matters raised in part “4” above.*
- ~~3~~ 6. **Provide a copy of this report and the report from the December 2022 OCM to:**
 - a. **the Western Australian Planning Commission as a summary and background to the submission above;** and,
 - b. **the City of Cockburn for further consideration and discussion-its records.**



Amendment carried: 13/0

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham,
Cr Ben Lawver, Cr Fedele Camarda, Cr Frank Mofflin, Cr Doug Thompson,
Cr Bryn Jones, Cr Marija Vujcic, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang**

Reasons for amendment:

This is consistent with previous council decision.

Incorporates suggestions by Cr Rachel Pemberton who provided the rationale that:

- The wildlife corridor will be a valuable asset for future generations, providing habitat for endangered species and local access to high quality nature reserves that is vital for mental and physical health and wellbeing. The development of an active transport link within the corridor will provide safe and attractive space for people to walk / run / ride / scoot for transport, exercise and recreation purposes. This may reduce congestion on Leach Highway and South Street by providing an alternative east-west route that is a safe, attractive and healthy alternative. It has the potential to increase the value and attractiveness of the surrounding areas with access to high quality recreation facilities, nature and transport options. This area has the potential to become a world-class sustainable development if done well, and that means keeping the green corridor connection.

**COUNCIL DECISION ITEM PC2308-6
(Amended Committee recommendation)**

Moved: Cr Bryn Jones

Seconded: Cr Ben Lawver

Council request *the CEO* to lodge a submission with the Western Australian Planning Commission on Metropolitan Region Scheme Amendment 1404/41 – Roe 8 Remainder and Roe 9 (Removal of Primary Regional Roads Reservation) that:

- 1. Expresses Council's appreciation to the Western Australian Planning Commission for the opportunity to provide comment on Metropolitan Region Scheme Amendment 1404/41 – Roe 8 Remainder and Roe 9 (Removal of Primary Regional Roads Reservation).**
- 2. Reiterates the issues noted in Council's previous decision relating to the amendment area from the Ordinary Council Meeting held on 14 December 2022;**
- 3. Supports the community's vision for the Cockburn Community Wildlife Corridor, and applauds the work undertaken by Nature Link Perth and**



UWA Landscape Architects that demonstrates how the corridor may be achieved within sensitive and strategic urban development;

- 4. Supports the need for further review of the "Indicative Concept Plan – Roe 9" and the "Indicative Concept Plan – Roe 8 Remainder", with the purpose to deliver more certainty via a district level structure plan, or a similar planning instrument, to include the following:**
 - a. a wide, continuous, legible and sustainable green corridor for the movement of wildlife between the coast and the Beelihar wetlands and safe active transport link through all of the proposed urban zones, including a green link between the Hamilton Hill Swamp area and the proposed Parks and Recreation reserve along Ahern Street;***
 - b. provision of additional reserve land to facilitate the full redevelopment of the Wally Hagan centre and the reinstatement of Hamilton Hill Swamp, including review of the need for Starling Street west of Leda Street, the inclusion within the reserve of the properties at 60 – 70 Rockingham Road, and the potential to re-locate Leda Street further east; and***
 - c. the inclusion of the land noted in 4(b) above as Parks and Recreation reserve in the MRS in recognition of the regional importance of the Wally Hagan facilities, or alternatively secured within local recreation reserve(s) specifically for that purpose.***
- 5. Advises the Western Australian Planning Commission that it:**
 - a. supports the rezoning proposals located within the City of Fremantle; and,***
 - b. supports the rezoning proposals located within the City of Cockburn subject to further consideration of the matters raised in part "4" above.***
- 6. Provide a copy of this report and the report from the December 2022 OCM to:**
 - a. the Western Australian Planning Commission as a summary and background to the submission above; and,***
 - b. the City of Cockburn for further consideration and discussion.***

Carried: 13/0

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham,
Cr Ben Lawver, Cr Fedele Camarda, Cr Frank Mofflin, Cr Doug Thompson,
Cr Bryn Jones, Cr Marija Vujcic, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang**



11.2 Finance, Policy, Operations and Legislation Committee 12 July 2023

ITEMS APPROVED "EN BLOC"

The following items were adopted unopposed and without discussion "en bloc" as recommended.

COUNCIL DECISION

Moved: Mayor, Hannah Fitzhardinge

Seconded: Cr Frank Mofflin

The following items be adopted en bloc as recommended:

FPOL2308-3 STEVENS RESERVE GROUNDS MAINTENANCE

FPOL2308-4 REQUEST FOR SUPPORT – FREMANTLE PARK CENTRE

Carried en bloc: 13/0

Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham,
Cr Ben Lawver, Cr Fedele Camarda, Cr Frank Mofflin, Cr Doug Thompson,
Cr Bryn Jones, Cr Marija Vujcic, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang



FPOL2308-3 STEVENS RESERVE GROUNDS MAINTENANCE

| | |
|-----------------------------------|---|
| Meeting date: | 9 August 2023 |
| Responsible officer: | Manager Parks and Landscape |
| Decision making authority: | Council |
| Attachments: | 1. Stevens Reserve Grounds Maintenance Benchmarking |
| Confidential Attachments: | 1. Stevens Reserve JMC Profit and Loss |

SUMMARY

The City of Fremantle leases Stevens Reserve to the Stevens Reserve Joint Management Committee which consists of the Fremantle Hockey Club and Fremantle District Cricket Club. This report is for Council to consider options for the ongoing maintenance of Stevens Reserve.

BACKGROUND

The City of Fremantle leases Stevens Reserve to the Stevens Reserve Joint Management Committee (JMC) which consists of the Fremantle Hockey Club (FHC) and Fremantle District Cricket Club (FDCC). Under the terms of the lease, the JMC is responsible for a range of grounds maintenance activities including maintaining the turf wicket blocks (field and practice), mowing the playing fields and line marking among a range of other duties.

To achieve this, the club has employed a curator to undertake the duties. The City of Fremantle provides the JMC a subsidy to help fund the works and the rent-free use of a house on site which the Curator occupied. The City of Fremantle also undertakes a range of site maintenance activities. Earlier in 2023 the curator resigned, and the club is exploring options with the City to continue with grounds maintenance. This report is for Council to consider options for the ongoing maintenance of Stevens Reserve.

FINANCIAL IMPLICATIONS

In accordance with the lease terms, the City of Fremantle provides a subsidy to the Lessor. This is defined in the lease through to the 30 June 1999 and is subject to CPI adjustments – post 30 June 1999, the lease has been rolled over on an annual basis.

For the 2022/23 financial year the subsidy was \$66,550 ex GST. This subsidy was used to assist in funding the curator position. The City also provides a residential residence free of charge to the JMC for use for the curator with an estimated annual rent value of \$26,000.

The City has an adopted budget of \$620,060 in IP Activity Project: 100350 - Maintain Sports Grounds of which \$66,500 is allocated for the subsidy.



In 2022/23 the Fremantle District Cricket Club contributed \$39,807 towards grounds and playing facilities management of which \$6,000 was a payment to the JMC for grounds maintenance. The Fremantle Hockey Club contributed \$4,000 to the JMC for grounds maintenance (refer confidential attachment) for a total JMC contribution of \$10,000. Additionally, the FDCC has contributed \$70,00 to upgrading the training nets in 2017, \$20,000 to the purchase and installation of playing surface turf in 2019 and \$27,500 to purchase a new gang mower in 2022.

The City’s maintenance responsibilities for Stevens Reserve, include verge and surrounds maintenance, irrigation and bore maintenance and repairs, car park maintenance and annual playing field turf renovations; the cost is approximately \$55,000 per annum inclusive of internal and contract costs.

The JMC is currently exploring options for engaging a curator to continue with grounds maintenance. This could be a curator employed with or without the residential property forming part of the agreement. If it is without the residence, the JMC are seeking an additional subsidy contribution of up to \$59,450 to a value of \$125,950 annually. This would be adjusted by CPI annually at the end of financial year, or as otherwise agreed in the proposed new lease. The additional subsidy will be held against IP Activity Project: 100350 - Maintain Sports Grounds and additional budget will be submitted for consideration through the 2023/24 financial year mid-year budget review.

Officers have assessed two models for undertaking the grounds maintenance. An assessment of the additional subsidy request is considered reasonable and provides the City with value for money.

The following financial assessment has been developed for the ongoing management of the curator duties and grounds maintenance as outlined in the report.

| | Current Arrangement | Option 1 A - JMC employed curator | Option 1 B - JMC employed curator with residence not let | Option 2 - City employed contractor |
|---|----------------------------|--|---|--|
| CoF Contribution | \$66,550 | \$125,950 | \$125,950 | \$0 |
| Rental in kind | \$26,000 | \$0 | \$0 | \$0 |
| Rental income – <i>(back to the City)</i> | \$0 | (\$26,000) | \$0 | (\$26,000) |
| Contract costs | \$0 | \$0 | \$0 | \$165,326** |
| City maintenance costs | \$55,000 | \$55,000 | \$55,000 | \$55,000 |



| | | | | |
|-----------------------------|------------------|------------------|------------------|------------------|
| JMC contribution | \$10,000 | \$10,000 | \$10,000 | \$10,000 |
| Total estimated cost | \$132,550 | \$164,950 | \$190,950 | \$204,326 |

* all figures are ex GST.

** quotation provided to the City received by the JMC from a suitably qualified Contractor.

Should the JMC employ a curator who does not require use of the residential property at Stevens Reserve, the City has the option to lease it out. This will generate an estimated \$26,000 per annum income. The property requires essential maintenance works and minor upgrades before it can be occupied. A separate report will be brought to Council if required when the cost and funding requirements are known.

LEGAL IMPLICATIONS

The City of Fremantle leases Stevens Reserve to the JMC which consists of the Fremantle Hockey Club and Fremantle District Cricket Club. The Lease has expired and is currently in a holding over state. The City, in consultation with the JMC, is currently reviewing the Stevens Reserve lease. The grounds maintenance responsibilities, subsidy and operational model will be considered and clearly defined in the terms of the new lease.

CONSULTATION

The City has liaised with the JMC and they are supportive of the proposed recommendation.

OFFICER COMMENT

The curator duties at Stevens Reserve relate to preparing the playing fields and practice areas ready for games and practice for both cricket and hockey. Maintenance of turf wicket blocks is a specialist turf management discipline, and this service is generally managed by a curator. This is the current service model at Stevens Reserve whereby the JMC employ a curator and the City pays a financial contribution through a subsidy as well as undertaking additional grounds maintenance works outlined as follows. The curator duties for Stevens Reserve, among others, include:

- Ensuring all equipment and facilities under their responsibility are well maintained, secured and kept in working order.
- Preparing the turf wickets before the season by way of weeding, fertilizing, mowing, rolling and any other activities necessary.
- Having practice turf wickets available by 1st September annually (weather permitting).



- Having a centre wicket available for a practice match on a weekend prior to the commencement of the cricket season.
- Having four practice wickets available and ready for practice weekly during the cricket season.
- Having the centre turf wickets on both ovals ready for play prior to the scheduled commencement of every fixture published in the WACA fixture book.
- Preparing turf wickets for extra matches as required by the FDCC, provided sufficient notice is given.
- Renovating the turf wickets after the completion of the cricket season.
- Be present on game days where inclement weather is forecast.
- Preparing and ground marking of 4 fields to the standards as set by current Federation of International Hockey (FIH) prior to start of the grass season fixtures as determined by Hockey WA.
- Maintaining the playing field surfaces to a high standard including regular mowing maintenance and repair of any damaged areas on the playing surfaces and field markings.
- Maintaining player and public safety related to these duties.

The City's maintenance responsibilities for Stevens Reserve, among others, include:

- Verge and surrounds maintenance including mowing and litter control.
- Irrigation repairs and bore maintenance.
- Car park maintenance.
- Annual playing field turf renovations (excluding wicket blocks).
- Playing field fertilising, wetting agent, broadleaf weed and broadacre insect control (excluding wicket blocks).

Options for Maintenance

Following the resignation of the curator, the City has looked at two scenarios for the ongoing curator duties in consultation with the JMC. The financial assessment for these is provided in the financial information section of this report. These can be summarised as follows:

JMC employed curator

The JMC employed curator is a continuation of the existing service model. This model is preferred as it gives the JMC direct control of the Curator to meet the requirements of the clubs for practice and matchday activities which occur predominantly outside normal business hours. To continue with this model the City would need to increase the subsidy to the club, to both reflect current market rates and offset the removal of the in-kind contribution of the rent-free house. Alternatively, if the club employ a curator who wishes to continue to use the residential property forming part of the agreement, the subsidy will be adjusted to reflect this in-kind value.



The City's responsibilities for grounds maintenance would remain the same in this model. This model has been assessed as the best value for money for the City.

City employed contractor

The City employed contractor would see the City employ a Contractor to undertake the duties as described for the curator. A quotation has been provided to the City received by the JMC from a suitably qualified Contractor and is provided in the Confidential Attachment for information. In this service model the subsidy to the JMC would be discontinued. A downside of this model is the City having an administration role between the JMC and the Contractor, which will be challenging on weekends game days and give less control of turf wicket preparation for the cricket club. This model has been assessed as the least value for money for the City and is not preferred by the JMC or the officers.

Recommendation

Officers recommend the grounds maintenance at Stevens Reserve continues with a JMC employed curator as it is preferred by the JMC for optimal grounds preparation, provides the most efficient administration model and best value for money. As there is uncertainty about the use of the residential property for the curator, it is recommended to delegate authority to the Chief Executive Officer to amend the lease upon the JMC's successful appointment of a curator.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required

OFFICER'S RECOMMENDATION

Moved: Cr Jenny Archibald

Seconded: Cr Rachel Pemberton

Council:

1. Note that under the existing lease terms, the City of Fremantle provides a Subsidy to the Lessor, and the lessor has obligations for grounds maintenance.
2. Approve an increase in the annual Subsidy to the Lessor of up to a total value of \$125,950; to be used to fund the curator's wages, equipment and materials, and
 - a. Delegate authority to the Chief Executive Officer to amend the lease to reflect any in-kind value and the final terms of the curators appointment.
3. Note that the additional subsidy will be held against IP Activity Project: 100350 - Maintain Sports Grounds and additional budget will be



submitted for consideration through the 2023/24 financial year mid-year budget review.

AMENDMENT 1

Moved: Cr Rachel Pemberton

Seconded: Cr Frank Mofflin

To amend Part 1 and 2 of the Officer's recommendation as per below:

Council:

- 1. Note that under the existing ~~Fremantle Cricket Club~~ Stevens Reserve Joint Management Committee lease terms, the City of Fremantle provides a Subsidy to the Lessor, and the lessor has obligations for grounds maintenance.**
- 2. Approve an increase in the annual Subsidy to the ~~Fremantle Cricket Club~~ Stevens Reserve Joint Management Committee of up to a total value of \$125,950; ~~subject to to-be-used-to-fund-the-curator's-wages, equipment-and-materials, and~~
 - a. Expenditure of the funds being limited to the curators wages, equipment and materials.**
 - b. The City being recognised as a sponsor of the JMC and receiving benefits to be determined in line with the City's Grant's and Sponsorship policy.**
 - c. Appropriate funding (that is surplus to current requirements) being identified and a formal budget amendment to IP Activity Project: 100350 - Maintain Sports Grounds being brought back to council for approval.**
 - ~~d. Delegate authority to the Chief Executive Officer to amend the lease to reflect any in-kind value and the final terms of the curators appointment.~~****
- 3. Delegate authority to the Chief Executive Officer to amend the lease to reflect any in-kind value and the final terms of the curators appointment.**
- ~~4. Note that the additional subsidy will be held against IP Activity Project: 100350—Maintain Sports Grounds and additional budget will be submitted for consideration through the 2023/24 financial year mid-year budget review.~~**
- 4. Request essential terms for a new lease will be finalised and brought back to council for approval prior to February 2024.**



Amendment carried: 7/0

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Marija Vujcic,
Cr Doug Thompson, Cr Rachel Pemberton, Cr Frank Mofflin, Cr Geoff Graham**

Reason for change:

To give long term security to JMC and also ensure that the sponsorship policy is applied consistently by all local clubs and organisations that receive financial support from the City.

AMENDMENT 2

Moved: Cr Doug Thompson

Seconded: Cr Frank Mofflin

To amend Part 1 of the Officer's recommendation as per below:

Council:

- 1. Note that: ~~under the existing lease terms, the City of Fremantle provides a Subsidy to the Lessor, and the lessor has obligations for grounds maintenance.~~**
 - a. under the existing lease terms with Stevens Reserve Joint Management Committee, the City of Fremantle provides a Subsidy to the Lessor, and the lessor has obligations for grounds maintenance.**
 - b. this subsidy meets our Strategic Plan objective of "supporting formal and informal sporting activities and sustainable clubs" so as to improve community satisfaction of sporting and recreational facilities.**

Amendment carried: 7/0

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Marija Vujcic,
Cr Doug Thompson, Cr Rachel Pemberton, Cr Frank Mofflin, Cr Geoff Graham**

Reason for change:

This amendment notes that the additional subsidy is consistent with our strategic objectives.



