Agenda

Ordinary Meeting of Council

Wednesday, 28 July 2021, 6.00pm

City of Fremantle

CITY OF FREMANTLE

NOTICE OF AN ORDINARY MEETING OF COUNCIL

Elected Members

An Ordinary Meeting of Council of the City of Fremantle will be held on **Wednesday**, **28 July 2021** in the North Fremantle Community Hall, located at 2 Thompson Road, North Fremantle commencing at 6.00 pm.



Glen Dougall
A/Chief Executive Officer

23 July 2021

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CITY OF FREMANTLE

Ordinary Meeting of Council

Agenda

1. Official opening, welcome and acknowledgement

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

2. Attendance, apologies and leave of absence

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

3. Applications for leave of absence

_____ requests a leave of absence from _____to _____ inclusive.

4. Disclosures of interest by members

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

5. Responses to previous public questions taken on notice

The following questions were taken on notice at the Ordinary Meeting of Council held on 23 June 2021:

Questions from Craig Ross

The City was unable to provide responses to questions at the Annual General Meeting of Electors on 23 June 2021 on the total project civic centre construction work in progress as at 30 June 2020 and current date, so I ask again.

Question 1

What is the cost of the total civic centre project (not just the building but all components of the project) as at 30 June 2020 within the amount capitalised of $38.4m?

Response

The amount of capital expenditure on the construction of the new civic building as at 30 June 2020 is;

Preliminaries	$3,091,241	Newman Ct	$647,272
Demolition	$2,504,791	Construction	$23,878,810
Consultants	$2,660,015		
		TOTAL	**$32,782,129**

Question 2

What is the cost of the civic centre project (not just the building but all components of the project) as at the current date within the amount capitalised of $56.7m?

Response

Please provide some clarification for the figure provided in your question if you would like a more focused response to be provided.

Question 3

What was the original budget for the total project as it appears the budget has already been exceeded and is apparently only 90% complete?

Response

This question was asked at the Ordinary Meeting of Council held on the 29 January 2020 and again at the Annual General Meeting of Electors held on 9 March 2020.

The response provided on both occasions is as follows:

Expected renewal project costs are:

Demolition	$2.40m
Building construction and fit out	$44.98m
Public realm (Business Plan)	$2.20m
Other public realm (trees and furniture)	$0.50m
Playground	$0.40m
TOTAL	$50.48m

Question 4

What was the revised budget for the total project with the collapse of Pindan as it appears the budget has already been exceeded and is apparently only 90%? complete with additional costs still to be determined?

Question 5

Why has the City avoided answering these questions give the importance of the project and impact on City finances and the information not readily to hand?

Response Questions 4 & 5

The remaining construction project budget for the City as of 19 May (time of Pindan stopping works) was $3.64m.

As of 19 May the building was approximately 90% complete by price against the contract sum.

Remaining works include:

- External façade / building envelop works.
- Roofing works and PV array installation.
- General interior fit out works, inc carpet installation, painting, cabinetry works and cleaning.

- Exterior works, i.e. paving installation works, soft landscaping works, cleaning, defect inspections.
- Final testing, witnessing, and commissioning works.

A revised estimated completion date has yet to be determined.

Cost increases (beyond the $3.64m) will be covered by the insurance bonds the City has already accessed.

As of the 19 May, the construction project remained within budget.

It is anticipated that there will be increased costs as a result of the collapse of Pindan (beyond the City's agreed contracted sum), however, these costs will be offset against the insurance bonds.

Question 6

The original Kings Square project originally stated there would be no pressure on rates as the lease income from rented areas in the building would cover loan repayments. This has not happened with the stalled building progress. What is the revised lease income expected over the next 10 years including fit out costs and rent-free periods?

Response

The revised lease income expected over the next 10-year period has yet to be determined as the City is still in the progress of tenanting the remaining leased spaces.

Question 7

If the revised lease income over the next 10 years has not been prepared when will it be prepared?

Response

Revised lease income over the next 10 years will be determined when further negotiation with prospective tenants has been progressed. This is likely to occur in the period following the practical completion of the building.

Further Questions from Craig Ross

A number of financial accounting questions were asked at the Annual General Meetings of Electors on 21 June 2021 which received unsatisfactory or dismissive responses from the City.

For example, why doesn't the City of Fremantle disclose separately in the financial statements amounts attributed to Heritage Land, Heritage Building, and Construction Work in Progress (which is actually required by accounting standards) and noting that the City of Perth properly discloses these amounts. The City of Fremantle response being that this has not been asked for in the past.

Question 1

So, I now ask the CEO, will Heritage Land, Heritage Building, and Construction Work in Progress (as required by accounting standards) be disclosed in the notes to the FY20/21 financial statements?

Question 2

If not disclosed, why not?

Question 3

Given that the FY20/21 financial statements draft is not reviewed and based on prior year practice will not be reviewed by the Audit Committee members before being signed by the CEO, I ask will the Audit Committee members properly address my request as part of their oversight role?

Response to questions 1 - 3

The City will consider these requests as part of the upcoming financial year audit and discuss with our Auditor as part of this process.

Questions from John Dowson

Question 1

What was the attendance figure for Monday night's Electors' Meeting?

Response

39 Members of the public attended the meeting.

Question 2

The proposed rate increase of 3.95% in tonight's agenda. This is quite shocking and unacceptable given rate revenue has increased from 2010 to 2020 from $27.7 million to $46.9 million, a 70 % increase.

Question 3

Why did councillors seek a greater increase than that recommended by staff?

Response to Questions 2 & 3

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

Question 4

Given that the City waived debts for former councillor, Mr Grey Smith and that the officers state in their report that should circumstances change, they will seek to claim debts waived, will officers be pursuing Mr Grey Smith as it appears that his circumstances have changed

Response

Waivers have been provided in accordance with the provisions of the Commercial Tenancies (COVID-19 Response) Act 2020.

