

Responses to questions taken on notice at the Special Meeting of Council – 8 July 2020

Questions asked by Mark Woodcock:

Q1. Can council please explain why the 10 year business plan is years behind its proposed release date?

A1. The City's current 10 Year Forward Financial Plan adopted by Council covers the period 2015-2025. The current updated draft Plan was to be considered by council as part of the 2020/21 budget process, however the Local Government Act was amended during the COVID-19 State of Emergency to seek local government to consider response to COVID-19 as part of the 2020/21 budget process.

Q2. Can the council please explain why the new loan facility for the city has already been planned to be utilized for the Arthur head work? While council seems to have \$400,000.00 to pay a private company to run a visitor centre in 2021. It's unlikely to be used and further the world is so digital with information that is updated daily on the web, while printed brochures and information is often out of date before it is handed out. Surely in this current environment it would have been prudent to leave the visitor centre on hold, instead of having a \$400,000 bill for a service the city may not even need?

A2. The City has adopted a loan facility of \$500,000 in the 2020/21 adopted budget to part fund essential renewal works at Arthur Head for the amount of \$1,000,000. These funds have been allocated subject to state government considering a request to provide the same funding. Council has not yet concluded any arrangement in relation to the Fremantle Visitor Centre. Council has adopted the following in relation to an Expression of Interest process undertaken by the City for provision of a visitor centre operation in Fremantle;

1. Approve Sirona Capital Pty Ltd as the only 'Acceptable Tenderer' under Regulation 23(4) of the Local Government (Functions and General) Regulations 1996 to the Expression of Interest (FCC553.20) for the development and delivery of a visitor centre model for Fremantle;
2. Authorises the Chief Executive Officer to negotiate the conclusion of the financial terms in accordance with the expression provided by Sirona Capital Pty Ltd to the Expression of Interest (FCC553.20); *negotiations to include discussion regarding:*
 - a. *Maintaining the Volunteer Ambassador program beyond the cruise ship servicing, to include roving Ambassadors during busy periods and for special events.*
 - b. *The existing free bike hire scheme.*
 - c. *Low cost or free promotional opportunities for (relevant) local (City of Fremantle) businesses as part of the new Visitors Centre.*
3. Request the provisions of the concluded financial terms, in part 2 above, be brought back to Council for further consideration alongside a robust evaluation of all possible options.
4. *Requests that the CEO put forward a 5+5+5+5 year agreement option instead of the 10+10, at the discretion of either party.*

Q3. Can the council explain why it pasted (sic) a vote to engage a private company to run a visitor centre before the budget was finalized? Surely the budget would be pasted (sic) first and then the new untendered contract would be issued once the budget was accepted?

A3. The council has not engaged a private company to run a visitor centre. Council authorised an Expression of Interest FCC553/20 issued in February, 2020, for a visitor centre operation for Fremantle. The answer to Question 2 above provides the current status of that tender process.

Q4. Can the council please explain why the rate in the dollar was advertised and higher amount is being proposed which the community has not been informed of, or even have the opportunity to address, yet another change in the rate.

A4. Council advertised the proposed differential rate amounts for community consideration in May, 2020. The advertising indicated council's intention to keep rate revenue at a net zero increase for 2020/21. At the time council could only estimate each rate in the dollar (RID) based on the average change in valuations information provided by the Valuer General's office, prior to the City being able to review the valuation roll in detail. Council has now adopted the RID for each differential rate that will ensure each rate category, except Nightclub rates which have been reduced, will generate the same revenue as generated in 2019/20.

Q5. Can the council please make available the Asset Management Reports, for the city that were prepared in late 2000's and further can the city demonstrate where these reports were implemented and how much of the outstanding \$50,000,000.00 back log of maintenance has been rectified or brought up to date?

A5. The Asset Management Services Plans from the late 2000's are attached. Since 2008 the City has invested time in reviewing, updating and improving its asset management planning, as well as continuing to invest in ongoing renewal and maintenance through its annual budgets.

In recent years the City has seen significant progress and improvements through its increased focus on asset management practices. This has helped better inform the Councils decision making process and better defined the City's asset renewal requirements which form part of the annual review of the long term financial plan and budget process. The current long term financial plan allocates sufficient resources to the City's asset portfolio over a 10 year period to eliminate any renewal backlog.