COUNCIL DECISION ITEM FPOL2308-3
(Committee recommendation)

Moved: Mayor, Hannah Fitzhardinge

Seconded: Cr Frank Mofflin

Council:

- 1. Note that:**
 - a. under the existing lease terms with Stevens Reserve Joint Management Committee, the City of Fremantle provides a Subsidy to the Lessor, and the lessor has obligations for grounds maintenance.**
 - b. this subsidy meets our Strategic Plan objective of "supporting formal and informal sporting activities and sustainable clubs" so as to improve community satisfaction of sporting and recreational facilities.**
- 2. Approve an increase in the annual Subsidy to the Stevens Reserve Joint Management Committee of up to a total value of \$125,950; subject to:**
 - a. Expenditure of the funds being limited to the curators wages, equipment and materials.**
 - b. The City being recognised as a sponsor of the JMC and receiving benefits to be determined in line with the City's Grant's and Sponsorship policy.**
 - c. Appropriate funding (that is surplus to current requirements) being identified and a formal budget amendment to IP Activity Project: 100350 - Maintain Sports Grounds being brought back to council for approval.**
- 3. Delegate authority to the Chief Executive Officer to amend the lease to reflect any in-kind value and the final terms of the curators appointment.**
- 4. Request essential terms for a new lease will be finalised and brought back to council for approval prior to February 2024.**

Carried en bloc: 13/0

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham,
Cr Ben Lawver, Cr Fedele Camarda, Cr Frank Mofflin, Cr Doug Thompson,
Cr Bryn Jones, Cr Marija Vujcic, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang**



FPOL2308-4 REQUEST FOR SUPPORT – FREMANTLE PARK CENTRE

Meeting date: 9 August 2023
Responsible officer: Director City Business
Decision making authority: Council
Attachments: Nil

SUMMARY

The purpose of this report is for council to consider a request from Fremantle Park Centre (formerly Fremantle Park Sport and Community Centre) for emergency funding support.

This report recommends that Council approve the provision of a one-off support payment while a report outlining a longer-term plan for the facility is developed by officers in consultation with the club.

BACKGROUND

In 2011, the Fremantle Park Bowling Club, Fremantle Lawn Tennis Club and Fremantle Park Association formed a joint working group to explore a proposal for a multi-use community facility at Fremantle Park.

In 2011, GHD completed a needs assessment and feasibility study on the amalgamation of the two clubs and in 2012, developed a concept plan for a shared club house. The needs assessment and feasibility study was funded by the City of Fremantle and the Department of Sport and Recreation (DSR).

The concept plan was found to have several advantages for both the clubs and the City, however due to redevelopment works elsewhere, the City was unable to support a Community Sport and Recreation Facilities Fund (CSRFF) major grant application. At this time, the clubs sought financial backing from other partners and approached the Fremantle Workers Club (FWC). The needs of the facility changed with the addition of the FWC and new concept plans were required. In 2014, the City successfully applied to DSR on behalf of the clubs for a small grant to assist with a feasibility report.

The proposed shared club house and infrastructure upgrade feasibility report prepared by GHD in 2014, identified the facility requirements for each of the clubs, site concept plan for the redevelopment, a detailed cost estimate and funding scenario. The report also outlined the potential car parking provision within the site for the City as well as funding contributions for the redevelopment. The estimated cost for the completion of the project was \$4.1 million.

At its ordinary meeting of 27 July 2016, council resolved to accept the Fremantle Park Sport and Community Centre business case. The business case outlines the operational and financial management of the new facility, forming the basis upon which the stakeholders agreed to proceed.



The three founding clubs agreed with the business case resulting in the creation of the Fremantle Park Sport and Community Centre (FPSCC). The FPSCC Board was to comprise of two nominees from each of the founding clubs and three independent board members. The FPSCC engaged professional management to operate the functions of the central facility with each founding club retaining its own independence and core functions.

Following the adoption of the business case, in November 2017 Council authorised a lease between the City and FPSCC. The Fremantle Bowls Club, Tennis Club and Workers Club have occupied the site since then under the management of the FPSCC.

In late 2022, FPSCC approached the City citing financial difficulties. Officers met with the club several times throughout early 2023 to discuss potential approaches to addressing the issues, which culminated in a request received from the FPSCC for funding support over a three-year period.

This report recommends an approach to the provision of support to the club for consideration by council.

FINANCIAL IMPLICATIONS

The FPSCC has requested a funding package from the City for \$60,000 per annum for a minimum of three years.

The funding is required for the wages to provide for the administration and management of the Centre. This includes function and venue hire coordination, liaison with the 3 Clubs and their members, all Centre maintenance, bar and stock control and management of staffing rosters. It is intended that the retention of this staffing will provide the club with a period of three years to implement initiatives that will improve the financial sustainability of the centre.

The 2022-23 rates for the FPSCC were levied at \$15,868.71. The City applied the maximum concession allowable of \$10,000 resulting in a balance of \$5,868.71. Given no payments were received, overdue interest has been applied at 7% resulting in a total rates balance of \$6,180.50. This amount remains outstanding.

Officers are recommending Council proceed with option 4 as outlined in the officer comment, which pending council approval will require a budget amendment to allow for the provision of a one-off payment of \$60,000 to the club.

The source of funding is to be determined following the finalisation of end of year processing for the 2022/23 financial year. Should an appropriate source of funding that is surplus to current requirements be identified, it will be presented to council for formal approval via a budget amendment.



LEGAL IMPLICATIONS

A lease currently exists between the City and the FPSCC. Terms of the lease would need to be considered and adhered to with respect to any proposed course of action taken to address current issues.

The terms of the current lease were endorsed by council in November 2017 as per council item [FPOL1711-6 Fremantle Park Lease Terms and Club Parking Arrangements](#).

CONSULTATION

There has been ongoing engagement between the City and the FPSCC with relation to their current issues. The City is continuing to engage directly with the board of the FPSCC.

OFFICER COMMENT

The FPSCC has provided a range of information to officers in relation to their current financial situation including proposed approaches to improved financial sustainability over the longer term. Several challenges were cited by the club as contributing to the current situation. These included but were not limited to:

- A lack of suitable governance related controls such as Financial/Marketing plans, standard operating procedures and no independent committee members or trustees to govern the committee.
- Inadequate systems (IT/HR/Equipment etc) and lack of suitable staffing/resourcing structure. This includes no chef or cooks to offer a regular food service.
- The facility in its current form is somewhat constrained. Function spaces have limited capacity, there is no kitchen on the ground floor, the sound limiter in the function room prevents bands from playing, and there is very little shade outside of the venue for alfresco related activities.
- Food service is limited. The lack of a dumbwaiter prevents service of food on the ground floor which eliminates any food service on Fridays, Saturdays and Sundays when the upstairs function space is being used. Bar and food opening hours are inconsistent and change from week to week.
- There is an aging demographic across the clubs which is limiting engagement with youth or future potential members. There is currently no compelling reason to join the Centre as a social member given you can only socialise and have a drink/eat food one day a week with the only option being a BBQ with 2 food item choices on a Friday night.

Minutes – Ordinary Meeting of Council
23 August 2023



- More generally participation and member numbers are in decline across all three clubs, which is also a trend Australia-wide.
- There is no clear brand or website, and communication & marketing are poor both internally and externally. The current brand and value offering is not attractive to the younger demographic.

FPSCC identified the following opportunities in determining an approach to addressing some of these issues:

- Food and beverage offerings five days a week, preferably Wednesday to Sunday.
- Increased mini-sports activities to encourage participation from a younger demographic.
- More bowls, tennis and dancing competitions.
- Fundraisers and events. Open days.
- Grants (with help of COF may assist with Playground, Shade Sails, Fencing and Parking).
- Food offerings on the ground floor; pizza oven, food truck, more BBQ's
- Installation of a dumb waiter.
- Open days, free lessons, learn how to bowl, play tennis, bowl, dance, etc.

Upon meeting with the Club and assessing the information provided officers provided the following additional advice.

- Explore other types of programming through partnerships with other existing themed corporate hospitality providers such as sports bars through activating the site via one-off pop-up special events given their connection to sport (i.e. Sports bar site takeover for walk-in bowls events etc.)
- The upstairs function space could cater for small weddings. There is a limited number of Wedding venues in central Fremantle and could generate an additional source of revenue.
- Film production companies may see value in hiring the centre as temporary production offices when filming is underway in Fremantle.
- Memberships with organisations such as Business Events Perth and Destination Perth may connect the club with more corporate bookings for upstairs venue space.
- Listing the venue on SpaceToCo may increase the awareness of the venue and increase volume of bookings.
- The upstairs commercial kitchen presents a significant opportunity to generate revenue via a commercial lease. Given minimal capital contribution and fit out would be required from a tenant to get up and running, they may be open to funding the installation of a dumbwaiter as part of a lease



negotiation. This would connect the two floors via expanded food and beverage service capability.

- A stronger focus on securing corporate sponsorships presents a significant opportunity to increase revenue.

While the club has carried out some initial work on improving operations and financial stability, the current financial situation has limited their ability to retain staff and as such are unable to deliver on any of the initiatives proposed to address the current situation. They are therefore requesting financial assistance to pay staff wages so they can continue to pursue the above-mentioned opportunities.

Officers have considered a number of options regarding the support the City can provide in the short term. The options are provided below.

Option 1 – Fund centre wages over three years as requested by the Club

This option is in line with the request from the club and would involve a contribution from the City of \$60k per annum for a minimum of three years. This would enable current staffing to progress with the implementation of some of the interim measures identified to generate additional revenue. While staffing would be retained and FPSCC could continue to operate as normal, this option is unlikely to result in the achievement of longer-term operational changes required to return the club to a stable financial position.

Option 2 – Fund infrastructure improvements

As an alternative to funding wages, the City may consider directly funding and implementing some of the improvements that have been flagged as opportunities to improve the operational model. This includes installation of a dumb waiter, external shade, playground and bifold doors. Initial estimates from FPSCC suggest an investment of up to \$450K over a three-year period to achieve these improvements. While this would improve the functionality of the facility, there is a lack of information or planning from the club at present that would guarantee this investment would improve the current operational model.

Option 3 – Transition centre back to City management

An option exists to commence discussions with the clubs around dissolving FPSCC and handing management of the facility back to the City so the clubs can continue to operate out of the centre and the City can leverage existing resources to implement the operational changes required to return the centre to a sustainable model. While current resourcing in the events and bookings team would enable skeleton operations of the centre for the club in the short term, maximising usage and increasing revenue streams may require additional resourcing of up to 1 FTE (\$50-100K), depending on intensity of usage.



Option 4 – Provide a one-off payment and carry out further work on a suitable model

This option would involve providing an initial payment of \$60K to the club to secure wages and resources for the next 12 months, with the intent that further work is carried out by officers over the next 6 months in order to determine the most suitable model moving forward. This would be in consultation with clubs, with a full report and recommendations to be brought back to council in early 2024 on how to proceed. This would allow more time to properly assess opportunities and undertake necessary financial and operational due diligence, rather than providing funding to an external party without any certainty that it would improve the current situation over the long term.

Officers are recommending Council proceed with option 4, which will require a budget amendment to allow for the provision of a one-off payment of \$60,000 to the club.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required

OFFICER'S RECOMMENDATION

Moved: Cr Jenny Archibald

Seconded: Cr Rachel Pemberton

Council:

1. Note the request for support received from the Fremantle Park Centre.
2. Approve the provision of a one-off support payment of \$60,000 to the Fremantle Park Centre subject to:
 - a. Appropriate funding (that is surplus to current requirements) being identified and a formal budget amendment being brought back to council for approval.
 - b. Expenditure of the support payment by Fremantle Park Centre being limited to the payment of wages that contribute to the administration and management of the Centre.
 - c. The City being recognised as a sponsor of the club and receiving benefits to be determined in line with the City's Grant's and Sponsorship policy.
3. Request officers provide a report to council for consideration prior to February 2024 which outlines a longer-term solution to the sustainable operation of the facility, to be developed in consultation with the Fremantle Park Centre and its member clubs.



AMENDMENT 1

Moved: Cr Frank Mofflin

Seconded: Cr Doug Thompson

To amend Part 2b in the Officer's recommendation as per below:

- 2. Approve the provision of a one-off support payment of \$60,000 to the Fremantle Park Centre subject to:**
 - a. Appropriate funding (that is surplus to current requirements) being identified and a formal budget amendment being brought back to council for approval.**
 - b. Council approval of an appropriate payment schedule and approval process for payment release.**
 - ~~b. c.~~ **c. Expenditure of the support payment by Fremantle Park Centre being limited to the payment of wages that contribute to the administration and management of the Centre.**
 - ~~c. d.~~ **d. The City being recognised as a sponsor of the club and receiving benefits to be determined in line with the City's Grant's and Sponsorship policy.**

Amendment carried: 7/0

Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Marija Vujcic, Cr Doug Thompson, Cr Rachel Pemberton, Cr Frank Mofflin, Cr Geoff Graham

Reason for change:

With the financial challenges faced by the club, it is incumbent upon the City to ensure that payments are both being used for the appropriate purpose and being released upon receipt evidence of this.

AMENDMENT 2

Moved: Cr Doug Thompson

Seconded: Cr Frank Mofflin

To amend Part 1 and 3 in the Officer's recommendation as per below:

Council:

- 1. Note Council's response to the request for support received from the Fremantle Park Centre is consistent with our Strategic Plan objective to "Partner with the community to build capacity for social inclusion, connectivity and capital."**
- 3. Request the Chief Executive Officer ~~officers provide a report to council for consideration prior to February 2024 which outlines a longer term solution to the sustainable operation of the facility, to be developed in consultation with the Fremantle Park Centre and its~~**



~~member clubs~~ develop in consultation with the Fremantle Park Centre and its member clubs by February 2024 a longer-term solution for the sustainable operation of the facility including measures by which this solution may be evaluated and report back to Council by February 2024.

Amendment carried: 7/0

Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Marija Vujcic,
Cr Doug Thompson, Cr Rachel Pemberton, Cr Frank Mofflin, Cr Geoff Graham

Reason for change:

To show our response to their request clearly fits within the City's strategic objectives and ensure adequate measures are included so Council can make a decision about whether our support is being effective.

COUNCIL DECISION ITEM FPOL2308-4
(Committee recommendation)

Moved: Mayor, Hannah Fitzhardinge

Seconded: Cr Frank Mofflin

Council:

- 1. Note Council's response to the request for support received from the Fremantle Park Centre is consistent with our Strategic Plan objective to "Partner with the community to build capacity for social inclusion, connectivity and capital."**
- 2. Approve the provision of a one-off support payment of \$60,000 to the Fremantle Park Centre subject to:**
 - a. Appropriate funding (that is surplus to current requirements) being identified and a formal budget amendment being brought back to Council for approval.**
 - b. Council approval of an appropriate payment schedule and approval process for payment release.**
 - c. Expenditure of the support payment by Fremantle Park Centre being limited to the payment of wages that contribute to the administration and management of the Centre.**
 - d. The City being recognised as a sponsor of the club and receiving benefits to be determined in line with the City's Grant's and Sponsorship policy.**
- 3. Request the Chief Executive Officer develop in consultation with the Fremantle Park Centre and its member clubs by February 2024 a longer-term solution for the sustainable operation of the facility including measures by which this solution may be evaluated and report back to Council by February 2024.**



Carried en bloc: 13/0

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham,
Cr Ben Lawver, Cr Fedele Camarda, Cr Frank Mofflin, Cr Doug Thompson,
Cr Bryn Jones, Cr Marija Vujcic, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang**



**FPOL2308-5 WALYALUP RECONCILIATION ACTION PLAN 2024-2027
(WRAP) WORKING GROUP AND TERMS OF REFERENCE**

Meeting date: 9 August 2023
Responsible officer: Manager Community Development
Decision making authority: Council
Attachments: 1. WRAP Working Group Terms of Reference

SUMMARY

To ensure representation, for Aboriginal and Torres Strait Islander and stakeholder input to the City’s reconciliation journey the City maintains a WRAP Working Group with broad membership and clear, agreed, terms of reference.

In accordance with the terms of reference, the City’s Stretch WRAP 2019 – 2022 Working Group disbanded in June 2023 to coincide with the completion of the plan. A new Working Group will be formed to engage with the City and support the finalisation and delivery of the next WRAP 2024 – 2027.

This report recommends that Council endorse the formation of the WRAP 2024-27 Working Group and adopt the Terms of Reference provided in Attachment 1. Noting that, upon endorsement of the Terms of Reference, the City will engage with the community and invite nominations, for appointment at the Council meeting after the Local Government Elections in October.

BACKGROUND

Reconciliation Australia’s Reconciliation Action Plan (RAP) Framework includes four different types of RAP that an organisation can develop: Reflect, Innovate, Stretch and Elevate. Each type of RAP is designed to suit an organisation at different stages of their reconciliation journey and organisations can repeat the same type of RAP if appropriate.

In acknowledgement of the City of Fremantle’s long history of reconciliation action the City entered the framework at the Stretch level in 2019 with its first RAP. Based on advice from Reconciliation Australia the City is not able to progress to an Elevate RAP because Local Governments sphere of influence is geographically constrained and does not meet Reconciliation Australia’s unique leadership requirements. Therefore, the City is developing its second Stretch (WRAP) 2024-2027.

The Stretch type of RAP spans a two-three year period, and is focused on longer-term strategies, and working towards defined measurable targets and goals. The



Stretch RAP requires organisations to embed reconciliation initiatives into business strategies, so they become 'business as usual'.