Independent legal advice was also sought as to recoverability of debt which confirmed that the City has no prospect of recovering monies owed from the debtor.

6. Public question time

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

Further guidance on public question time can be viewed here, or upon entering the meeting.

7. Petitions

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

8. Deputations

8.1 Special deputations

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

8.2 Presentations

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

9. Confirmation of minutes

OFFICER'S RECOMMENDATION

Council confirm the minutes of the Ordinary Meeting of Council dated 23 June 2021.

10. Elected member communication

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

11. Reports and recommendations from committees

11.1 Planning Committee 7 July 2021

Nil

11.2 Finance, Policy, Operations and Legislation Committee 14 July 2021

FPOL2106-4 ADOPTION OF THE CITY OF FREMANTLE PARKING LOCAL LAW 2021

Meeting date: 9 June 2021
Responsible officer: Director City Business
Decision making authority: Council
Attachments:
1. Community feedback submissions
2. Revised Parking Local Law 2021 (with track changes)
3. Proposed Parking Local Law 2021
4. Proposed amendment to Clause 5.18 Verges

Additional information: Nil

SUMMARY

The purpose of this report is to present the feedback received during the public submission period for the proposed Parking Local Law 2021. It also recommends that Council approve to make the City of Fremantle Parking Local Law 2021, with inclusion of minor amendments, for the purpose and effect as follows:

Purpose: To enable the City to regulate the parking of vehicles within the district and provide for the management and operation of parking facilities under the City's care, control and management.

Effect: A person parking a vehicle within the parking region is to comply with the provisions of the local law.

BACKGROUND

Council at its meeting held on 11 December 2019, resolved to determine that the Parking Local Law 2006 be amended and brought back - for consideration. Following this decision, officers undertook a comprehensive review of the - local law. During the review there were various improvements identified to provide improved controls and to reflect current best practice - of parking within the district, whilst also providing more flexibility for patrons and residents.

A key improvement considered in the proposed parking local law was to incorporate the use of electronic parking technology to enable more convenient payment options and parking permits. In addition, provisions that enable the City to set zones where parking fees are paid by electronic means only, via a mobile device through an app such as 'PayStay' which provides flexibility in instances where access to physical infrastructure is difficult or cost prohibitive. This would enable the City to introduce pay by phone only parking zones in areas such as Marine Terrace, without the need to install ticket machines. Another consideration included, is to provide residents (in residential areas) the ability to permit parking on the verge at the front of their own property with their consent.

Due to the complex nature of the parking local law and the changes required, the City's solicitors were engaged to write the proposed local law, to ensure it meets the standards required by the Joint Standing Committee. The proposed local law has been rewritten to remove repetition, update relevant sections in accordance with current legislation and to include additional improvements identified during the review process.

At the Finance, Policy, Operations and Legislation (FPOL) Committee meeting held 20 January 2021, the committee endorsed the proposed Parking Local Law 2021 provided in the additional information attachment 1, and approved to advertise the local law for public comment, as part of the local law adoption process required by the *Local government Act 1995*.

FINANCIAL IMPLICATIONS

The proposed local law includes prescribed penalties. A full list of the proposed penalties is shown parking local law under Schedule 1: Prescribed Penalties. Should Council adopt the prescribed penalties as proposed, they will be taken into account in the 2021/22 budget.

LEGAL IMPLICATIONS

The process for making a Local Government local law, is set out in section 3.12 of the *Local Government Act 1995,* as summarised in the table below.

Local Government Act 1995 Section 3.12: Procedure for making local laws	
3.12(2)	Council to initiate the process and give notice to repeal the 2006 local law and make a new local law - *Completed*
3.12(3)(a)	Local public notice to be given - *Completed* The City will advertise its intent to repeal the 2006 local law and to make the proposed 2021 local law, calling for public comment over a 6-week public submission period.
3.12(3)(b)	Notification of above, to be sent to the Minister - *Completed*
3.12(4)	***Current stage in the process*** Consideration of public submissions - a report will be brought back to Council to consider any public submissions received and seek approval to make the local law as proposed or consider further changes.
3.12(5)	New local law to be published in the Gazette.
3.12(6)	Local public notice to be given of the new local law and commencement date.
3.12(7)	Explanatory memoranda to be submitted.
3.14	Commencement of local law.

Local Government Act 1995 Section 3.12: Procedure for making local laws	
3.17	Review by Government (Joint Standing Committee on Delegated Legislation).

Legal advice provided on the proposed amendments outlined in this report, advises that for the purposes of section 3.12(4) of the *Local Government Act 1995*, the revised version of the proposed local law is not significantly different to the first version of the Parking Local Law 2021, that was endorsed by Council on 20 January 2021 and advertised. Therefore, the process for making the proposed local law may continue as outlined above.

CONSULTATION

Consultation has been undertaken in accordance with the relevant provision of the Local Government Act including, A local public notice published in the Fremantle Herald on Saturday, 20 February 2021, advertising the City's intent to make the proposed Parking Local Law and seek feedback from the community. The public submissions period was open for eight (8) weeks and closed on Sunday, 18 April 2021.

The parking local law was available to view on the City's website or in person at the City's Library and Administration building. Members of the public were able to make submissions through the City's My Say Freo page, via email or in writing by post. There were 510 total visits to the My Say Freo page and a total of 61 submissions were received. These submissions have been provided in Attachment 1.

OFFICER COMMENT

Of the 61 submissions received during the public submission period, there were two main areas of concern in the feedback received. These -concerns were in relation to the proposed changes to parking on verges and pay-by-phone only payment option.

A summary of the public submissions is provided below and a response to the main areas of concern taken from the public submissions have been provided, and where possible, a proposed amendment is recommended for Council consideration.

Summary of Public Submissions	**Officers response**
Clause 5.18 – Verges • 28 respondents strongly disagreed with this clause • 1 respondent agreed with this clause. • 2 respondents agree with allowing residents to control their verge Provided below is a summary of the concerns raised in relation to this clause:	In response to the feedback received, this clause has been re-written as follows: ***5.18 Verges*** *(1) In this clause, **long or heavy vehicle** means a vehicle that –* *(a) is more than 6.5m long;* *(b) is more than 2.2m wide;* *(c) is more than 2.4m high; or* *(d) exceeds a GVM of 3.5 tonnes.* *(2) A person must not –*

Summary of Public Submissions	Officers response
• Residents will not be able to park their caravan, boat or trailer on their own verge. • Residents will have nowhere to park their trailers, boat and caravans on their properties because of lack of space. • No one should be restricted from parking on the verge as it is public property and should not be controlled by any one individual. • Preventing parking on the verge will force caravans, boats and trailers to be parked on the road. • Prevent vehicles attached to trailers, boats and caravans from parking on the street long term. • A time limit of 72 hours should be introduced to prevent vehicles parking long term on the street.	*(a) stop or park a bus on any part of any verge;* *(b) stop or park a long or heavy vehicle on any part of any verge – except when it is being loaded or unloaded, with reasonable expedition, with goods or materials collected from or delivered to the premises adjacent to the portion of verge on which the long or heavy vehicle is parked, provided that no obstruction is caused to the passage of any vehicle or person using a carriageway or footpath; or* *(c) stop or park a vehicle (except for a bus, a long or heavy vehicle, or a bicycle) –* *(i) on a verge that is adjacent to a grouped or multiple dwelling; or* *(ii) on a verge that is not adjacent to a grouped or multiple dwelling unless the person –* *(A) is the owner or occupier of the premises adjacent to the verge; or* *(B) is authorised by the owner or occupier of those premises to stop or park the vehicle so that any portion of it is on the verge.* The revised clause (above) is intended to provide the following: 1. Allow owners/occupiers of the premises adjacent to the verge, or a person who is authorised by the owner/occupier of that premises, to stop or park a 'vehicle' on the verge. The term 'vehicle' as defined under the *Road Traffic (Administration) Act 2008* includes a car, trailer, boat or caravan. 2. Prohibit any long or heavy vehicle, as defined in part (1) of the clause, from stopping or parking on the verge, except when being loaded or unloaded. 3. Prohibit a 'vehicle' from stopping or parking on verges adjacent a grouped or multiple dwelling. A new definition to define a grouped or multiple dwelling is recommended for inclusion, as outlined in the 'other amendments' section of this report. Other comments: a) The revised local law allows vehicles which are attached to trailers to remain parked on the street

Summary of Public Submissions	Officers response
	as long as they abide by the time restrictions in place and are no more than 7.5 metres in length or exceed a GVM of 4.5 tonnes or are deemed by an authorised person to be abandoned or obstructing the street. b) Clause 7.11(b) in the revised local law allows for vehicles to be dealt with if an authorised officer believes it appears to be abandoned and has been in the same position for more than 24 hours.
Clause 4.2 - Payment of fees, in particular part (d) pay-by-phone • 12 respondents did not want the City to introduce pay-by-phone only areas. • 3 respondents were in support of this clause. Summary Provided below is a summary of the concerns raised in relation to this clause: • Concerns that elderly patrons, those without a smart phone, patrons who don't have access to a credit card, or underprivileged patrons will be discriminated against. • Some indicated that they do not agree with the principal of pay-by-phone parking in general.	No further changes have been made to this clause from the advertised version of the proposed Parking Local law 2021. It is intended that the pay by phone only payment option will used in areas where appropriate parking infrastructure cannot be installed or the costs to install parking infrastructure is considered significant; or be used on a temporary basis. The City's current pay-by-phone provider (PayStay) allows new customers to register for parking via their App, on their website or by calling a hotline. They may purchase an electronic ticket via the App, on their website or over the phone. Parking sessions can also be started by sending an SMS. The City will ensure appropriate signage is clearly visible onsite and provides users with clear instructions on how to use the payment method.
Schedule 1 – Prescribed offences • 7 respondents did not agree with the proposed increases to parking infringements. • 1 respondent agreed with the proposed increase to parking infringements however suggested a discount on the infringement if paid within a certain time. Summary Provided below is a summary of the key concerns raised in relation to prescribed penalties: • Infringement increases are not in line with inflation.	No further changes have been made to the prescribed offences from the advertised version of the proposed Parking Local law 2021. The City's parking penalties have remained unchanged for eight years. A comparison of parking penalties was undertaken with other similar local government authorities, which identified that the City's penalties are considerably lower than other similar local governments. The proposed parking penalties were increased to a level that is considered relative to other similar local governments. As parking penalties can only be prescribed within a local law, any further changes to the parking penalties (post this amendment) will require a local law review process to be undertaken.

Summary of Public Submissions	Officers response
• Fines should not be increased during the period of the COVID 19 pandemic. • Fines should not be increased at all. • Parking infringements dissuade people from coming to Fremantle.	
1 respondent did not agree with any changes to the local law. 1 respondent agreed with all changes to the local law. 18 respondents provided general feedback in relation to parking in Fremantle, as summarised below: • The City should not change for motorcycle parking. • The City should introduce 1-hour free parking. • The City should maintain parking signs better. • There should be free parking for electric vehicles. • The City should provide more bays for ride share and food delivery vehicles. • The City should provide free parking everywhere. • The local law should have a provision for parking two wheels of a car on a footpath where there is a purpose built mountable kerb.	Nil

Response from the Department of Local Government, Sport and Cultural Industries

In response to the City's notification of the proposed Parking Local Law 2021, the Department of Local Government, Sport and Culture Industries provided feedback and recommended changes to the local law. A summary of this feedback and officer response is provided below.