As stated in the City's Stretch WRAP 2019-2022, in partnership with Aboriginal people, our vision for reconciliation is, *"to create an inclusive, caring community where Aboriginal and non-Aboriginal people are equal. We want a platform where Aboriginal people are acknowledged, listened to and understood and an organisation that respects and tells the truth about history, where healing and growth is nurtured in the community. Ultimately, we want this to be a shared vision for Fremantle, where the City embraces culture and heritage, where Aboriginal people are part of making decisions and improvements for the wellbeing of people."*

This vision remains relevant today and is embraced by the Council who recognises that maintaining strong and respectful relationships with Aboriginal people is a vital investment with immeasurable cultural and social return for the community. The WRAP 2024-2027 will add to this work building on the framework for what is occurring now and to update and measure future deliverables with the inclusion of three additional pillars of Voice, Treaty and Truth.

The current WRAP period ended in 2022 at which time the City sought an extension with Reconciliation Australia until December 2023 to align with the major review of the Strategic Community Plan, which is due to be completed by December 2023.

In accordance with the timeline the City seeks to establish a new WRAP Working Group to engage and provide input to the next WRAP 2024-2027.

FINANCIAL IMPLICATIONS

2023-24 operating budget is available to meet expenses associated with the WRAP Working Group including the payment of sitting fees in accordance with section 10 of the Terms of Reference (Attachment 1).

LEGAL IMPLICATIONS

Nil

CONSULTATION

The current WRAP 2019 – 2022 was developed through extensive community consultation over 2018-19 which culminated in a community meeting attended by over 100 committed people including key Aboriginal and Torres Strait Islander people and Elders, as well as the Mayor, Elected Members, and city staff.

The workshop generated organic and grass roots discussion around people, spirit and place in Fremantle and summarised into a practical plan for reconciliation. At



the meeting, nominations for membership to the working group were accepted. This working group was diverse and consisted of Traditional Owners (Whadjuk people), Aboriginal and Torres Strait Islander people both young and older, non-Aboriginal and Torres Strait Islander external people, Elected Members and city staff.

The Working Group provided direct input to the development of clear and agreed Terms of Reference and endorsed the final WRAP in 2019 prior to its endorsement by Reconciliation Australia.

The WRAP Working Group has been meeting regularly during the implementation of the WRAP 2019 – 2022 and are supportive of the continued vision, role, and purpose of the Working Group.

OFFICER COMMENT

The WRAP 2019-2022 Reference Group Terms of Reference states that the group will disband upon completion of the WRAP. The existing group met 6 June 2023 where members were acknowledged and celebrated for their contributions and the achievements of the WRAP. At this meeting members were informed about the timeline for the next WRAP and invited to renominate to the new WRAP Working Group 2024-2027.

The new working group will be diverse and consist of Traditional Owners (Whadjuk people), Aboriginal and Torres Strait Islander people from different family groups, non-Aboriginal and Torres Strait Islander external people, Elected Members, and city staff.

The purpose of the WRAP Working Group is to:

1. Oversee, guide, and monitor the implementation of the Walyalup Reconciliation Action Plan (WRAP).
2. Upon invitation, provide advice to the City on issues relating to communities and people of an Aboriginal and Torres Strait Islander background.

It should be noted that the Working Group is not a Traditional Owner or Reference Group, and Land and Heritage matters are referred to the South West Aboriginal Land and Sea Council or Whadjuk Aboriginal Corporation.

Upon endorsement of the Terms of Reference the City will engage with the community and invite nominations. The Working Group will be created by Council resolution with the members appointed at Council in October following the Local Government Election. At this time up to four Elected Members may nominate to the Working Group and will be appointed at the October meeting.

The first meeting of the new WRAP Working Group will take place in early November 2023.



VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required.

COMMITTEE RECOMMENDATION ITEM FPOL2308-5 **(Officer's recommendation)**

Moved: Cr Jenny Archibald

Seconded: Mayor Hannah Fitzhardinge

Council:

- 1. Endorse formation of the Walyalup Reconciliation Action Plan (WRAP) 2024-2027 Working Group and adopt the Terms of Reference as provided in Attachment 1.**
- 2. Note that the members of the WRAP Working Group will be appointed at the Ordinary Council Meeting in October following the Local Government Elections.**

Carried: 7/0

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Marija Vujcic,
Cr Doug Thompson, Cr Rachel Pemberton, Cr Frank Mofflin, Cr Geoff Graham**

COMMITTEE RECOMMENDATION

Moved: Mayor Hannah Fitzhardinge

Seconded: Cr Jenny Archibald

Council:

- 1. Endorse formation of the Walyalup Reconciliation Action Plan (WRAP) 2024-2027 Working Group and adopt the Terms of Reference as provided in Attachment 1.**
- 2. Note that the members of the WRAP Working Group will be appointed at the Ordinary Council Meeting in October following the Local Government Elections.**

AMENDMENT

To amend the Committee recommendation as follows:

Moved: Cr Su Groome

Seconded: Cr Rachel Pemberton

Council:

- 1. Acknowledge the term of the Walyalup Reconciliation Action Plan 2019-2022 Working Group has come to an end and notes the***



significant impact the RAP has had in the City of Fremantle and extends its gratitude to the outgoing working group members for their leadership and contributions.

- ~~1.~~ **2. Endorse formation of the Walyalup Reconciliation Action Plan (WRAP) 2024-2027 Working Group and adopt the Terms of Reference as provided in Attachment 1.**
- ~~2.~~ **3. Note that the members of the WRAP Working Group will be appointed at the Ordinary Council Meeting in October following the Local Government Elections.**

Amendment carried: 13/0

Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham,
Cr Ben Lawver, Cr Fedele Camarda, Cr Frank Mofflin, Cr Doug Thompson,
Cr Bryn Jones, Cr Marija Vujcic, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang

Reasons for amendment:

To formally acknowledge the end of the Walyalup Reconciliation Action Plan and thank the current members for their leadership and contribution on the working group.

COUNCIL DECISION ITEM FPOL2308-5
(Amended Committee recommendation)

Moved: Mayor Hannah Fitzhardinge

Seconded: Cr Jenny Archibald

Council:

- 1. Acknowledge the term of the Walyalup Reconciliation Action Plan 2019-2022 Working Group has come to an end and notes the significant impact the RAP has had in the City of Fremantle and extends its gratitude to the outgoing working group members for their leadership and contributions.**
- 2. Endorse formation of the Walyalup Reconciliation Action Plan (WRAP) 2024-2027 Working Group and adopt the Terms of Reference as provided in Attachment 1.**
- 3. Note that the members of the WRAP Working Group will be appointed at the Ordinary Council Meeting in October following the Local Government Elections.**

Carried: 13/0

Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham,
Cr Ben Lawver, Cr Fedele Camarda, Cr Frank Mofflin, Cr Doug Thompson,
Cr Bryn Jones, Cr Marija Vujcic, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang



11.3 Audit and Risk Management Committee 14 August 2023

ITEMS APPROVED "EN BLOC"

The following items were adopted unopposed and without discussion "en bloc" as recommended.

COUNCIL DECISION

Moved: Mayor, Hannah Fitzhardinge

Seconded: Cr Geoff Graham

The following items be adopted en bloc as recommended:

| | |
|------------|--|
| ARMC2308-1 | PURCHASING POLICY EXEMPTIONS JUNE TO JULY 2023 |
| ARMC2308-2 | TENDERS AWARDED UNDER DELEGATION JUNE TO JULY 2023 |
| ARMC2308-3 | OVERDUE DEBTORS REPORT AS AT 31 JULY 2023 |
| ARMC2308-5 | INFORMATION REPORT – AUGUST 2023 |

Carried en bloc: 13/0

Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham, Cr Ben Lawver, Cr Fedele Camarda, Cr Frank Mofflin, Cr Doug Thompson, Cr Bryn Jones, Cr Marija Vujcic, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang



ARMC2308-1 PURCHASING POLICY EXEMPTIONS JUNE TO JULY 2023

| | |
|-----------------------------------|--|
| Meeting date: | 14 August 2023 |
| Responsible officer: | Manager Financial Services |
| Decision making authority: | Council |
| Attachments: | 1. Purchasing Policy Exemption Detail – June to July 2023 |

SUMMARY

The purpose of this report is to inform Council of purchases made by the City that were exempted from the requirements of the Purchasing Policy, during the period June to July 2023.

This report recommends that Council receive the Purchasing Policy Exemptions report for June to July 2023.

BACKGROUND

At the Ordinary Meeting of Council of 25 November 2020, Council adopted a new Purchasing Policy. The Purchasing Policy outlines the requirements and decision-making process for each Policy threshold. The Policy also contains a list of tender exemptions (exempt under Regulation 11(2) of the *Local Government (Functions and General) Regulations 1996*) and other Policy exemptions.

Under this policy all exemptions applied by the City are to be reported to the Audit and Risk Management Committee.

FINANCIAL IMPLICATIONS

Nil.

LEGAL IMPLICATIONS

Nil.

CONSULTATION

Nil.



OFFICER COMMENT

June 2023

The total value of spending exempt from the City of Fremantle Purchasing Policy was \$30,806.00 for the month of June 2023.

The value of exemptions by category is:

| Exemption Category | Value |
|--------------------|--------------------|
| Sole Source | \$25,806.00 |
| Specialist Legal | \$5,000.00 |
| Total | \$30,806.00 |

Details regarding individual exemptions can be found in Attachment 1.

July 2023

The total value of spending exempt from the City of Fremantle Purchasing Policy was \$280,592.00 for the month of June 2023.

The value of exemptions by category is:

| Exemption Category | Value |
|---------------------------------------|---------------------|
| Request for Artist | \$82,750.00 |
| Original Equipment Manufacturer (OEM) | \$96,500.00 |
| Specialist Legal Advice | \$25,000.00 |
| Specialist Consulting | \$72,770.00 |
| Subscription (Excluding Software) | \$3,572.00 |
| Total | \$280,592.00 |

Details regarding individual exemptions can be found in Attachment 1.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required



COUNCIL DECISION ITEM ARMC2308-1
(Officer's and Committee recommendation)

Moved: Mayor, Hannah Fitzhardinge

Seconded: Cr Geoff Graham

Council receive the information report on Purchasing Policy exemptions for June to July 2023.

Carried en bloc: 13/0

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham,
Cr Ben Lawver, Cr Fedele Camarda, Cr Frank Mofflin, Cr Doug Thompson,
Cr Bryn Jones, Cr Marija Vujcic, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang**



ARMC2308-2 TENDERS AWARDED UNDER DELEGATION JUNE TO JULY 2023

Meeting date: 14 August 2023
Responsible officer: Procure to Pay Team Leader
Decision making authority: Council
Attachments: Nil

SUMMARY

The purpose of this report is to summarise tenders awarded under delegation by various delegated officers and Committees during the period June to July 2023.

This report recommends that Council receive the report on tenders awarded under delegation between June to July 2023.

BACKGROUND

Tenders awarded by the City are awarded under the following delegations, approved at Council on 25 May 2022:

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

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

FINANCIAL IMPLICATIONS

All tenders were awarded within the 2022-23 budget approved at Council on 30 July 2022.

LEGAL IMPLICATIONS

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

Under delegation 2.11 Expressions of interest and tenders, of the City's Register of Delegated Authority 2022-23, the Chief Executive Officer is required to report the use of this delegation to the Audit and Risk Management Committee.



CONSULTATION

Nil.

OFFICER COMMENT

Below is a list of tenders awarded under delegation between June to July 2023.

June 2023

| Tender Description | Awarded By | Contractor(s) | Contract Term | Contract Value |
|--|------------|-----------------|---------------|----------------|
| FCC610/22 - Provision of Graffiti Removal Services | Director | KLEENIT PTY LTD | 3 Year | \$304,200.00 |

July 2023

| Tender Description | Awarded By | Contractor(s) | Contract Term | Contract Value |
|--------------------|------------|---------------|---------------|----------------|
| Nil | | | | |

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required

COUNCIL DECISION ITEM ARMC2308-2 **(Officer's and Committee recommendation)**

Moved: Mayor, Hannah Fitzhardinge

Seconded: Cr Geoff Graham

Council receive the information report on tenders awarded under delegation for June to July 2023.

Carried en bloc: 13/0

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham,
Cr Ben Lawver, Cr Fedele Camarda, Cr Frank Mofflin, Cr Doug Thompson,
Cr Bryn Jones, Cr Marija Vujcic, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang**



ARMC2308-3 OVERDUE DEBTORS REPORT AS AT 31 JULY 2023

| | |
|-----------------------------------|---|
| Meeting date: | 14 August 2023 |
| Responsible Officer: | Manager Financial Services |
| Decision making authority: | Council |
| Attachments: | Nil |
| Confidential Attachments: | 1. Summary of Overdue Debts above Threshold |

SUMMARY

This Overdue Debtors Report, with confidential attachment, is provided to the Audit and Risk Management Committee to report details of overdue debts, as at 31 July 2023, and identify those where the amount owing is over 90 days with a total debt exceeding \$10,000.

This report recommends that Council receive the Overdue Debtors Report and acknowledge the overdue debts exceeding 90 days that have a combined value greater than \$10,000 as at 31 July 2023.

BACKGROUND

This report provides the Audit and Risk Management Committee the following information in relation to overdue debtors:

- The amount of total debt outstanding for the period aged from current to over 90 days overdue with a comparison to the same period for the previous year.
- All records of the uses of delegated authority, to waive or write off debts valued at \$1,000 or above.
- A confidential report containing the individual debtor information in relation to the outstanding debts exceeding 90 days with a combined value of debt, by debtor, exceeding \$10,000.
- The Debtor Day Ratio, being the average number of days taken for the City to receive payment from its customers for invoices issued to them.

FINANCIAL IMPLICATIONS

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

As at the year ending 30 June 2022 an amount of \$165,134 was held as an allowance for impairment of sundry receivables. As at 30 June 2023, the current allowance held as impairment is \$160,937 with a total of \$4,197 being waived or



written off to date in the 2022/23 financial year of which one debt is over \$1,000 which is reportable to the Audit and Risk Committee.

Summary of Sundry Debtors

As at 30 June 2023 a total of \$4,197 in Sundry debts have been waived or written off during the 2022/23 financial year.

Summary of Rates Debtors

As at 30 June 2023 no Rates debts have been waived or written off during the 2022/23 financial year.

LEGAL IMPLICATIONS

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

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

- The Chief Executive Officer has delegated authority to write off debts (not including rates or infringement) considered unrecoverable up to \$50,000 per account where, in the opinion of the Chief Executive Officer, all other reasonable avenues of recovery have been exhausted.
- Directors and Managers have various sub-delegated authority to write off debts (not including rates or infringement) considered unrecoverable up to \$20,000 per account where, in the opinion of the Director or Manager, all other reasonable avenues of recovery have been exhausted.

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

Any amount more than \$50,000 is to be written off by Council resolution. A Council resolution authorising the write-off of any bad debt does not prevent Council from reinstating the debt if the future circumstances change and the debt becomes collectable.

CONSULTATION

Nil.

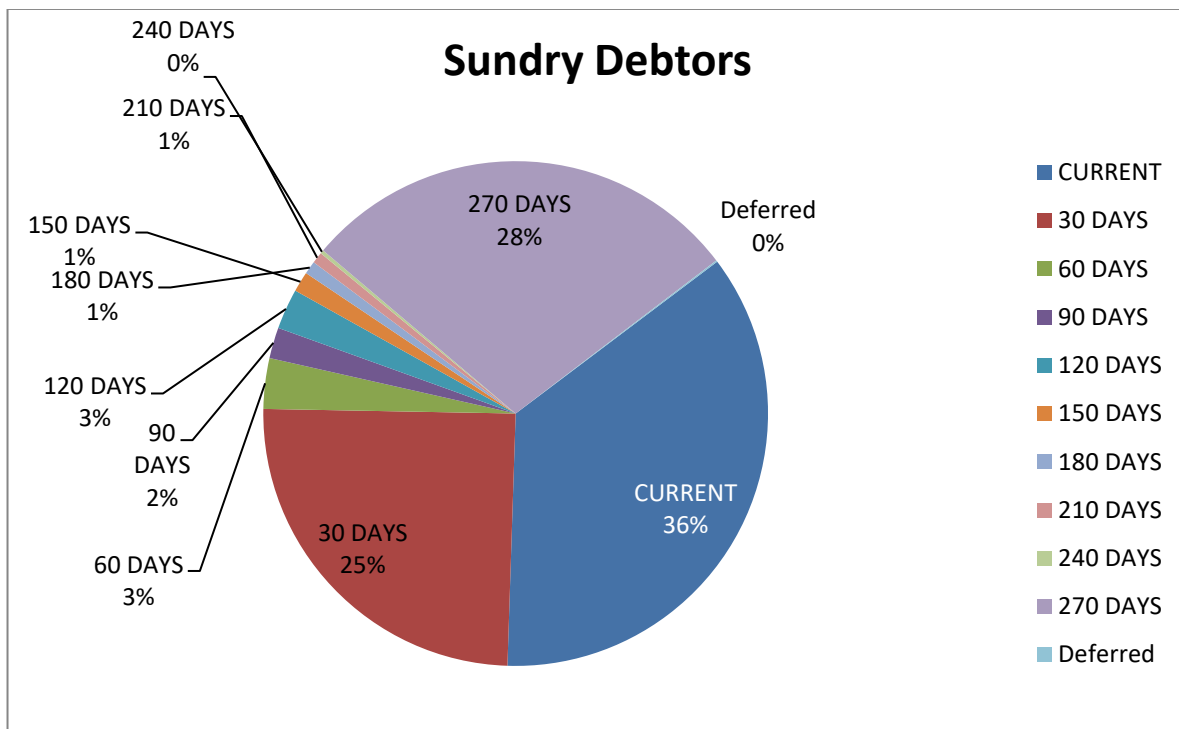


OFFICER COMMENT

The total of debts outstanding as at 31 July 2023 was \$990,949. A breakdown of aged debt for the current period compared to prior year is tabled below.

| Period Ending | Current | 30 Days | 60 Days | 90+ Days | Total |
|-------------------------------------|-----------|---------|---------|----------|-----------|
| July 23 | 36% | 25% | 3% | 36% | 100% |
| | 354,729 | 245,501 | 32,087 | 358,632 | 990,949 |
| July 23 Excl. Commercial Properties | 53% | 11% | 16% | 20% | 100% |
| | 205,975 | 192,206 | 63,287 | 79,647 | 541,115 |
| July 22 | 1,757,739 | 92,112 | 70,556 | 650,057 | 2,570,464 |

The graph below shows the aged debt balances as at 31 July 2023:



Compared to the report of overdue debtors as at 31 May 2023, presented to Audit and Risk Management Committee at the 19 June 2023 meeting, the total value of outstanding debts has increased slightly from \$855,913 to \$990,949.