Summary of feedback from the DLGSCI	Officers response
1. Minor edits • **Contents page:** Remove the page numbers, as they may be inconsistent with the page system used in the Gazette. Provided the contents has the clause titles and clause numbers, this is sufficient for readers to navigate the document. • **Clause 1.5:** In the definition for **parking region** change "1.4" to "1.3". • **Clause 3.2(1):** Delete the bracketed text after the first full stop. • **Schedule 1:** In item 86 remove the underscore in the second column.	The removal of the page numbers from the content's pages will be done for the purposes of the gazettal version of the local law. The proposed amendments have been made to the definition of **parking region** in clause 1.5 and to clause 3.2.1, and also to item 91 of Schedule 1 (not item 86 as referred to by DLG)
2. Clause 2.3 – Determinations Does not follow the WALGA model. We suggest replacing 'Council' with 'local government'. We also suggest amending 2.3(1) from 'The Council may determine' to 'The council may by resolution determine'.	The City's solicitor advised that although, as pointed out by DLG, clause 2.3 does not follow the WALGA model because it refers to 'the Council', rather than 'the local government' making determinations, the City's approach in the draft local law is preferable because – (a) it clarifies that these functions are to be exercised by the Council (unless they are delegated by the Council to the CEO), rather than use the vague expression 'local government' where it is not clear whether the function should be exercised by the Council or by the CEO, on behalf of the City of Fremantle; (b) in any event, the references to 'the Council' in clause 2.3 are consistent with other references to the Council in clauses 2.1, 2.2, 2.4 and 2.5; and (c) it is unnecessary to include 'by resolution' in clause 2.3(1) because the Council has no other way of making a decision otherwise than 'by resolution' and, in any event, there is no similar references to 'by resolution' in clauses 2.1, 2.2, 2.4 and 2.5

Summary of feedback from the DLGSCI	Officers response
3. Clause 4.13 - Event Parking The Joint Standing Committee on Delegated Legislation has previously found issue with clauses that relate to special event parking. The primary concerns of the Committee relate to sufficient public notice. In the event that the Town wishes to retain the clause, it should consider the Committee's 44th Report. The Town should also anticipate that the Committee may make further inquiries regarding this clause.	The City's solicitor advised that the Joint Standing Committee's 'Report 44' referred to by DLG was its 2010 Annual Report. In relation to a similar clause dealing with special event parking in the *Town of Claremont Parking Local Law*, the Joint Standing Committee sought undertakings that the clause be amended – (1) 'to include some reasonable, defined limits to the possible dates that may be used for a special event'; and (2) 'to include a provision whereby sufficient local public notice of the special event is to be given' (paragraphs 3.21-3.22). Despite this, the Joint Standing Committee did not object to an event parking provision in a subsequent local law in 2017. That local law included a description of what an 'event' may be and a similar approach has been taken in the amended version of clause 4.13 of the City of Fremantle's draft Local Law. The suggested revised Clause 4.13, is provided below: ***4.13 Special event parking*** *(1) In this clause, **special event** means a function or activity characterised by all or any of the following –* *(a) formal organisation and preparation;* *(b) its occurrence is generally advertised or notified in writing to particular persons;* *(c) organisation by or on behalf of a club or a body corporate;* *(d) payment of a fee to attend; and* *(e) systematic recurrence in relation to the day, time and place.* *(2) The local government may, by the use of a sign –* *(a) set aside for the period specified on the signs a parking station for the parking of vehicles by those attending a special event; or* *(b) establish additional parking facilities on a reserve or local government property, for any period specified on the sign, for the parking of vehicles by those attending a special event.*

Summary of feedback from the DLGSCI	Officers response
	(3) A person must not stop or park a vehicle – *(a) in a parking station set aside under subclause (2) during the period for which it is set aside; or* *(b) on a reserve or local government property established as a parking facility under subclause (2) during the period for which it is established,* *unless a permit obtained from the local government with respect to the special event is–* *(c) in the case of a printed permit, displayed inside the vehicle and is clearly visible to, and able to be read by, an authorised person from outside the vehicle at all times while the vehicle is stopped or parked in the parking station; or* *(d) in the case of an electronic permit, the person (using the parking app) has obtained notification that the required fee has been paid or that the permit has been issued.*
4. Clause 7.11 – Vehicle obstructing public place The Department has identified two potential issues with this clause: (a) The clause prohibits an unlicenced vehicle from being left in a public place. The fact that a vehicle is unlicenced does not necessarily mean the vehicle is being obstructive. It also appears that the fining of unlicenced vehicles is already addressed in State parking legislation and enforced by the WA police. (b) The clause prohibits a vehicle being abandoned or giving the appearance of being abandoned. The term "abandoned" is vague and could potentially be subject to various interpretations. The City may wish to define the term in further detail.	Each of DLG's points are addressed in the redrafted version of clause 7.11 which sets out factors that an authorised person is to take into account in determining whether a vehicle is abandoned or appears to have been abandoned. The suggested revised clause is provided below, with the amended shown in green italics: **7.11 Vehicles not to obstruct a public place** Unless permitted under this local law, or unless authorised under any other written law, a person must not leave a vehicle, or any part of a vehicle, in a public place if it – (a) obstructs the use of any part of the public place; or *(b) appears to an authorised person to have been abandoned, having regard to factors such as –* *(i) whether there are any number plates on the vehicle;* *(ii) the extent of any damage to the vehicle;* *(iii) whether the vehicle has been in the same position for more than 24 hours; and* *(iv) whether the vehicle appears to be*

Summary of feedback from the DLGSCI	Officers response
	inoperable.
5. Boxed Notes The draft local law currently contains a large number of boxes containing extracts from the Local Government Act 1995. The Delegated Legislation Committee has raised concerns with this practice in the Committee's 23rd Report. This is because: • The references have no legal effect in themselves; and • The references will become misleading if the part of the Act is amended; It is suggested that the boxed references should be deleted from the gazette version of the local law. In the event that the City chooses to maintain a public version of the local law in hard copy or electronic format, the City can choose to retain the references for the benefit of readers. The Shire should also ensure that all references and cross references are checked, particularly if any changes are made as a result of the Department's comments.	It was intended that all boxed notes will be removed in the final version of the local law before it is gazetted.

Other amendments

In response to the additional changes to the proposed local law (outlined above), it is recommended that the following definitions and clauses be included:

a) Inclusion of the following new definitions:

i. ***grouped or multiple dwelling*** *means either a grouped dwelling or a multiple dwelling*

ii. ***grouped dwelling*** *means a dwelling that is one of a group of 4 or more dwellings on the same lot such that no dwelling is placed wholly or partly vertically above or below another, except where special conditions of landscape or topography dictate otherwise, and includes a dwelling on a survey strata with common property;*

iii. ***multiple dwelling*** *means a dwelling in a group of 4 or more dwellings on a lot where any part of the plot ratio area of a dwelling is vertically above any part of the plot ratio area of any other but –*

(a) does not include a grouped dwelling; and
(b) includes any dwellings above the ground floor in a mixed use development;

b) Inclusion of a new definition for a class of vehicle:

***electric vehicle** means a vehicle that uses one or more electric motors or traction motors for propulsion and includes a motorbike, scooter and moped.*

c) Inclusion of a new clause 7.13 for urgent, essential or official functions. This clause has been included in a response to the changes in clause 4.13 and allows an authorised person to close off parking facilities for urgent, essential or official functions at short notice or without a formal application for the closure having been received.

7.13 Urgent, essential or official functions

(1) Where –
(a) in a parking facility, a sign prohibits the stopping or parking of a vehicle, or permits the stopping or parking of a vehicle for a limited time; and
(b) a person needs to carry out a function that is considered by an authorised person to be urgent, essential or official in nature and that would be facilitated by stopping or parking a vehicle in the parking facility, the person may be permitted, by an authorised person, to stop or park the vehicle in the parking facility for a period that may exceed any applicable limited time.

(2) Where permission is given under subclause (1), an authorised person may, by a sign, prohibit for the duration of the permission the use by any other vehicle of the portion of the parking facility to which the permission relates.

(3) Permission given under subclause (1) may –
(a) allow the stopping or parking of the vehicle continuously for a specified period or periods, between specified times or from time to time during a specified period; and
(b) be revoked or suspended at any time by an authorised person.

(4) A person must not stop or park a vehicle in respect of which permission has been given under subclause (1) other than in accordance with the terms of the permission.

d) Minor amendments have been made to 'Schedule 1 – Prescribed Offences', to combine offences related to the same clause and renumber 'item numbers' where appropriate.

It is recommended that Council approve the above-mentioned minor amendments and adopt the revised City of Fremantle Parking Local Law 2021 as provided in Attachment 3.

VOTING AND OTHER SPECIAL REQUIREMENTS

Absolute majority required

OFFICER'S RECOMMENDATION

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

Council:

1. Consider the public submissions received, as provided in Attachment 1.

2. Approve the minor amendments to the City of Fremantle Parking Local Law 2021 as outlined (with track changes) in Attachment 2.

3. Adopt the City of Fremantle Parking Local Law 2021, as shown in Attachment 3, for the purpose and effect as follows:

   Purpose: To enable the City to regulate the parking of vehicles within the district and provide for the management and operation of parking facilities under the City's care, control and management.

   Effect: A person parking a vehicle within the parking region is to comply with the provisions of the local law.

4. Agree that the revised version of the City of Fremantle Parking Local Law 2021, is not considered to be significantly different from what was first proposed and advertised by the City.

PROCEDURAL MOTION

The following procedural motion was moved:

COMMITTEE DECISION

Moved: Cr Doug Thompson **Seconded: Cr Jenny Archibald**

The item be deferred to the next Finance, Policy, Operations and Legislation Committee meeting to allow officers to seek further legal advice on the matters raised by committee.

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

Additional officer comment

In response to feedback received at the Finance, Policy, Operations and Legislation Committee meeting held Wednesday, 9 June 2021, a proposed amendment to the verges clause (5.18), is provided in Attachment 4 for Council consideration.

The table below provides a summary of the suggested changes discussed at Committee with a response by officers, based on a further review of the verges clause (5.18) and legal advice sought.

Suggested change	Officer response
Restrict/allow verge parking depending on the size of the verge. Allow longer vehicles, such as a caravan or boat, to be parked on a verge, if the size of the verge is large enough.	The proposed amendment includes a new subclause (4), which aims to address this matter by including the following restrictions for long or heavy vehicles: *(4) A person may stop or park a long or heavy vehicle on a verge provided that –* *(a) the vehicle does not exceed a GVM of 4.5 tonnes;* *(d) no part of the vehicle is less than 1.5m from the nearest kerb; and* *(e) no obstruction is caused to the passage of any vehicle or person using a carriageway, driveway or footpath.* This subclause will allow larger vehicles to be parked on a verge providing it does not exceed 4.5 tonnes and is parked on a verge that is large enough to provide a reasonable line of sight along the kerb line. The above subclause will not apply to vehicles that are <u>not</u> considered a long or heavy vehicle.
Allow a drawbar to be excluded from the total size of a vehicle that can be parked on a verge.	To remain consistent with the Road Traffic Act, this change is not recommended. However, the proposed amendment will allow a larger vehicle to be parked on a verge, providing it does not exceed 4.5 tonnes and is parked on a verge that is large enough to allow 1.5m between the vehicle and the kerb.
Verge parking restrictions by zones	To ensure a consistent approach to verge parking across the municipality, zones for verge parking has not been recommended in the proposed amendment for clause (5.18).
Consider a registration/application process for large vehicles such as caravans and give the ability to assess applications on a case by case basis	Legal advice sought, recommended against this approach. It was advised that the Joint Standing Committee on Delegated Legislation has taken a strong stance against provisions in a local law that seek to enable executive action (whether by the CEO or the Council) to override provisions in a local law. Therefore, this change has not been recommended in the proposed amendment for this clause (5.18).