Total outstanding debt over 90 days has reduced from \$365,150 at the end of the previous reporting date to \$358,632.

The number of overdue debtors over 90 days, and above the total debt reporting threshold of \$10,000, has increased from seven to eight. Of the eight reported, two



debtors have decreased and one has increased values of debt since the prior reporting period.

These eight debtors have a total debt owing of \$303,900 of which \$282,392 is over 90 days. The confidential attachment contains details of the debtors comprising this balance.

Key Performance Indicators

When determining status or risk associated with outstanding debtors, officers typically consider and assess the following metrics:

- Total amount of outstanding debt
- Age of outstanding debt (and value of that debt)
- Frequency of payment of outstanding debt
- Outstanding debt per individual debtor
- Outstanding debt per type of debtor

Officers consider all of these metrics alongside each other as well as the debtor day ratio to assist in providing an overarching assessment of general performance of outstanding debtors. The debtor day ratio measures how quickly cash is being collected from debtors regardless of the level of total outstanding amount of debt or the type of debt, allowing for a consistent metric that will identify periods where debtors are taking longer to pay down outstanding debt.

A number of metrics have been provided to follow that provide an initial snapshot of performance and or status of outstanding debtors to follow.

Debtor Day Ratio

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

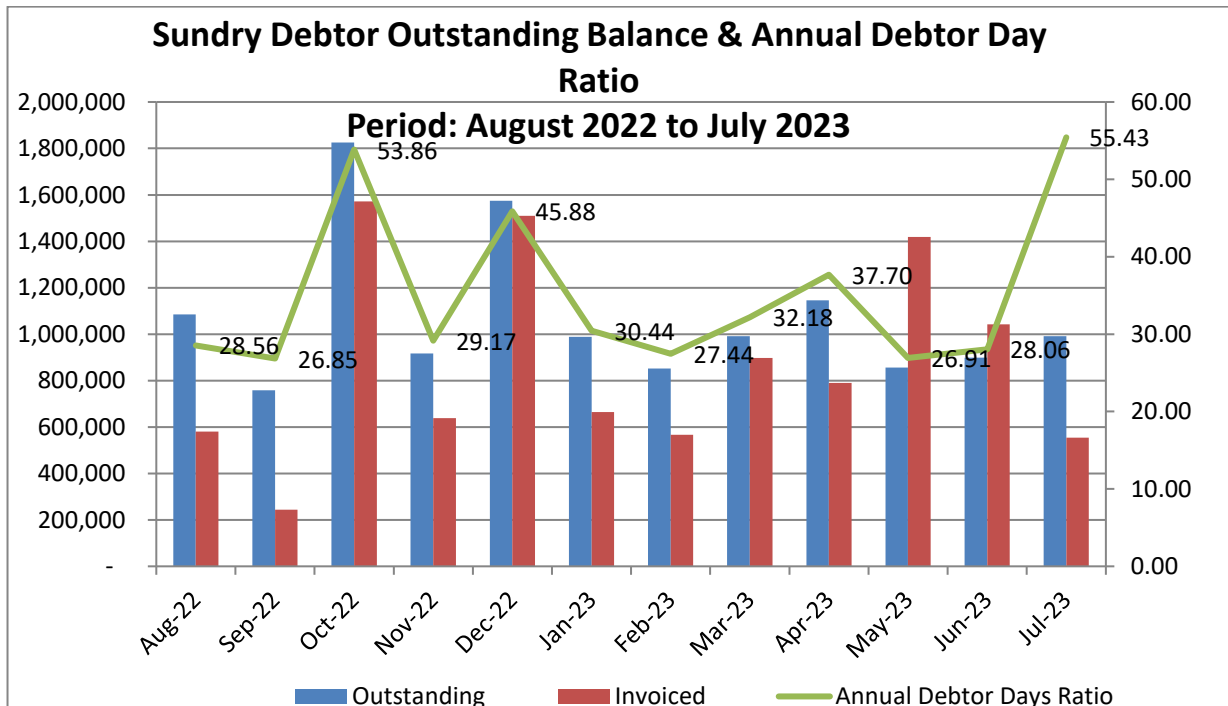
The calculation of the ratio considers the total amount outstanding at the end of the period divided by the total amount invoiced to that period for the financial year. This is then multiplied by the total number of days from 1 July to the end of the period. See calculation in the graph to follow.

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

As at 31 July 2023, the Debtor Day Ratio was 55.43 – being a increase from the prior reporting period as at 31 May 2023 – of 26.91. Of outstanding debt as at 31 July 2023, 35.8% related to current invoices that were not yet due.



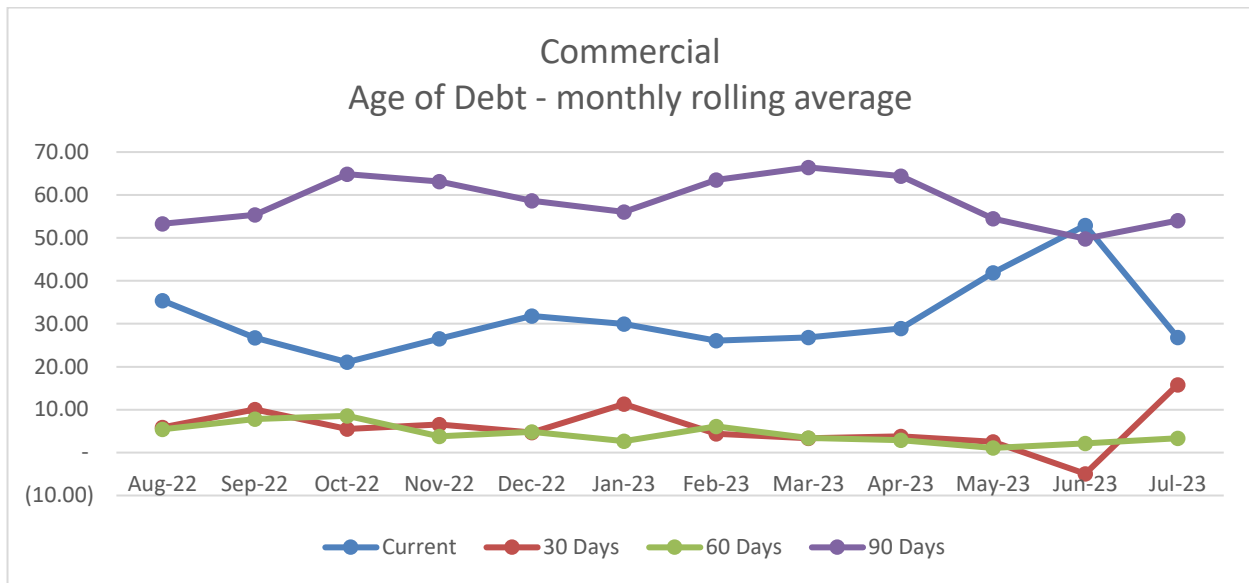
The chart to follow indicates the debtor days over the last 12 months. Of the 12 months, 9 months are below 38 debtor days. This indicates that the overall debt collection policy is effective to contain the debtor days. Additionally, on occasions that the debtor days rise it is brought back down in subsequent months.



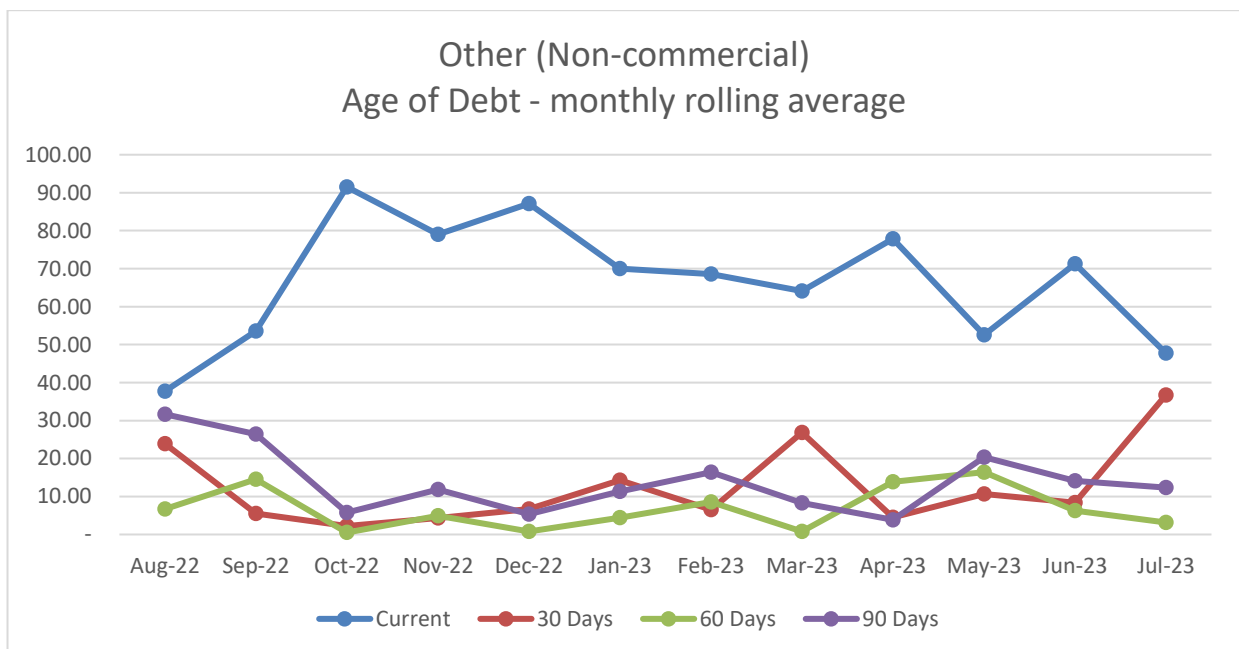
Age of Debt

The rolling 12-month Average for debt in each age category is shown in the graphs to follow for Commercial and Other (non-commercial) debt. These graphs show the 12-month average as at each point in time, to provide a view of the trend of the City’s aged debt portfolio.

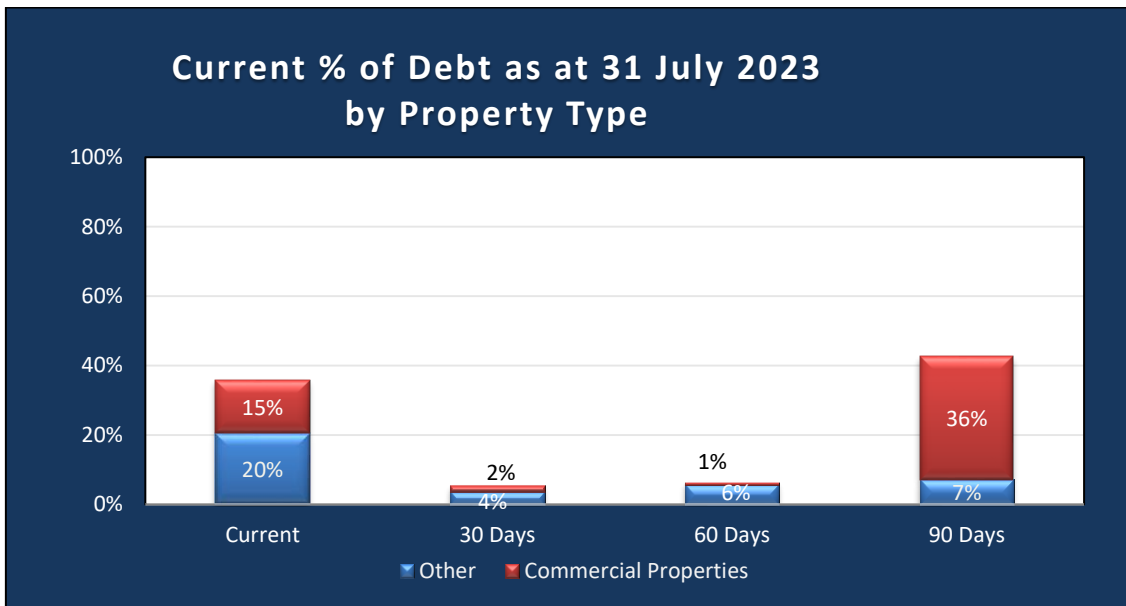
The monthly rolling average of Commercial debt shows that the portion of debt that is current ended July 2023 at 26% and remained relatively steady below 42% over the year. The portion of debt that is over 90 days has remained steady over time and appears to be slightly decreasing in recent months. This currently includes debts associated with 2 commercial property debtors carrying a significant portion of the outstanding debt. This represents a positive trend and indicates an increasing percentage of debt being paid earlier. The portion of debt in the 30-59 days and 60-89 days has not significantly changed.



For Other (non-commercial) debt, the category with the highest amount outstanding is for the current category. Debts over 30 days due have remained below 30% over the review period. This indicates a high degree of debts being collected timely.



The Current Value of Debt by Age category is shown in the graph to follow, split between Commercial Properties and Other (non-Commercial) Property Types:



Of total debt, Commercial Properties account for 15% (\$152K) of Current, and account for 36% of the debt owing 90 days or more (\$306k).

City officers continue to liaise with all commercial tenants to provide assistance, including payment arrangements, where appropriate.

Impact of COVID on Commercial Property

As at 1 April 2021 all COVID-19 waiver arrangements came to an end and 100% of normal rent became payable.

The total amount waived for commercial properties relating to COVID-19 during both the emergency period and recovery period was \$656,975.

After waivers the City invoiced a total of \$492,579 for commercial properties.

To date, of the \$492,579 only \$7,090 remains outstanding. This is a reduction from the prior reporting period of \$3,776 with all debtors currently paying their debts progressively via direct debit arrangements.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required



COUNCIL DECISION ITEM ARMC2308-3
(Officer's and Committee recommendation)

Moved: Mayor, Hannah Fitzhardinge

Seconded: Cr Geoff Graham

Council receive the Overdue Debtors Report as at 31 July 2023, and the confidential attachment listing overdue debts exceeding 90 days with the combined value, by debtor, exceeding \$10,000 as at 31 July 2023.

Carried en bloc: 13/0

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham,
Cr Ben Lawver, Cr Fedele Camarda, Cr Frank Mofflin, Cr Doug Thompson,
Cr Bryn Jones, Cr Marija Vujcic, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang**



ARMC2308-5 INFORMATION REPORT – AUGUST 2023

1. REPORT ON ELECTED MEMBER TRAINING FROM 1 JULY 2022 UNTIL 30 JUNE 2023

Responsible officer: A/Manager Governance
Attachments: 1. Report on Elected Member Training 2022-2023

In June 2019, new provisions were introduced into the *Local Government Act 1995* relating to training and development for elected members.

Section 5.127 of the *Local Government Act 1995* requires local governments to prepare a report on the training completed by elected members for each financial year, which is then to be published on the City's official website.

The attached report contains the professional development completed by current elected members for the 2022-2023 financial year.

2. GRANT THORNTON AUDIT PLANNING REPORT FOR THE YEAR ENDING 30 JUNE 2023

Responsible officer: Director City Business
Attachments: Nil
Confidential attachment: 1. Grant Thornton Final Audit Planning Report

Grant Thornton has been engaged by the Office of the Auditor General (OAG) Western Australia to perform an audit of the City of Fremantle's annual financial statement for the year ending 30 June 2023.

The audit planning report provided in Confidential Attachment 1, highlights the key elements of the proposed audit strategy provided by Grant Thornton. This report is provided to the Audit and Risk Management Committee for information.

Should the Audit and Risk Management Committee wish to make any changes to the audit plan (attached), they are welcome to provide this feedback to officers at the committee meeting and an appropriate amendment will be prepared to incorporate these changes and forwarded to Grant Thornton for consideration.

3. CALL FOR EXPRESSIONS OF INTEREST FOR THE POSITION OF INDEPENDENT MEMBERS

Responsible officer: A/Manager Governance
Attachments: Nil

At the upcoming Ordinary Local Government Election in October 2023, the membership of each council committee (and other groups) will expire, and member positions will become vacant. Following the election new members will be



appointed by council for a two-year term, ending at the next Ordinary Local Government Election in October 2025.