Following the FPOL Committee meeting a minor amendment has been made to the definition of an Electric Vehicle, to clarify that an Electric Vehicle is a vehicle that is charged via a plug and does not include a bicycle whether powered by an electric motor or not, as follows:

> ***Electric Vehicle*** *means vehicle (EV) is a vehicle that uses one or more electric motors or traction motors for propulsion and which is charged via 'plug in' connection to an external power source and includes a car, truck, scooter, moped and motorbike but does not include a bicycle.*

This minor amendment has been included in Attachment 2.

If Council accepts the minor amendments, it is recommended that part 2 of the officer's recommendation be amended to include the words shown in green italics. Alternatively, this may be removed, and the proposed local law will remain the same, as provided in Attachment 2 (excluding the additional minor amendment provided in Attachment 4).

If the additional amendment is accepted by Council, no further public consultation will be required, as it is not considered to be significantly different from the proposed local law originally advertised by the City.

AMENDED OFFICER'S RECOMMENDATION

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

Council:

1. Consider the public submissions received, as provided in Attachment 1.

2. Approve the minor amendments to the City of Fremantle Parking Local Law 2021, as outlined (in track changes) in Attachment 2, *with inclusion of a further amendment to clause 5.18 Verges, provided in Attachment 4.*

3. Adopt the City of Fremantle Parking Local Law 2021 *(as amended in part 2)* provided in Attachment 3, for the purpose and effect as follows:

   Purpose: To enable the City to regulate the parking of vehicles within the district and provide for the management and operation of parking facilities under the City's care, control and management.

   Effect: A person parking a vehicle within the parking region is to comply with the provisions of the local law.

4. Agree that the revised version of the City of Fremantle Parking Local Law 2021, is not considered to be significantly different from what was first proposed and advertised by the City.

AMENDMENT 1

Moved: Cr Andrew Sullivan Seconded: Cr Hannah Fitzhardinge

Amend the officer's recommendation to include the following part 5:

5. Request that the implementation of 'pay-by-phone only' zones is considered in circumstances where the implementation of parking ticket machines is found to be prohibitive due to cost or technical issues or physical or other constraints.

Amendment carried: 6/1
For
Cr Hannah Fitzhardinge, Cr Jenny Archibald, Cr Andrew Sullivan, Cr Doug Thompson, Cr Adin Lang, Cr Sam Wainwright
Against
Cr Marija Vujcic

COMMITTEE RECOMMENDATION ITEM FPOL2106-4
(Amended officer's recommendation, as amended)

Moved: Cr Hannah Fitzhardinge Seconded: Cr Jenny Archibald

Council:

1. Consider the public submissions received, as provided in Attachment 1.

2. Approve the minor amendments to the City of Fremantle Parking Local Law 2021, as outlined (in track changes) in Attachment 2, *with inclusion of a further amendment to clause 5.18 Verges, provided in Attachment 4.*

3. Adopt the City of Fremantle Parking Local Law 2021 *(as amended in part 2)* provided in Attachment 3, for the purpose and effect as follows:

Purpose: To enable the City to regulate the parking of vehicles within the district and provide for the management and operation of parking facilities under the City's care, control and management.

Effect: A person parking a vehicle within the parking region is to comply with the provisions of the local law.

4. Agree that the revised version of the City of Fremantle Parking Local Law 2021, is not considered to be significantly different from what was first proposed and advertised by the City.

5. Request that the implementation of 'pay-by-phone only' zones is considered in circumstances where the implementation of parking ticket machines is found to be prohibitive due to cost or technical issues or physical or other constraints.

Carried: 6/1
For
Cr Hannah Fitzhardinge, Cr Jenny Archibald, Cr Andrew Sullivan, Cr Doug Thompson, Cr Adin Lang, Cr Sam Wainwright
Against
Cr Marija Vujcic

FPOL2107-4 PUBLIC BUILDINGS ASSESSMENT POLICY

Meeting date: 14 July 2020
Responsible officer: Manager Field Services
Decision making authority: Council
Agenda attachments: 1. Proposed Public Buildings Assessment Policy
Additional information: Nil

SUMMARY

The purpose of the report is to consider a policy to guide assessment of public buildings, which can be an event or gathering, under the *Health (Miscellaneous Provisions) Act 1911* and the *Health (Public Buildings) Regulations 1992*.

This report recommends that council adopt the Public Buildings Assessment Policy in the interest of removing red tape and streamlining the process whilst maintaining an acceptable level of public safety and health.

BACKGROUND

There have been some recent queries regarding the application of the *Health (Miscellaneous Provisions) Act 1911* (Health Act) and the *Health (Public Buildings) Regulations 1992* (Regulations) and the way the City assesses temporary public buildings (events and gatherings), particularly those of a small scale. The Health Act provides the following definition of 'public building':

> *"**public building** means —*
>
> *a. a building or place or part of a building or place where persons may assemble for*
> *i. civic, theatrical, social, political or religious purposes; and*
> *ii. educational purposes; and*
> *iii. entertainment, recreational or sporting purposes; and*
> *iv. business purposes; and*
>
> *b. any building, structure, tent, gallery, enclosure, platform or other place or any part of a building, structure, tent, gallery, enclosure, platform or other place in or on which numbers of persons are usually or occasionally assembled, but does not include a hospital."*

The definition captures buildings and events where private social uses occur, however, personal events, such as privately organised weddings and birthdays, were not intended to be captured. The Department of Health advises that "*The general intent of the Regulations is to assist in the protection of the health, safety and amenity of persons in and about buildings and places where, generally, large numbers of the public gather"* for entertainment, religious, social, or business purposes as described above.