As previously adopted by Council, the Audit and Risk Management Committee (ARMC) terms of reference outlines that the committee will be made up of a minimum of four councillors, the Mayor and two external independent members.

The terms of reference outlines that the external independent members will be selected based on the following criteria:

- a. Demonstrated high level of expertise and knowledge in financial management, or reporting, or governance, or auditing, or risk; and
- b. Relevant skills and experience in providing independent expert advice.

In preparation for the appointment of committee members following the elections, public notice will be given calling for applications/expressions of interest for the two external independent member positions. Applications will be open for a period of four-weeks. The current external independent member, Mr Ben Arnold, will also be provided with an opportunity to re-nominate for the role.

Following the close of applications, the Executive Team will evaluate all applications in line with requirements of an independent member as outlined in the terms of reference. Officers will provide a report on the outcome of this evaluation, to the Audit and Risk Management Committee for consideration at the first committee meeting following the ordinary elections. Recommendation for appointment of the preferred independent members will be forwarded to Council for final consideration.

COUNCIL DECISION ITEM ARMC2308-5
(Officer's and Committee recommendation)

Moved: Mayor, Hannah Fitzhardinge

Seconded: Cr Geoff Graham

Council receive the following information reports for August 2023:

- 1. Elected Member Training from 1 July 2023 until 30 June 2023.**
- 2. Grant Thornton Final Audit Planning Report.**
- 3. Call for expressions of interest for the position of independent members on the Audit and Risk Management Committee.**

Carried en bloc: 13/0

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham,
Cr Ben Lawver, Cr Fedele Camarda, Cr Frank Mofflin, Cr Doug Thompson,
Cr Bryn Jones, Cr Marija Vujcic, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang**



ARMC2308-4 EMERGING ISSUES REPORT – AUGUST 2023

| | |
|-----------------------------------|---|
| Meeting date: | 14 August 2023 |
| Responsible officer: | A/Manager Governance |
| Decision making authority: | Council |
| Attachments: | Nil |
| Confidential Attachments: | 1. Corporate Issues Summary Report (July) |

SUMMARY

This report highlights the relevant issues which are either current or emerging and may significantly affect the operation, financial, legal, or reputational operation of the City.

These matters are raised to inform the committee of any significant issues identified by officers and allow for any further feedback or questions on the actions currently being taken or under consideration to address and resolve them.

BACKGROUND

Part of the role of the Audit and Risk Management Committee is to be aware of the significant emerging financial, political, and corporate issues being identified by the organisation and to understand, review or advise on the possible actions to address these.

FINANCIAL IMPLICATIONS

Some of the issues and potential mitigation actions outlined in this report may include financial implications for the City. Order of magnitude estimates of financial implications based on information available at the time of the report, is included in the issues table attached.

LEGAL IMPLICATIONS

The City actively seeks legal advice and support where issues and risks identified have potential legal implications.

CONSULTATION

Nil.

OFFICER COMMENT

The confidential table attached with this agenda identifies the emerging issues which are considered significant by the organisation. Some are in action,



and some are under review by the organisation and will continue to be updated to the Audit and Risk Management Committee over time.

In conjunction with the organisation's newly developed Risk Management Framework, the City's issues log will provide a consistent and effective means of tracking, managing, and resolving significant corporate and organisational issues.

It should be noted that as the City progresses through the transitional period to the new Risk Management Framework, there are a number of issues covered on both the issues log and the current Corporate Risk Register.

The City's corporate issues log is populated and maintained by officers. This document is maintained live in the City's corporate document management system and is reviewed and discussion by the Executive Leadership Team as a standing agenda item monthly.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required

COUNCIL DECISION ITEM ARMC2308-4 (Officer's and Committee recommendation)

Moved: Mayor, Hannah Fitzhardinge

Seconded: Cr Frank Mofflin

Council receive the emerging issues report for August 2023.

Carried: 13/0

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham,
Cr Ben Lawver, Cr Fedele Camarda, Cr Frank Mofflin, Cr Doug Thompson,
Cr Bryn Jones, Cr Marija Vujcic, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang**



13. Reports and recommendations from officers

C2308-1 BUDGET AMENDMENTS - JULY 2023

Meeting date: 23 August 2023
Responsible officer: Manager Financial Services
Decision making authority: Council
Attachments: Nil

SUMMARY

To adopt various budget amendments to the 2023/2024 budget accounts as detailed in this report in accordance with the Budget Management Policy.

This report recommends that Council approves the required budget amendments to the adopted budget for 2023/24 as outlined.

BACKGROUND

In accordance with the Budget Management Policy this report provides details of proposed amendments to the 2023/2024 budget to Council to adopt budget amendments to:

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

FINANCIAL IMPLICATIONS

The opening surplus carried forward from the 2023FY is proposed to be amended from \$7,177,108 to \$9,020,730. There is Nil impact on the closing surplus of the 2024FY.



| | |
|---|------------------|
| The financial implications are detailed as below: | |
| Opening Surplus 1 July 2023 | 7,177,108 |
| Amendment of carry forward projects funded from Municipal funds | 457,427 |
| FAGS grants amendment | 1,306,195 |
| Amendment for additional budget for 2 lighting projects | 80,000 |
| Amended Opening Surplus 1 July 2023 | 9,020,730 |

The adopted 2023-24 budget includes an estimated opening surplus position of \$7.18 million for carry forward projects. As a result of end of year (EOY) reconciliations for FY2022-23 activities, the current surplus estimate for carry forward projects is at \$7.63m, providing an additional surplus of \$0.46 million. Amendments being proposed that require additional expenditure to the adopted for the 2023-24 budget are to be funded by the additional \$0.46 million surplus. The proposed budget amendments intend to ensure the City maintains the capacity to deliver on current year projects and carry forward projects in line with current budget themes.

A budget amendment is also proposed for the advance payment of \$1.31m received before 30 June 2023 for the 2023/24 Financial Assistance Grants from Department of Government, Sports and Cultural Industries. Budget amendments have been submitted to Council in this report to amend the carry forward surplus and the operating grants budget for general purpose grants income to be received in 23/24FY.

Quarantined community grants budget is proposed to be removed from 23-24 budget and allocated as per FPOL 2307-9, which results in a surplus of \$255 to the closing balance of 2024 FY.

A budget amendment is also being proposed for the three new leased carparks (Carpark 64 -Marine Terrace Italian Club Carpark and Carpark 6A - Point Street). The net impact is additional budget of \$80,054 which is requested to be funded from 2023FY surplus.

Due to increased pricing from Western Power, an additional budget of \$80,000 is requested to deliver the two carry forward lighting capital projects around Walyalup Koort, William, Queen and Henderson Streets. This additional budget is funded from 2023FY surplus.

The EOY reconciliation process for 2022/23FY is still underway. The final surplus will be reported to Council once the annual financial statements are signed off by the auditor.



LEGAL IMPLICATIONS

Local Government Act 1995:

Section 6.2 (1)

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

Section 6.8 (1) and (2)

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

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

Where expenditure has been incurred;

- (a) under S 6.8 (1) (a) it is required to be included in the annual budget for that financial year; and
- (b) under S 6.8 (1) (c), it is to be reported to the next ordinary meeting of the council

Local Government (Financial Management) Regulations 1996:

Regulation 33A

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

CONSULTATION

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

OFFICER COMMENT

The following amendments to budget account numbers to the adopted budget for 2023/2024 are submitted to Council for approval as outlined below.

1. Budget amendments for proposed expenditure for an additional purpose

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



Budget amendments are proposed for the two new leased carparks. The net impact is additional budget of \$80,054 requested to be funded from surplus listed at Item 4.1 Budget amendment for Financial Assistance Grants and Item 5.1 Quarantined projects budget amendments.

| Item | Account # | Account Details | 2023/24 Adopted Budget | Revenue Increase/ (Decrease) | Expenditure (Increase)/ Decrease | 2023/24 Amended Budget |
|-------------|---|--|-------------------------------|-------------------------------------|---|-------------------------------|
| 1.1 | Budget amendment for the 1st year revenue of \$105,000 and costs of \$70,000 for a new leased car park - Carpark 64: Marine Terrace Italian Club Carpark. | | | | | |
| | 100XXX.4561 | Operate carpark Marine Terrace Italian Club Carpark, Fremantle: Parking fee | | 105,000 | | 105,000 |
| | 100XXX.5821 | Operate carpark Marine Terrace Italian Club Carpark, Fremantle: Electricity Expenses | | | (2,500) | (2,500) |
| | 100XXX.6823 | Operate carpark Marine Terrace Italian Club Carpark, Fremantle: Contract expenses | | | (15,000) | (15,000) |
| | 100XXX.6871 | Operate carpark Marine Terrace Italian Club Carpark, Fremantle: Lease Exp | | | (52,500) | (52,500) |
| 1.2 | Budget amendment for the lease payment of \$115,054 for Carpark 6A - Point Street. Parking revenue of \$140,000 has been included in the adopted budget. | | | | | |
| | 100724.6871 | Operate carpark 6A Point Street, Fremantle: Parking fee | | | (115,054) | (115,054) |



New parking fees are to be created for the opening of Carpark 64: Marine Terrace Italian Club Carpark:

| Description | Fee amount |
|---|-------------------|
| Parking fees Carpark 64: Marine Terrace Italian Club Carpark | |
| Fee per hour or part thereof with payment at Ticket Machine | \$2.10 |
| Fee per hour or part thereof with payment by Pay-by-phone - up to 50% discount may apply when authorised under delegation | \$1.90 |
| All Day Parking with payment at Ticket Machine | \$10.50 |
| All Day Parking with payment by Pay-by-phone - up to 50% discount may apply when authorised under delegation | \$4.75-\$9.50 |
| Parking Stalls may be let to Term Parkers Monday to Friday - <i>Valid for 30 days from date of purchase</i> | \$182.50 |
| Parking Stalls may be let to Term Parkers Monday to Sunday and Public Holidays - <i>Valid for 30 days from date of purchase</i> | \$255.50 |

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

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

- a) The proposed expenditure is a maximum of 5% or \$50,000 (whichever is the lesser) above the budgeted amount, and
- b) There are sufficient funds equivalent to the value proposed to be sent allocated to other budget line items within the overall budget, and which, in the opinion of the CEO, are not expected to be spent during that financial year.

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



| Item | Account # | Account Details | 2023/24 Adopted Budget | Revenue Increase/ (Decrease) | Expenditure (Increase)/ Decrease | 2023/24 Amended Budget |
|------|--|--|------------------------|------------------------------|----------------------------------|------------------------|
| 2.1 | Budget of \$80,000 requested due to Western Power increasing their quoted price. The additional budget request is funded from the surplus from 2023FY. | | | | | |
| | 300345.3915 | Municipal surplus - 2023FY | | 80,000 | | 80,000 |
| | 300345.1606 | P-12148 Design and construct - Walyalup Koort Lighting | (290,000) | | (40,000) | (330,000) |
| | 300290.1606 | P-12125 Install - William, Henderson & Queen St - Lighting | (120,000) | | (40,000) | (160,000) |

3. Carried forward projects estimate budget amendments

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

In total, additional budget of \$1,472,197 has been requested for carry forward projects, funded by:

- \$736,444 of additional grants/contributions to be received in 2023/24 financial year
- \$3,150 from reserves
- \$275,176 from unspent grants/contributions
- \$457,427 from Muni surplus of 2022/23 FY



| Item | Account # | Account Details | 2020/21 Adopted Budget | Revenue Increase/ (Decrease) | Expenditure (Increase)/ Decrease | 2020/21 Amended Budget |
|--|-----------|---|------------------------------|------------------------------------|--|------------------------------|
| Capital Projects | | | | | | |
| Amendments are proposed to be made for the following capital projects due a variance in the amount estimated as being available to carry forward for the budget and the actual amount at the year end. | | | | | | |
| 3.1 | | Additional budget of \$1,192,545 required for carry forward capital projects, funded by: | | | | |
| | | <ul style="list-style-type: none"> \$733,138 of additional grants/contributions to be received in 2023/24 financial year \$36,281 transferred back to reserves \$228,119 from unspent grants/contributions \$267,569 from Municipal surplus of 2022/23 FY | | | | |
| The carry forward projects with an adjustment to capital projects for 23-24 are: (Additional budget requested indicated in red numbers and a reduction in budget in black) | | | | | | |
| | | P-11823 Design and construct-Port Beach coastal adaptation | | -\$ | 874,523 | |
| | | P-11992 Design & construct-South Beach-Changerooms | | -\$ | 186,732 | |
| | | P-12028 Program - Coastal Monitoring (South) | | -\$ | 71,754 | |
| | | P-12079 Program - Dog improvements | | -\$ | 60,450 | |
| | | P-12149 Install-Leisure Centre - Air Con | | -\$ | 55,000 | |
| | | P-12127 Design and construct - Hilton Bowling Club - Green | | -\$ | 52,835 | |
| | | P-12123 Design and construct - Leighton Reserve - Playground | | -\$ | 45,000 | |
| | | P-10077 Program-Parks-Infrastructure | | -\$ | 43,688 | |
| | | P-12119 Drainage - Jenkin and Daly St | | -\$ | 30,458 | |
| | | P-12048 Design and construct - Paddy Troy Mall - Lighting | | -\$ | 30,352 | |
| | | P-12116 Install - William St – Trees | | -\$ | 25,218 | |
| | | P-12000 Program - Doepel St - Trees | | -\$ | 19,660 | |
| | | P-12097 Design and construct - South Beach - Bore | | -\$ | 13,487 | |
| | | P-12100 Design and construct - Dick Lawrence - Irrigation | | -\$ | 11,000 | |
| | | P-12032 Purchase - FOGO bins - Multi unit dwellings | | -\$ | 10,754 | |
| | | P-12070 - Deliver - N Fremantle landscaping | | -\$ | 10,582 | |
| | | P-12086 Design and construct - Leighton Beach - Signage | | -\$ | 10,000 | |
| | | P-12151 Design and construct - Moore and Moore Café | | -\$ | 3,911 | |
| | | P-12078 Design and construct - Nannine Commons | | -\$ | 1,399 | |
| | | P-12122 Road Safety - Carrington & Hughes St - Intxn | | -\$ | 258 | |
| | | P-10350 Design and construct-Fremantle Park Sport and Community Centre | \$ | | 1,151 | |
| | | P-11829 Design and construct-Kings Square Commercial tenancy | \$ | | 1,950 | |
| | | P-12103 Resurface - R2R - Marchant Rd | \$ | | 3,369 | |
| | | P-11882 Design and construct - Fremantle Golf Course | \$ | | 4,852 | |
| | | P-12014 Resurface - R2R - Watkins St | \$ | | 14,648 | |
| | | P-11636 Relocation-Vocus communications | \$ | | 21,400 | |
| | | P-10897 Purchase-Wi-Fi network infrastructure | \$ | | 32,032 | |
| | | P-10297 Construct-Walyalup Civic Centre & Library (KS) | \$ | | 34,331 | |
| | | P-12145-Design and construct - North Fremantle Bowling Club | \$ | | 48,841 | |
| | | P-10223 Design and construct - Arts Centre - Roof | \$ | | 201,942 | |



| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|--|-----|---------|--|-----|---------|--|-----|--------|--|-----|--------|--------------------------------------|-----|-------|---|-----|-------|-------------------------------|----|-------|---|----|--------|---|----|--------|--|----|--------|
| 3.2 | <p><u>Operating Projects</u></p> <p>Amendments are proposed to be made for the following operating projects due a variance in the amount estimated as being available to carry forward for the budget and the actual amount at the year end.</p> <p>Additional budget of \$215,366 requested for carry forward operating projects, funded by:</p> <ul style="list-style-type: none"> • \$3,306 of additional grants/contributions to be received in 2023/24 financial year • \$22,202 from unspent grants/contributions • \$189,858 from Muni surplus of 2022/23 FY <p>The carry forward projects with an adjustment to operating projects for 23-24 are: (Additional budget requested indicated in red with a reduction in black numbers)</p> <table> <tr> <td>P-12061 Design and construct - Green linkage</td> <td style="text-align: right;">-\$</td> <td style="text-align: right;">128,000</td> </tr> <tr> <td>P-11830 Program - Biennale festival</td> <td style="text-align: right;">-\$</td> <td style="text-align: right;">100,000</td> </tr> <tr> <td>P-11708 Plan-Coastal monitoring</td> <td style="text-align: right;">-\$</td> <td style="text-align: right;">40,670</td> </tr> <tr> <td>P-12076 Deliver – Urban Forest tree planting</td> <td style="text-align: right;">-\$</td> <td style="text-align: right;">29,048</td> </tr> <tr> <td>P-12161 Voice to Parliament Campaign</td> <td style="text-align: right;">-\$</td> <td style="text-align: right;">6,955</td> </tr> <tr> <td>P-11954 Event - Building Digital Skills</td> <td style="text-align: right;">-\$</td> <td style="text-align: right;">4,022</td> </tr> <tr> <td>P-12073 Program – Groundworks</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">1,750</td> </tr> <tr> <td>P-12043 Program - Strategic Community Plan Review</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">11,525</td> </tr> <tr> <td>P-12156 Local Government Partnership Fund</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">17,380</td> </tr> <tr> <td>P-12124 Software - Tech One - Migration to Cloud</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">62,674</td> </tr> </table> | P-12061 Design and construct - Green linkage | -\$ | 128,000 | P-11830 Program - Biennale festival | -\$ | 100,000 | P-11708 Plan-Coastal monitoring | -\$ | 40,670 | P-12076 Deliver – Urban Forest tree planting | -\$ | 29,048 | P-12161 Voice to Parliament Campaign | -\$ | 6,955 | P-11954 Event - Building Digital Skills | -\$ | 4,022 | P-12073 Program – Groundworks | \$ | 1,750 | P-12043 Program - Strategic Community Plan Review | \$ | 11,525 | P-12156 Local Government Partnership Fund | \$ | 17,380 | P-12124 Software - Tech One - Migration to Cloud | \$ | 62,674 |
| P-12061 Design and construct - Green linkage | -\$ | 128,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| P-11830 Program - Biennale festival | -\$ | 100,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| P-11708 Plan-Coastal monitoring | -\$ | 40,670 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| P-12076 Deliver – Urban Forest tree planting | -\$ | 29,048 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| P-12161 Voice to Parliament Campaign | -\$ | 6,955 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| P-11954 Event - Building Digital Skills | -\$ | 4,022 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| P-12073 Program – Groundworks | \$ | 1,750 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| P-12043 Program - Strategic Community Plan Review | \$ | 11,525 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| P-12156 Local Government Partnership Fund | \$ | 17,380 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| P-12124 Software - Tech One - Migration to Cloud | \$ | 62,674 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3.3 | <p><u>Base Operating Activities</u></p> <p>Amendments are proposed to be made for the following base operating activities due a variance in the amount estimated as being available to carry forward for the budget and the actual amount at the year end.</p> <p>Additional budget of \$64,286 requested for carry forward base operating activities, funded by:</p> <ul style="list-style-type: none"> • \$39,431 from reserves • \$24,855 from unspent grants/contributions <p>The carry forward projects with an adjustment to operating projects for 23-24 are: (Additional budget requested indicated in red)</p> <table> <tr> <td>MOU Notre Dame</td> <td style="text-align: right;">-\$</td> <td style="text-align: right;">24,855</td> </tr> <tr> <td>Service charge - use of community bore</td> <td style="text-align: right;">-\$</td> <td style="text-align: right;">6,635</td> </tr> <tr> <td>Maintain Landscape -Leighton Precinct SAR 4.</td> <td style="text-align: right;">-\$</td> <td style="text-align: right;">32,796</td> </tr> </table> | MOU Notre Dame | -\$ | 24,855 | Service charge - use of community bore | -\$ | 6,635 | Maintain Landscape -Leighton Precinct SAR 4. | -\$ | 32,796 | | | | | | | | | | | | | | | | | | | | | |
| MOU Notre Dame | -\$ | 24,855 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Service charge - use of community bore | -\$ | 6,635 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Maintain Landscape -Leighton Precinct SAR 4. | -\$ | 32,796 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

4. Budget amendment for Financial Assistance Grants

The budget amendment below is to adjust the Financial Assistance Grants to be received in 2024 FY and to amend the carried forward Muni surplus to reflect the opening position of 2023/24 financial year.



| Item | Account # | Account Details | 2023/24 Adopted Budget | Revenue Increase/ (Decrease) | Expenditure (Increase)/ Decrease | 2023/24 Amended Budget |
|------|--|--|------------------------|------------------------------|----------------------------------|------------------------|
| 4.1 | Advance payment of \$1,306,195 received before 30 June 2023 for the 2023/24 Financial Assistance Grants from Department of Government, Sports and Cultural Industries, which increased carry forward Muni surplus from 2023FY. The resulting surplus of \$79,799 is used to fund the budget amendment for lighting project listed at Item 2.1. | | | | | |
| | 100239.4315 | Receive general purpose grants and contributions | 1,226,396 | (1,226,396) | | 0 |
| | 100239.3915 | Muni surplus - 2023FY | | 1,306,195 | | 1,306,195 |

5. Quarantined projects budget amendments

In accordance with Council Decision Item FPOL2307-9, Community Funding Agreements, the budget amendments below are to release the quarantined budget for the following projects:

| Item | Account # | Account Details | 2023/24 Adopted Budget | Revenue Increase/ (Decrease) | Expenditure (Increase)/ Decrease | 2023/24 Amended Budget |
|------|---|--|------------------------|------------------------------|----------------------------------|------------------------|
| 5.1 | Release quarantine from 23-24 budgets and allocate community funding as per FPOL 2307-9 to Imagined Futures \$10,000, Fremantle Mens Shed \$20,000, Fremantle Surf Life Saving \$34,500, and Fremantle Foundation \$15,000. Total budget saving is \$255, which is used to fund the budget amendment for lighting project listed at Item 2.1. | | | | | |
| | 100458.5935 | Support men's shed - Quarantined Sponsorship | (25,000) | | 25,000 | - |
| | 100467.5935 | Allocate community development funding - Quarantined Sponsorship | (36,000) | | 36,000 | - |
| | 100768.5935 | Allocate Imagine Futures grant funding - Quarantined Sponsorship | (10,000) | | 10,000 | - |



| | | | | | | |
|-------------|--|---------|--|--|----------|----------|
| 100770.5935 | Support Fremantle Surf Lifesaving Club - Quarantined Sponsorship | (8,755) | | | 8,755 | - |
| 100458.5961 | Support men's shed - Sponsorship -Individual Assistance | | | | (20,000) | (20,000) |
| 100467.5961 | Allocate community development funding - Sponsorship | | | | (15,000) | (15,000) |
| 100768.5933 | Allocate Imagine Futures grant funding - Quarantined Sponsorship | | | | (10,000) | (10,000) |
| 100770.5961 | Support Fremantle Surf Lifesaving Club - Sponsorship | | | | (34,500) | (34,500) |

6. Fees and Charges amendments

As part of the budget adoption for 2023/2024 there were new Development cost fees adopted. The new fees were introduced for the issuing of a clearance letter for planning conditions. The fee is tiered to acknowledge that the larger the application, the more work is involved to review the information and confirm with the applicant if the conditions have been met. The description of the adopted fees are proposed to be amended to provide greater clarity with regards to these fees. The fee amounts are not proposed to change from that adopted.

| <i>Description</i> | <i>Fee amount</i> |
|---|-------------------|
| <i>Development cost over \$50,000 but no more than \$500,000</i> | <i>\$100</i> |
| <i>Development cost over \$500,000 but no more than \$2,500,000</i> | <i>\$250</i> |
| <i>Development cost over \$2,500,000 but no more than \$5,000,000</i> | <i>\$500</i> |



| | |
|-----------------------------------|-------|
| Development cost over \$5,000,000 | \$750 |
|-----------------------------------|-------|

The following is the fees and charges schedule adopted for reference only.

| Description | \$ | \$ | \$ | Unit |
|--|----------|--------|----------|------------|
| Planning Condition Clearance Letter | \$100.00 | \$0.00 | \$100.00 | agreement |
| Development Cost no more than \$50,000 but no more than \$500,000 | | | | per letter |
| Planning Condition Clearance Letter | \$250.00 | \$0.00 | \$250.00 | per letter |
| Development Cost no more than \$500,000 but no more than \$2,500,000 | | | | |
| Planning Condition Clearance Letter | \$500.00 | \$0.00 | \$500.00 | per letter |
| Development Cost no more than \$50,000 but no more than \$500,000 | | | | |
| Planning Condition Clearance Letter | \$750.00 | \$0.00 | \$750.00 | per letter |
| Development Cost more than \$5,000,000 above | | | | |

VOTING AND OTHER SPECIAL REQUIREMENTS

Absolute Majority Required

COUNCIL DECISION ITEM C2308-1 **(Officer’s recommendation)**

Moved: Mayor, Hannah Fitzhardinge Seconded: Cr Jenny Archibald

- Council approve the required budget amendments to the adopted budget for 2023/2024 as outlined in this report. The impact thereof is:**

| | |
|--|------------------|
| The financial implications are detailed as below: | |
| Opening Surplus 1 July 2023 | 7,177,108 |
| Amendment of carry forward projects funded from Muni funds | 457,427 |
| FAGS grants amendment | 1,306,195 |
| Amendment for additional budget for 2 lighting projects | 80,000 |
| Base Operating activities (reserve and grant funded) | 0 |
| Release Quarantined Project funding (within budget) | 0 |
| Amended Opening Surplus 1 July 2023 | 9,020,730 |

- Council approve the amendment of the Development and parking costs for budget 2023/24, as per s 6.16 of the Local Government Act 1995, as follows:**

| Description | Fee amount |
|---|------------|
| Development costs | |
| Development cost over \$50,000 but no more than \$500,000 | \$100 |



| | |
|---|---------------|
| Development cost over \$500,000 but no more than \$2, 500,000 | \$250 |
| Development cost over \$2, 500, 000 but no more than \$5, 000,000 | \$500 |
| Development cost over \$5,000,000 | \$750 |
| Parking fees Carpark 64: Marine Terrace Italian Club Carpark | |
| Fee per hour or part thereof with payment at Ticket Machine | \$2.10 |
| Fee per hour or part thereof with payment by Pay-by-phone - up to 50% discount may apply when authorised under delegation | \$1.90 |
| All Day Parking with payment at Ticket Machine | \$10.50 |
| All Day Parking with payment by Pay-by-phone - up to 50% discount may apply when authorised under delegation | \$4.75-\$9.50 |
| Parking Stalls may be let to Term Parkers Monday to Friday - <i>Valid for 30 days from date of purchase</i> | \$182.50 |
| Parking Stalls may be let to Term Parkers Monday to Sunday and Public Holidays - <i>Valid for 30 days from date of purchase</i> | \$255.50 |

**Carried: 12/1
For**

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham,
Cr Ben Lawver, Cr Fedele Camarda, Cr Frank Mofflin, Cr Doug Thompson,
Cr Bryn Jones, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang**

**Against
Cr Marija Vujcic**



C2308-2 CEO ANNUAL PERFORMANCE REVIEW FOR 2022/23 AND ADOPTION OF PERFORMANCE CRITERIA FOR 2023/24

| | |
|-----------------------------------|---|
| Meeting date: | 23 August 2023 |
| Responsible officer: | Manager People and Culture |
| Decision making authority: | Council |
| Attachments: | <ol style="list-style-type: none">1. Annual Performance Review 2022 to 2023 – Summary Report to Council and Performance Criteria for July 2023 to June 2024 (Price Consulting).2. CEO's report on performance criteria for 2022-2023 |
| Confidential Attachments: | <ol style="list-style-type: none">1. Confidential Performance Review Report 2022 to 2023 (Price Consulting) |

SUMMARY

This report recommends Council receive the Chief Executive Officer's annual performance review for the period of July 2022 to June 2023. Recommendations are made on the proposed performance criteria for the period of July 2023 to June 2024 for Council consideration.

BACKGROUND

Council as the employer of the CEO is required to review the performance of the CEO and provide measures and feedback to the CEO in line with their employment contract, at least once a year.

The Council appointed a CEO Performance Review Committee to undertake the performance review of the CEO on behalf of Council throughout the year, and report findings and recommendations to Council for consideration in accordance with the *Local Government Act 1995*.

To ensure the CEO performance review is undertaken in an impartial and transparent manner, the Council appointed an independent consultant from Price Consulting Group to undertake the annual review process in consultation with the CEO Performance Review Committee (the Committee).

FINANCIAL IMPLICATIONS

The Local Government Act 1999 Part 5, Division 4 requires that a CEO is to be paid in line with the current Salaries and Allowances Tribunal determination.

The committee recommended a 5% increase in remuneration, plus the statutory 0.5% increase to superannuation.



LEGAL IMPLICATIONS

The CEO review has been conducted in accordance with sections 5.38 and 5.39(3)(b) of the *Local Government Act 1995*, which requires that:

- The performance of the CEO be reviewed at least once a year;
- The CEO will have a written contract of employment, which shall include performance criteria for the purpose of conducting a review; and
- A Local Government is to consider each review on the performance of the CEO carried out under section 5.38 and is to accept the review, with or without modification, or to reject the review.

CONSULTATION

All Elected Members and a selection of staff were invited to undertake an online questionnaire as part of the CEO’s annual performance review process.

OFFICER COMMENT

In line with the review process adopted by Council in July 2022, the CEO’s annual performance review for the period July 2022 to June 2023 was undertaken by the City’s consultant in consultation with the CEO Performance Review Committee (the Committee).

A summary of the process undertaken, is provided below:

| Activity | Due Date (2023) |
|--|-----------------|
| CEO self-report sent to consultant (Attachment 2) | |
| Draft feedback questionnaires for Councillors and Staff developed and sent to Mayor and CEO for approval | 6 July |
| Feedback questionnaires issued/feedback period opens | 10 July |
| Feedback period closes | |
| Draft Assessment Report sent to CEO for initial review regarding procedural fairness | |
| Consultant sends Draft Performance Review Report and a working draft of the new CEO Performance Criteria to members of the CEO Performance Review Committee | |
| Consultant presents high-level outcomes to the Committee and facilitates a discussion that identifies: <ul style="list-style-type: none"> • Key achievements to thank/congratulate the CEO for Priority focus areas for the next period • Any changes required to the Performance Criteria for the next period | 11 August |



| Activity | Due Date (2023) |
|---|------------------------|
| Consultant meets with CEO to advise the outcomes of the meeting with Committee | 11 August |
| Consultant facilitates the formal feedback meeting with CEO and Committee | 11 August |
| Consultant finalises the Performance Review Report and sends to the CEO and Mayor | 17 August |
| Consultant develops a Summary Report to Council and sends to CEO for inclusion on the Agenda for the 23 August OCM. | |

A summary report of the findings from the annual performance review of Mr Dougall is provided by the consultant from Price Consulting Group in Attachment 1, for Council consideration. A detailed performance review report is provided under separate cover as confidential attachment 1.

The proposed performance criteria for the period July 2023 to June 2024, is also provided in Attachment 1, for Council consideration. Following adoption of the revised performance criteria, the Committee agreed that the CEO will prepare a brief report outlining progress against these KPIs in November and March for discussion with the Committee.

It is recommended by the CEO Performance Review Committee, that Council endorse the findings of the annual performance review as outlined in the consultant’s report and approve the proposed performance criteria for the period July 2023 to June 2024.

VOTING AND OTHER SPECIAL REQUIREMENTS

Absolute majority required.

**COUNCIL DECISION ITEM C2308-2
(Officer’s recommendation)**

Moved: Mayor, Hannah Fitzhardinge

Seconded: Cr Frank Mofflin

Council:

- 1. Notes that the appraisal of Mr Glen Dougall, Chief Executive Officer, has been completed for the period of July 2022 to June 2023.**
- 2. Endorses the findings of the Annual Performance Review Report as presented by Price Consulting in Attachment 1 and thank Mr Dougall for his efforts.**



- 3. Approves an increase of 5% to the salary (cash) component of Mr Dougall's Total Remuneration Package, effective 1 July 2023.**
- 4. Approves to apply the Superannuation Guarantee increase (to 11%) that came into effect on 1 July 2023 to Mr Dougall's Total Reward Package.**
- 5. Approves that any future Superannuation guarantee increases are applied to Mr Dougall's Total Reward Package on the date they take effect.**
- 6. Approves the CEO's Performance Criteria for the 2023-2024 period, as provided in Attachment 1.**

**Carried: 12/1
For**

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham,
Cr Ben Lawver, Cr Fedele Camarda, Cr Frank Mofflin, Cr Doug Thompson,
Cr Bryn Jones, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang**

**Against
Cr Marija Vujcic**



C2308-3 STATEMENT OF INVESTMENTS – JULY 2023

| | |
|-----------------------------------|---|
| Meeting date: | 23 August 2023 |
| Responsible officer: | Manager Financial Services |
| Decision making authority: | Council |
| Attachments: | 1. Statement of Investments – July 2023 |

SUMMARY

This report outlines the investment of surplus funds for the month ending 31 July 2023 and provides information on these investments for Council consideration.

This report recommends that Council receive the Investment Report for the month ended 31 July 2023, as provided in Attachment 1.

The investment report provides a snapshot of the City’s investment portfolio and includes information as at 31 July 2023 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 seeks to ensure its financial investments consider the City’s One Planet Fremantle Strategy. The City therefore 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 \$129,342 against a full year amended budget of \$1,106,375. Interest earnings year to date are higher than budget by \$35,545, with \$129,342 being earned in July. The current official cash rate



as determined by the Reserve Bank is 4.1%. The Reserve bank did not increase the cash rate at their August Board meeting. However, the current cash rate remains the highest since April 2012. Current investment markets continue to offer attractive interest rates.

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 3.69% for the month of July 2023. The City's actual portfolio return in the last 12 months is 2.96%, which compares on par with the benchmark Bloomberg AusBond Bill Index reference rate of 3.15% (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).

CONSULTATION

Nil

OFFICER COMMENT

The City's Investment Portfolio Manager has provided a comprehensive Investment Report for the month ending 31 July 2023 which can be viewed in the Attachment. A summary of the investment report is provided below.

1. Portfolio Details

As at 31 July 2023, the City's investment portfolio totalled \$30.56m. The market value of this investment was \$30.88m at that time, which takes into account accrued interest.