In the absence of a succinct clarification of a Public Building, officers have informally determined that private events, such as birthday parties, weddings in a private dwelling and small gatherings in public places, and where no money is charged, are not Public Buildings.

The Department does indicate, in its Guidelines for concerts, events and organised gatherings (Guidelines), that small concerts, events and organised gatherings can be assessed by risk, in accordance with the same Department of Health Guidelines. Those that fall into the low risk category, according to the assessment tool provided in the Publication, may be approved and inspected in accordance with local government policy, so long as the guidance notes are provided to the operator/owner to advise them on building limitations and capacity.

Establishment of a policy to clarify the position of the City in this matter, and the method the City uses to assess those activities captured by the definition of the Regulations is highly recommended.

FINANCIAL IMPLICATIONS

Fees will still apply to applications to Construct, Extend or Alter a Public Building however won't apply under this Policy for low risk events.

LEGAL IMPLICATIONS

The proposed Policy assists in interpretation of the Health Act and uses the management tools proposed in the Guidelines.

CONSULTATION

No consultation is considered necessary in this matter.

OFFICER COMMENT

This proposed policy (provided in Attachment 1) specifies that… '*It provides clarification of a public building definition interpretation and is intended to increase clarity and consistency of interpretation, reduce risk and reduce the regulatory burden on event holders within the City of Fremantle while ensuring that community safety is upheld and relevant legislation adhered to'.*

It aligns with the desire to be… '*A compassionate city that cares for the wellbeing of our people and the environment we share,* to operate as a *transparent and responsive organisation'* and to provide '*effective leadership where people are responsible for outcomes, and are empowered, structured and resourced to act effectively and efficiently within a clear framework'.*

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required

COMMITTEE RECOMMENDATION ITEM FPOL2107-4
(Officer's recommendation)

Moved: Cr Hannah Fitzhardinge **Seconded: Cr Andrew Sullivan**

Council adopts the Public Buildings Assessment Policy, provided in Attachment 1.

Carried: 7/0
Cr Hannah Fitzhardinge, Cr Jenny Archibald, Cr Andrew Sullivan, Cr Doug Thompson, Cr Adin Lang, Cr Sam Wainwright, Cr Marija Vujcic

FPOL2107-5 SPARE PARTS PUPPET THEATRE FUNDING REQUEST

Meeting date: 14 July 2021
Responsible officer: Manager Communications and Events
Decision making authority: Council
Attachments: 1. Spare Parts Puppet Theatre Proposal – May 2021
Additional information: Nil

SUMMARY

Spare Parts Puppet Theatre (SPPT) are celebrating 40 years in 2021. SPPT have submitted a funding application to the City in order to support the celebrations which include a free community event this November 2021.

This report recommends Council contribute $5,000 to support the November 2021 event in acknowledgement of the value the event will bring to Fremantle and of the contribution SPPT have made to the City over 40 years.

BACKGROUND

SPPT are a Fremantle-based puppetry company dedicated to the development and creation of the art form. Through puppetry, they engage with timeless and universal issues, exploring and celebrating what it is to be human, unifying audiences across generations, communities and cultures. SPPT's annual artistic program includes performances at their home theatre in Fremantle, touring to schools, theatres and festivals across Australia and internationally. They also provide puppetry workshops for children, adults and professional artists.

To celebrate their 40th birthday, SPPT are presenting a series of programs and events. These are detailed in Attachment 1: Spare Parts Puppet Theatre Proposal. As per the proposal, SPPT are seeking a contribution of $30,000 cash plus additional in-kind marketing support from the City of Fremantle.

In response to the request, the City advised SPPT officials that while very supportive of the organisation and the proposed celebrations, it was felt that a contribution of $5,000 cash was appropriate. SPPT subsequently requested that the item be brought to Council for further consideration.

FINANCIAL IMPLICATIONS

Officer recommendation can be accommodated under existing base operating budget. The City's total budget allocation for its community events sponsorship program is $50,000. This program is open year-round and responds to requests on application. Under the program guidelines, the maximum contribution for an event of this nature is $5,000 which provides the ability to support up to 10 events each year. While Council can determine an alternative amount if it is deemed appropriate to provide a greater level of support, the amount requested by SPPT represents 60% of the City's total annual budget for sponsorship of community events.

LEGAL IMPLICATIONS

The request for funding falls within the community events program criteria of the Grants and Sponsorship Policy which supports activities, initiatives and events that deliver a community benefit to Fremantle.

CONSULTATION

The City's Manager Arts and Culture has met with Spare Parts Puppet Theatre officials to discuss their request.

OFFICER COMMENT

The Strategic Community Plan objective to retain diverse quality arts organisations and artists in Fremantle is in part met by SPPT having its home in the central business district (CBD). SPPT have been an important part of the cultural fabric of Fremantle for 40 years. They've contributed to visitation, engagement with all ages, employment and the arts and culture sector.

The proposed November 2021 event and other celebratory programs will bring audience to Fremantle and present an opportunity for our community to celebrate the role SPPT have played in many of our resident's lives and the history of our City.

While the funding amount recommended is considerably lower than what is being sought, it is considered in line with other support provided to other organisations by the City for comparable events.