The investment portfolio is made up of:

| | |
|--------------------------------|------------------|
| Cash Investments (<= 3 months) | \$ 9.06m |
| Term Deposits (> 3 months) | \$ 21.50m |
| TOTAL | \$ 30.56m |



Of which:

| | |
|---------------------------------|-----------|
| Unrestricted cash | \$ 20.18m |
| Restricted cash (Reserve Funds) | \$ 10.38m |
| TOTAL | \$ 30.56m |

The current amount of \$20.18m held as unrestricted cash represents 22.42% 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 31 July 2023, 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 | 6,874,584.92 | 22.50% | 100.00% | 22.50% | 77.50% | 0.00% |
| Tier 2 | 17,183,158.07 | 56.23% | 60.00% | 93.72% | 6.28% | 0.00% |
| Tier 3 | 6,500,000.00 | 21.27% | 35.00% | 60.77% | 39.23% | 0.00% |
| Tier 4 | 0.00 | 0.00% | 15.00% | 0.00% | 100.00% | 0.00% |
| | 30,557,742.99 | | | | | |

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.

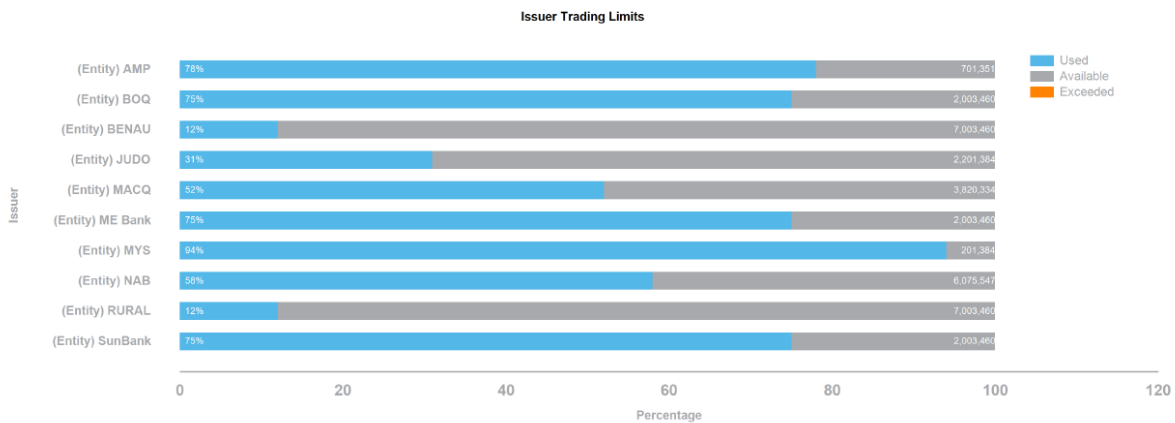


Counterparty credit framework

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 31 July 2023, relative to the Counterparty Credit Framework limits were as follows:



As highlighted in the chart above, the City’s portfolio of investments as at 31 July 2023 is compliant with the City’s investment policy.

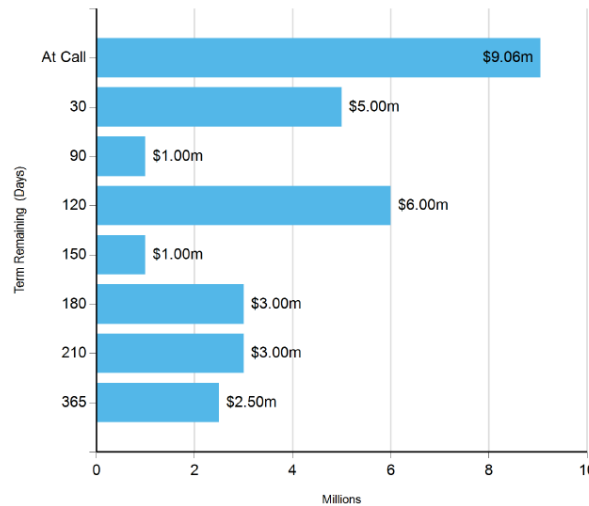
3. Portfolio Liquidity Indicator

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.

The below graph provides details on the maturity timing of the City’s investment portfolio as at 31 July 2023. Currently, all investments will mature in one year or less.



Face Value by Term Remaining

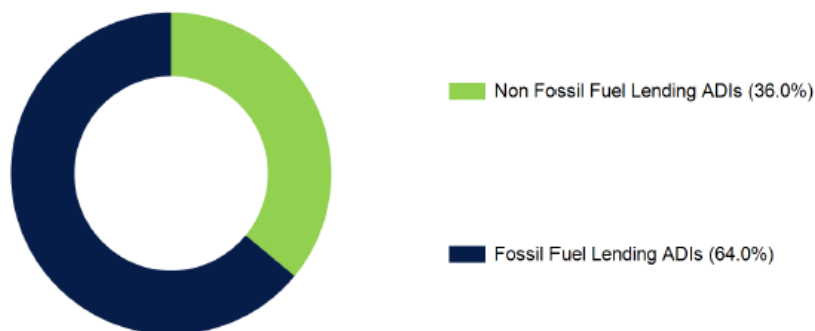


4. Portfolio Summary by Fossil Fuels Lending Authorised Deposit-Taking Institutions (ADIs)

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 31 July 2023, \$11m (36%) 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.



Managing risk amid volatility in the global banking sector

Noting the intent of the policy, the City continues to monitor risk associated with current global economic conditions and the impact this may be having on the solvency of some banks, and subsequent security of the City's investments.

Moody's recently cut the credit ratings of several small to mid-sized U.S. banks and indicated it may also downgrade some of the larger lenders in the U.S. This was primarily due to funding risks and weaker profitability.

High interest rates, declines in office demand as a result of remote work, and a reduction in the availability of credit for commercial real estate has meant that banks with elevated exposure to commercial real estate portfolios are facing declines in profitability and greater difficulties in raising internal capital.

This follows the collapse of Silicon Valley Bank and Signature Bank earlier this year which damaged confidence in the U.S. banking sector, leading authorities to put emergency measures in place to shore up confidence.

While Australia's banking sector remains relatively strong, and the City is not currently exposed to the situation in the U.S, Australia is not immune from the issue of high interest rates, making the possibility of a mild recession likely if the Reserve Bank's current strategy around interest rates slows the economy at a faster rate than expected.

Given the current volatility in the banking sector the City is currently prioritising 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. However outside of this the City will prioritise low risk investment activity across higher tier banks in order to limit the City's exposure to the increasing risk being faced across the sector as some of the world's larger economies begin to face the prospect of recession.

5. Interest Income for Matured Investments

Per Attachment 1 (Note 9), interest income earned during July 2023 from matured investments was \$125,237.

6. Investing Activities

In July 2023, 6 term deposits totalling \$6m matured and out of a total of \$1m were reinvested across 1 term deposit. \$5m was transferred back to operation account to meet the cashflow requirement before the first-rate instalment.

Full details of the institutions invested in, interest rates, number of days and maturity date for investments held as at 31 July 2023 are provided in Attachment 1.



VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required.

COUNCIL DECISION ITEM C2308-3 **(Officer's recommendation)**

Moved: Mayor, Hannah Fitzhardinge

Seconded: Cr Geoff Graham

Council receive the Investment Report for the month ending 31 July 2023, as provided in Attachment 1.

Carried: 13/0

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham,
Cr Ben Lawver, Cr Fedele Camarda, Cr Frank Mofflin, Cr Doug Thompson,
Cr Bryn Jones, Cr Marija Vujcic, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang**



C2308-4 SCHEDULE OF PAYMENTS – JULY 2023

| | |
|-----------------------------------|---|
| Meeting date: | 23 August 2023 |
| Responsible officer: | Procure to Pay Team Lead |
| Decision making authority: | Council |
| Attachments: | 1. Schedule of Payments and Listings 2. Purchase Card Transactions <i>Attachments viewed electronically</i> |

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 31 July 2023, 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 July 2023, is provided within Attachments 1 and 2.

FINANCIAL IMPLICATIONS

A total of \$9,216,751.44 in payments were made this month from the City's municipal and trust fund accounts.

LEGAL IMPLICATIONS

Regulation 13 of the *Local Government (Financial Management) Regulations 1996* states:

13. *Payments from municipal fund or trust fund by CEO, CEO's duties as to etc.*
 - (1) *If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing for each account paid since the last such list was prepared –*
 - (a) *the payee's name; and*
 - (b) *the amount of the payment; and*
 - (c) *the date of the payment; and*



- (d) sufficient information to identify the transaction.*
- (2) A list of accounts for approval to be paid is to be prepared each month showing*
- (a) for each account which requires council authorisation in that month –*
- (i) the payee’s name;*
 - (ii) the amount of the payment; and*
 - (iii) sufficient information to identify the transaction; and*
- (b) the date of the meeting of the council to which the list is to be presented.*
- (3) A list prepared under sub-regulation (1) or (2) is to be –*
- (a) presented to the council at the next ordinary meeting of the council after the list is prepared; and*
 - (b) recorded in the minutes of that meeting.*

CONSULTATION

Nil

OFFICER COMMENT

The following table summarises the payments for the month ending 31 July 2023 by payment type:

| Payment Type | Amount (\$) |
|---------------------------------|------------------------|
| Cheque / EFT / Direct Debit | \$ 6,774,617.54 |
| Purchase card transactions | \$ 51,053.48 |
| Salary / Wages / Superannuation | \$ 2,391,080.42 |
| Total | \$ 9,216,751.44 |

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 31 July 2023.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required



COUNCIL DECISION ITEM C2308-4
(Officer's recommendation)

Moved: Mayor, Hannah Fitzhardinge

Seconded: Cr Ben Lawver

Council:

- 1. Accept the list of payments made under delegated authority, totalling \$9,216,751.44 for the month ending 31 July 2023 including the Cheque /EFT/ Direct Debits as contained within Attachment 1.**
- 2. Accept the detailed transaction listing of Purchase Card expenditure, totalling \$51,053.48 for the month ending 31 July 2023, as contained within Attachment 2.**

Carried: 13/0

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham,
Cr Ben Lawver, Cr Fedele Camarda, Cr Frank Mofflin, Cr Doug Thompson,
Cr Bryn Jones, Cr Marija Vujcic, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang**



C2308-5 MONTHLY FINANCIAL REPORT - JULY 2023

| | |
|-----------------------------------|---|
| Meeting date: | 23 August 2023 |
| Responsible officer: | Manager Financial Services |
| Decision making authority: | Council |
| Attachments: | 1. Monthly Financial Report – July 2023 |

SUMMARY

The monthly financial report for the period ending 31 July 2023 has been prepared and tabled in accordance with the *Local Government (Financial Management) Regulations 1996*.

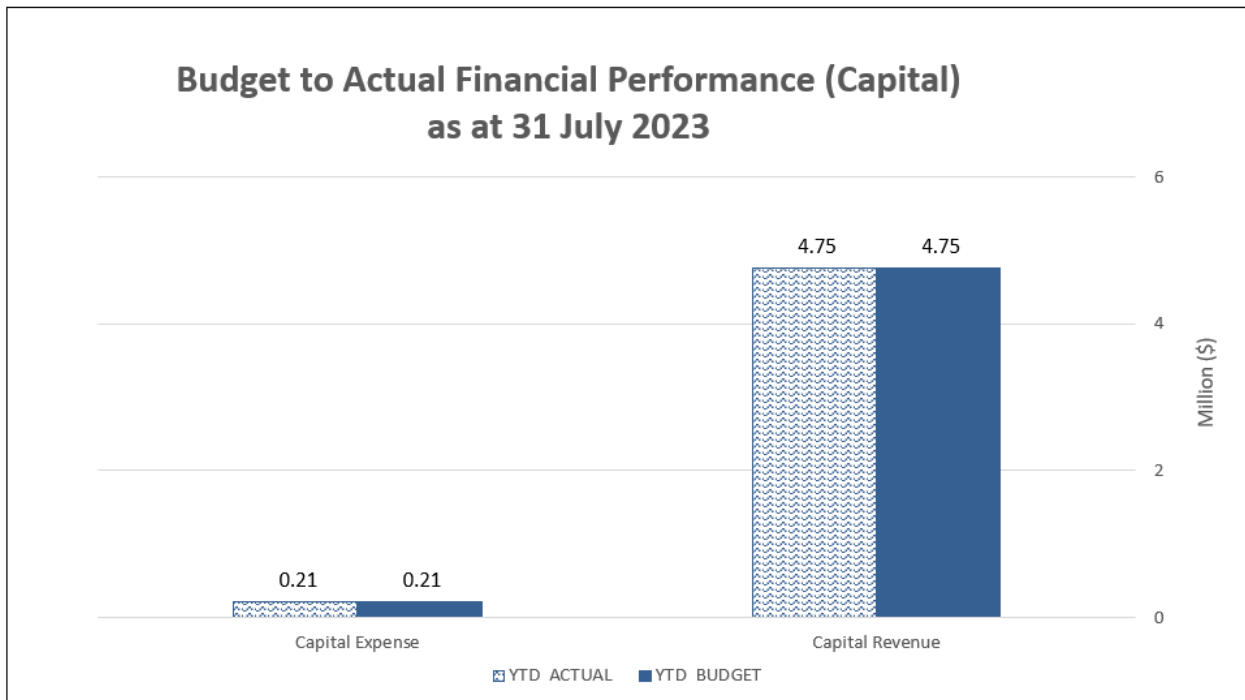
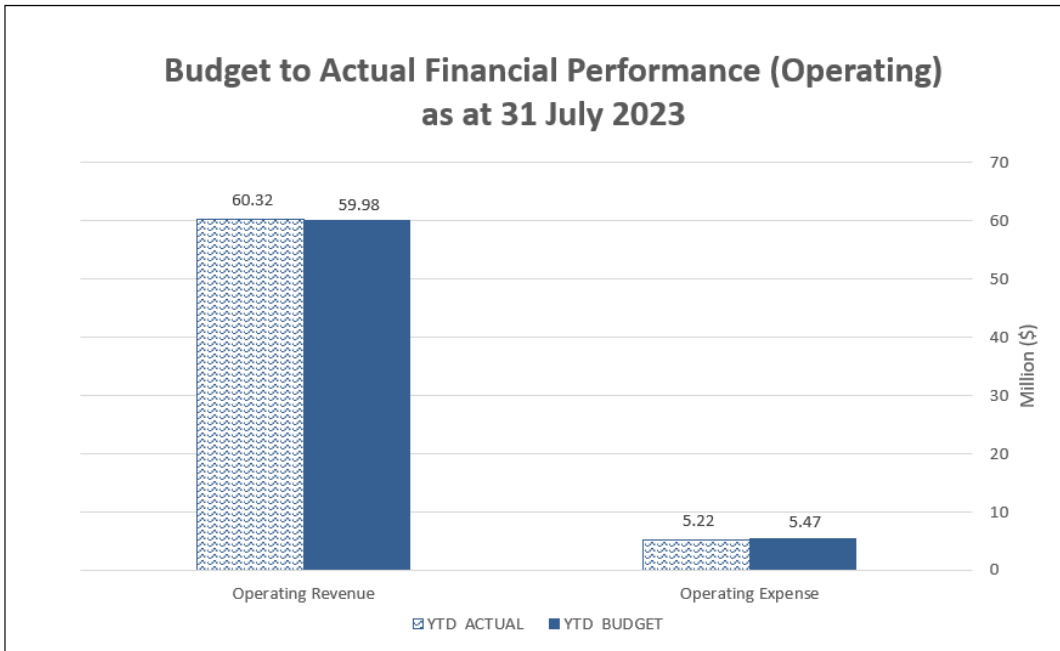
This report provides an analysis of financial performance up to July 2023 based on the following statements:

- **Statement of Comprehensive Income by Nature and by Program;**
- **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 31 July 2023 is prepared considering accrued interest on borrowings (loans) and prepaid insurance premiums. Please note 2022/23 FY figures reported as comparisons for 31 July 2023 in this report are draft unaudited report only subject to change with end-of-year adjustments.

BACKGROUND

The following graph and table provide a high-level summary of the Council's year to date financial performance as at 31 July 2023.



STATEMENT OF FINANCIAL ACTIVITY – BY NATURE FOR THE PERIOD TO 31 JULY 2023

Below is a summary of the year-to-date Statement OF Financial Activity by Nature, to 31 July 2023. The detailed Statement can be found in the attached Financial Report.



| Description | YTD Adopted Budget | YTD Actual | Variance | Variance |
|----------------------------------|--------------------------|---------------|-------------|---------------|
| | \$M | \$M | \$M | % |
| Opening Surplus | 7.18 | 11.59 | 4.41 | 61.47% |
| Operating | | | | |
| General Rate Revenue | 57.35 | 57.66 | 0.31 | 0.54% |
| Revenue (Exc. Rates) | 2.63 | 2.66 | 0.03 | 1.14% |
| Expenses | (5.47) | (5.22) | 0.25 | 4.42% |
| Non-Cash Adj. | 0.99 | 0.99 | 0.00 | |
| | 55.50 | 56.09 | 0.59 | 1.06% |
| Investing | | | | |
| Capital Revenue | 4.75 | 4.75 | 0.00 | 0.00% |
| Capital Expenses | (0.21) | (0.21) | 0.00 | 0.00% |
| | 4.54 | 4.54 | 0.00 | 0.00% |
| Financing | | | | |
| Repayment Loans & Leases | (0.34) | (0.34) | 0.00 | 0.00% |
| Reserve Transfers | 0.00 | 0.00 | 0.00 | - |
| | (0.34) | (0.34) | 0.00 | 0.00% |
| Closing Surplus/(Deficit) | 66.88 | 71.88 | 5.00 | 7.47% |

STATEMENT OF COMPREHENSIVE INCOME – BY NATURE AND TYPE FOR THE PERIOD TO 31 JULY 2023

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 % |
|---------------------------------------|--------------------------|-------------------|----------------|---------------|
| Operating Income | | | | |
| Rates (including Annual Levy) | 57,351,324 | 57,659,897 | 308,573 | 0.54% |
| Service Charges | - | - | - | 0.00% |
| Op. Grants, Subsidies & Contributions | 512,962 | 512,962 | - | 0.00% |
| Fees and Charges | 1,868,013 | 1,868,085 | 72 | 0.00% |
| Interest Earnings | 96,838 | 132,383 | 35,545 | 36.71% |
| Reimbursement Income | 85,072 | 85,071 | - | 0.00% |
| Other Income | 63,266 | 63,266 | - | 0.00% |
| Total | 59,977,475 | 60,321,664 | 344,189 | 0.57% |



| | | | | |
|--|--------------------|--------------------|----------------|--------------|
| Operating Expenses | | | | |
| Employee Costs | (2,502,603) | (2,210,029) | 292,574 | 11.69% |
| Employee costs - Agency Labour | (46,850) | (46,851) | - | 0.00% |
| Materials and Contracts | (1,657,240) | (1,675,065) | (17,825) | (1.08%) |
| Depreciation – Non-Curr. Assets | (989,474) | (989,475) | - | 0.00% |
| Interest Expenses | (19,029) | (52,037) | (33,008) | (173.46%) |
| Utility Charges | (176,930) | (176,931) | - | 0.00% |
| Insurance Expenses | (4,561) | (4,561) | - | 0.00% |
| Other Expenditure | (69,170) | (69,186) | (16) | 0.00% |
| Total | (5,465,857) | (5,224,134) | 241,726 | 4.42% |

Further explanation of material variances can be found under Officer’s Comments below.

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.

CONSULTATION

Nil

OFFICER’S COMMENT

Summary of financial performance

As at the end of July 2023, the City demonstrated strong performance with a closing funding surplus of \$71.88m.

In summary, as at the end of July 2023, the current surplus exceeds the YTD amended budget by \$5m. This is mainly due to favourable variances against the year-to-date budget in the following areas:

- Increased carry forward funds from the 2022-23 financial year of \$4.4m compared to the adopted budget;
- Increased Rates revenue of \$0.3m;
- Operating expenditure savings of \$0.3m from Employee Cost.



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.

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 surplus 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 Rate Setting Statement as at 31 July 2023:



| Description | Variance Amount (\$) | Comment |
|--|----------------------|---|
| Employee Cost | 292,574 | ▲ 12% |
| Major Variances: | | |
| Employee Cost – Staff Establishment | 284,767 | The Employee cost savings are mainly due to vacant positions and salary increment that hasn't been fully completed as yet. |
| Net current assets at start of financial year - surplus/(deficit) | 4,411,781 | ▲ 61% |
| Carry forward funds from the 2022-23 financial year | 4,411,781 | The carry forward surplus from 30 June 2023 is over the budgeted opening balance by \$4.4m. The End of the Financial Year reconciliation process is still in process. The final surplus will be reported to Council once the annual financial statements are signed off by the auditor. |

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required

COUNCIL DECISION ITEM C2308-5 **(Officer's recommendation)**

Moved: Mayor, Hannah Fitzhardinge

Seconded: Cr Frank Mofflin

Council receive the Monthly Financial Report, as provided in Attachment 1, including the Statement of Comprehensive Income, Statement of Financial Activity, Statement of Financial Position and Statement of Net Current Assets, for the period ended 31 July 2023.

**Carried: 12/1
For**

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham,
Cr Ben Lawver, Cr Fedele Camarda, Cr Frank Mofflin, Cr Doug Thompson,
Cr Bryn Jones, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang**

**Against
Cr Marija Vujcic**



14. Motions of which previous notice has been given

PC2308-8 NOTICE OF MOTION – MC CABE ST PRECINCT - STRUCTURE PLANNING– CR SU GROOME

| | |
|-----------------------------------|--|
| Meeting date: | 2 August 2023 |
| Responsible officer: | Director Planning, Place and Urban Development |
| Decision making authority: | Council |
| Attachments: | Nil |

ELECTED MEMBER SUMMARY

At the Ordinary Council Meeting of 28 June 2023 Councillors resolved to forward an application for a Precinct Structure Plan at 140 Stirling Highway to the Western Australian Planning Commission (WAPC), with the recommendation that it not be approved. Reasons included the lack of strategic planning basis for the scale of the proposal and poor contextual response of the proposal's built form and open spaces.

Council recently made similar recommendations to the Joint Development Assessment Panel in regarding an application for comprehensive redevelopment of the western half of 130 Stirling Highway to deliver a mixed-use development comprising additions, alterations and restoration of the former Matilda Bay Brewery buildings and the addition of three residential towers of six, 15 and 23 storeys in height. The JDAP agreed with the City and refused the application.

Council recognises the two subject sites, and the broader McCabe-Vlamingh precinct, provide excellent opportunities for infill development in North Fremantle consistent with the strategic directions of the Western Australian Planning Commission. Council also notes that the North Fremantle community has previously engaged in structure planning for this area and is broadly supportive of more intensive urban development despite being opposed to the recent proposals.

Successful development in the area requires strategic, considered and coordinated resolution of the following factors:

- The precinct is heavily constrained in terms of the road network, public transport services and cycle and pedestrian networks. These factors need to be resolved to fully unlock the development potential of the area.
- Resolution of these matters must consider the wider context in terms of the function of road network through North Fremantle, as well as traffic and transport needs arising from the Future of Fremantle planning.
- The precinct is highly contested in terms of the visual landscape, particularly given its height and prominence on the coastline. The height and form of development requires a coordinated and considered approach in consultation with the community.



- Amenity and service to the local neighbourhood and wider community. To this end individual development sites should not be planned as individual precincts/ development areas, but as an integrated urban node of complementary land uses and activities. This includes consideration of a local movement network that connects the development areas to each other.
- Strategic planning considerations in Mosman Park including the renewal of Wellington Street.
- Provision for a mix of housing outcomes to address community needs and support a diverse community, including accessible housing and affordable housing.
- Integration with the Vlamingh Parklands, coastal foreshore and local open space network.

OFFICER COMMENT

When providing assessment on applications for large developments or singular site structure planning in the McCabe Street area, it has become apparent that there is a lack of coordination of key local, metropolitan and district issues, opportunities and constraints. Officers consider there is scope for an overarching plan that holistically considers various planning and urban design elements including:

- The appropriate level of commercial/retail activity for a local centre in this area and where this centre would be located;
- Transport considerations, including public transport and metropolitan road planning, regional cycle and pedestrian networks;
- Heritage, context and character;
- Appropriate design including building height and built form that is sympathetic to the built and natural landscape and adequately responds to site and wider regional context;
- Current and future community housing diversity and affordability needs;
- Public open space and landscape linkages / connections;
- Future of Fremantle planning and other neighbouring considerations.

As many of these considerations affect regional elements across at least two local government areas, partnering with State Government and working across agencies and with the Town of Mosman Park could provide a beneficial outcome at a metropolitan level. This would be a significant piece of planning work, however, and until such time that the State Government commits to initiating this, it is the administration's view that there is an opportunity to commence some local urban design analysis, in consultation with the local community. This work may lead to updating existing planning policies relevant to this precinct – as well as using spatial and graphic means to proactively describe the kinds of developments the City would like to see in this location, as part of achieving appropriate and sustainable density.



VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required.

COMMITTEE RECOMMENDATION ITEM PC2308-8 **(Elected member motion)**

Moved: Cr Su Groome

Seconded: Cr Bryn Jones

Council:

- 1. Engages with the WAPC and Town of Mosman Park with a view to initiating a District Structure or other district/regional focus Planning process for McCabe Street and the wider precinct for the purposes of:**
 - **Resolving local and regional / metropolitan traffic planning;**
 - **Identifying public transport solutions that serve the locality and improve traffic congestion and metropolitan linkages**
 - **Integrating the development with local and regional open space, pedestrian and cycle strategies;**
 - **Planning a fully integrated district centre across the development sites;**
 - **Meeting community and metropolitan needs in terms of local shopping and employment and housing diversity and affordability;**

- 2. Requests staff provide advice on the potential review of planning policies relevant to the precinct, that will further clarify/illustrate specific aspects of the planning framework and complement the proposed district level planning, including:**
 - **Cultural heritage, character, and sense of place**
 - **Landscape and views;**
 - **Built form and height**
 - **Movements;**
 - **Retail / commercial land use – explore the optimal size of local / neighbourhood centre to cater for the future and growing residential community in the immediate neighbourhood**

Carried: 5/0
Cr Bryn Jones, Cr Geoff Graham,
Cr Su Groome, Cr Adin Lang, Cr Ben Lawver



COMMITTEE RECOMMENDATION

Moved: Cr Su Groome

Seconded: Cr Adin Lang

Council:

1. Engages with the WAPC and Town of Mosman Park with a view to initiating a District Structure or other district/regional focus Planning process for McCabe Street and the wider precinct for the purposes of:
 - Resolving local and regional / metropolitan traffic planning;
 - Identifying public transport solutions that serve the locality and improve traffic congestion and metropolitan linkages
 - Integrating the development with local and regional open space, pedestrian and cycle strategies;
 - Planning a fully integrated district centre across the development sites;
 - Meeting community and metropolitan needs in terms of local shopping and employment and housing diversity and affordability;
2. Requests staff provide advice on the potential review of planning policies relevant to the precinct, that will further clarify/illustrate specific aspects of the planning framework and complement the proposed district level planning, including:
 - Cultural heritage, character, and sense of place
 - Landscape and views;
 - Built form and height
 - Movements;
 - Retail / commercial land use – explore the optimal size of local / neighbourhood centre to cater for the future and growing residential community in the immediate neighbourhood

AMENDMENT

Moved: Cr Andrew Sullivan

Seconded: Cr Adin Lang

To amend the Committee recommendation as follows:

Council:

1. Engages with the WAPC, *Town of Cottesloe* and Town of Mosman Park with a view to initiating a District Structure or other district/regional focus Planning process for McCabe Street *and South*



Cottesloe (Wellington Street) and the wider precincts and surrounding areas for the purposes of:

- a. Resolving local and regional / metropolitan traffic planning;
 - b. Identifying public transport solutions that serve the locality and improve traffic congestion and metropolitan linkages;
 - c. Integrating the development with local and regional open space, pedestrian and cycle strategies;
 - d. Planning for a fully integrated district centre (*or centres*) across the development sites; *and,*
 - e. Meeting community and metropolitan needs in terms of local shopping and employment, and housing diversity and affordability.
2. Requests *the CEO to staff* provide advice on the potential review of planning policies relevant to the McCabe Street precinct, that will further clarify/illustrate specific aspects of the planning framework and complement the proposed district level planning, including:
- a. Cultural heritage, character, and sense of place;
 - b. Landscape and views;
 - c. Built form and height;
 - d. Movements; *and,*
 - e. Retail / commercial land use – explore the optimal size of local / neighbourhood centre to cater for the future and growing residential community in the immediate neighbourhood.

Carried: 13/0

Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham, Cr Ben Lawver, Cr Fedele Camarda, Cr Frank Mofflin, Cr Doug Thompson, Cr Bryn Jones, Cr Marija Vujcic, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang

Reasons for amendment:

- There have already been discussions with ToC and ToMP regarding the McCall Centre MRS zoning amendment, the proposed Wellington Street underpass and rail station, implementation of the Vlamingh Parklands, and how all of these elements are interconnected;
- The Vlamingh Parklands strategy links the two areas, as does the Leighton Foreshore Masterplan;
- The regional road and public transport issues applicable to each area need to be considered simultaneously to deliver an integrated outcome;
- A passenger rail station south of the proposed Wellington Street underpass (relocated from Victoria Street) may be the second-best option to serve the McCabe Street precinct if re-opening the Leighton Station is not considered viable, especially given the North Fremantle station is likely to be moved further south; and,



- The need for improved local connections in an east-west direction applies equally across the broader area.

COUNCIL DECISION ITEM PC2308-8
(Amended Committee recommendation)

Moved: Cr Su Groome

Seconded: Cr Adin Lang

Council:

- 1. Engages with the WAPC, *Town of Cottesloe* and *Town of Mosman Park* with a view to initiating a District Structure or other district/regional focus Planning process for *McCabe Street and South Cottesloe (Wellington Street)* precincts and surrounding areas for the purposes of:**
 - f. Resolving local and regional / metropolitan traffic planning;**
 - g. Identifying public transport solutions that serve the locality and improve traffic congestion and metropolitan linkages;**
 - h. Integrating the development with local and regional open space, pedestrian and cycle strategies;**
 - i. Planning for a fully integrated district centre (*or centres*) across the development sites; *and,***
 - j. Meeting community and metropolitan needs in terms of local shopping and employment, and housing diversity and affordability.**
- 2. Requests *the CEO* to provide advice on the potential review of planning policies relevant to the McCabe Street precinct, that will further clarify/illustrate specific aspects of the planning framework and complement the proposed district level planning, including:**
 - f. Cultural heritage, character, and sense of place;**
 - g. Landscape and views;**
 - h. Built form and height;**
 - i. Movements; *and,***
 - j. Retail / commercial land use – explore the optimal size of local / neighbourhood centre to cater for the future and growing residential community in the immediate neighbourhood.**

Carried: 13/0

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham,
Cr Ben Lawver, Cr Fedele Camarda, Cr Frank Mofflin, Cr Doug Thompson,
Cr Bryn Jones, Cr Marija Vujcic, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang**



15. Urgent business

Nil

16. Late items

17. Confidential business

COUNCIL DECISION

Moved: Mayor, Hannah Fitzhardinge

Seconded: Cr Frank Mofflin

That the meeting be moved behind closed doors to consider the confidential item on the agenda.

Carried: 13/0

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham,
Cr Ben Lawver, Cr Fedele Camarda, Cr Frank Mofflin, Cr Doug Thompson,
Cr Bryn Jones, Cr Marija Vujcic, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang**

There were no members of the public at the meeting at this time.

FPOL2308-7 UPDATE ON DISPOSAL OF 5-15 QUARRY STREET, FREMANTLE

| | |
|-----------------------------------|--|
| Meeting date: | 9 August 2023 |
| Responsible officer: | Director City Business |
| Decision making authority: | Council |
| Attachments: | Nil |
| Confidential Attachments: | <ol style="list-style-type: none">1. Draft Contract of Sale2. Valuation report3. Design concept attachment 14. Design concept attachment 25. Design concept attachment 3 |

REASON FOR CONFIDENTIALITY

This report is **CONFIDENTIAL** in accordance with Section 5.23(2) of the *Local Government Act 1995* which permits the meeting to be closed to the public for business relating to the following:

- (c) a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting



COUCIL DECISION ITEM FPOL2308-7
(Amended Committee recommendation)

Moved: Mayor Hannah Fitzhardinge

Seconded: Cr Su Groome

Council:

- 1. Note a public sales process was carried out between 16 March 2023 and 9 June 2023 and two offers were received via the process, both of which were deemed to be unsuitable.**
- 2. Authorise the Chief Executive Officer to continue negotiations with the three proponents who submitted the highset sales price offers for the proposed Lot 802 (portion of 5-15 Quarry Street, Fremantle), noting they were received outside of the initial public sales process, and 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*.**
- 3. Authorise the disposal of proposed Lot 801 (portion of 5-15 Quarry Street) to the highest bidder either by way of Lease or Sale, subject to:**
 - (a) The consideration being no less than 10% below the market value; and**
 - (b) The final preferred offer being brought back to Council for approval in line with the requirements of section 3.58 of the *Local Government Act 1995*.**
- 4. Authorise the disposal of Lot 800 (portion of 5-15 Quarry Street) to the most appropriate bidder either by way of Lease or Sale, subject to:**
 - (a) The consideration to include the implementation and ongoing maintenance of public pedestrian access between Quarry Street and Fremantle Park;**
 - (b) The purchaser or lessee having been accepted as a purchaser or lessee either Lot 801 and/or 802;**
 - (c) The final preferred offer being brought back to Council for approval in line with the requirements of section 3.58 of the *Local Government Act 1995*.**



Carried: 13/0

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham,
Cr Ben Lawver, Cr Fedele Camarda, Cr Frank Mofflin, Cr Doug Thompson,
Cr Bryn Jones, Cr Marija Vujcic, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang**

COUNCIL DECISION

Moved: Mayor, Hannah Fitzhardinge Seconded: Cr Doug Thompson

That the meeting come out from behind closed doors.

Carried: 13/0

**Mayor Hannah Fitzhardinge, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham,
Cr Ben Lawver, Cr Fedele Camarda, Cr Frank Mofflin, Cr Doug Thompson,
Cr Bryn Jones, Cr Marija Vujcic, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang**

18. Closure

The Presiding Member declared the meeting closed at 9:17pm.