VOTING AND OTHER SPECIAL REQUIREMENTS

Absolute majority required

COMMITTEE RECOMMENDATION ITEM FPOL2107-5
(Officer's recommendation)

Moved: Cr Hannah Fitzhardinge **Seconded: Cr Andrew Sullivan**

Council:

1. **Contribute $5,000 cash sponsorship towards SPPT's free community event taking place November 2021, to be funded from the Community Events Program.**

2. **Authorise the Chief Executive Officer to enter into a sponsorship agreement with the Spare Parts Puppet Theatre, that sets out the terms of funding, including benefits to the City of Fremantle.**

Carried enbloc: 7/0
Cr Hannah Fitzhardinge, Cr Jenny Archibald, Cr Andrew Sullivan, Cr Doug Thompson, Cr Adin Lang, Cr Sam Wainwright, Cr Marija Vujcic

FPOL2107-6 UNDERTAKING TO JOINT STANDING COMMITTEE ON DELEGATED LEGISLATION – LOCAL GOVERNMENT PROPERTY AMENDMENT LOCAL LAW 2021

Meeting date: 14 July 2021
Responsible officer: Manager Governance
Decision making authority: Council
Attachments:
1. Confidential Attachment – Privileged communication from Joint Standing Committee on Delegated Authority
2. Disposal of inconsequential, surplus and lost property items Policy

Additional information: Nil

SUMMARY

For council to respond to a request from the Joint Standing Committee on Delegated Legislation (JSCDL) that the City undertake to amend and explain sections of its Local Government Property Amendment Local Law 2021 and consider adopting a policy outlining a formal process for the disposal of inconsequential and lost property items by the City.

BACKGROUND

Following Councils resolution to make the City of Fremantle Local Government Property Amendment Local Law 2021 (27 January 2021) the City was required to publish the local law in the Government Gazette (12 February 2021), provide a copy to the Minister for Local Government (01 December 2020) and to give local public notice that the local law had been made (18 February – 5 March 2021).

In addition, the City was required to provide a copy of the local law and explanatory memorandum, prepared in accordance with the Minister's Local Laws Explanatory Memoranda Directions 2010, to the State Government's Joint Standing Committee on Delegated Legislation JSCDL (23 February 2021).

On 15 June 2021 the JSCDL advised the City that they would like the Council to make undertakings relating to its City of Fremantle Local Government Property Amendment Local Law 2021, as follows:

1. Correct the typographical error in clause 9.3(1) of the City of Fremantle Local Government Property Amendment Local Law 2021 when the Local Law is next reviewed.
2. Ensure any consequential amendments arising from the above correction are made.
3. Ensure that a copy of the undertaking accompanies the Local Law wherever it is made publicly available by the City, whether in hard copy or electronically.
4. Provide feedback on the City of Fremantle practises relating to the operation of clause 9.3(1).

Typographical error - clause 9.3(1)

Clause 9.3(1) of the City of Fremantle Local Government Property Amendment Local Law 2021 makes reference to an outdated version of the Associations Incorporations Act, which was amended in 2015. The local law should state Associations Incorporations Act 2015.

Feedback on the operation of clause 9.3(1).

Clause 9.3 of the local law states the following:

> ***"9.3 Disposal of lost property***
> *(1) An article left on any local government property, and not claimed within a period of 1 month, may be disposed of by the CEO or an authorised person-*
>
> *(a) if the value of the property is reasonably believed to exceed the amount prescribed by regulation 30(3) of the Local Government (Functions and General Regulations 1996, using the process under section 3.58 of the Act for the sale of the article as if it was property referred to in that section;*
>
> *(b) the article is reasonably believed to be of a negligible or little value or likely to be of no interest to a not for profit body, in any manner they think fit or*
>
> *(c) in any other case, by donation to a not for profit body incorporated under the Association Incorporations Act 1987."*

This clause effectively outlines that the City can dispose of items of lost property valued up to $20,000, (regulation 30(3) of the Local Government (Functions and General Regulations 1996).

The JSCDL have asked that the City provide them with a copy of the process by which the City will process these disposals, given the possibility that property of significant value (such as, for example, a diamond ring) but below $20,000 may not covered by either clause 9.3(1)(a) or (1)(b) or of no interest to a not for profit body.

Prior to receiving the letter from the JSCDL officers were already in the process of developing a policy for the disposal of items of low value that are no longer of use to the City, in anticipation of moving into a new building and the likelihood that the City will need to dispose of excess furniture and equipment.

In response to the JSCDL's request for feedback, on the City of Fremantle practises relating to the operation of clause 9.3(1), reference to the disposal of lost property has been included into the draft policy which is recommended for adoption in this report.

FINANCIAL IMPLICATIONS

Nil

LEGAL IMPLICATIONS

Part 3, Division 2 of the *Local Government Act 1995*.

CONSULTATION

Nil

OFFICER COMMENT

The error in Clause 9.3(1) of the City of Fremantle Local Government Property Amendment Local Law 2021 is a simple typographical error and can be easily corrected when this local law is next considered for amendment.

If Council determines to make this undertaking, officers will ensure a copy of the undertaking accompanies the local law until it is amended.

The draft policy outlines the process by which low value items can be disposed of by the City including lost property items and sets the monetary value of what the City considers to be low value. The City values its 'minor assets' at $5000 and above and disposes of those in accordance with legislation, this policy is intended to address the disposal of any items below this value.

A copy of the policy, if adopted, will be provided to the JSCDL to address the request for feedback on the City of Fremantle practises relating to the operation of clause 9.3(1)

The city was not able to comply with the original committee requested response date however, officers have liaised with a representative of the JSCDL who advised that an amended deadline of 30 July 2021 is approved.

The letter from the JSCDL is attached under confidential cover as the information contained within the letter is considered to be confidential and privileged information that the City is not authorised to disclose.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required

COMMITTEE RECOMMENDATION ITEM FPOL2107-6
(Officer's recommendation)

Moved: Cr Hannah Fitzhardinge **Seconded: Cr Andrew Sullivan**

Council:

1. **Adopt the Disposal of inconsequential, surplus and lost property items policy, shown in Attachment 2.**
2. **Undertake the changes recommended by the Joint Standing Committee on Delegated Legislation to:**
    a. **Correct the typographical error in clause 9.3(1) of the City of Fremantle Local Government Property Amendment Local Law 2021 when the Local Law is next reviewed.**
    b. **Ensure any consequential amendments arising from the above correction are made.**
    c. **Ensure that a copy of the undertaking accompanies the Local Law wherever it is made publicly available by the City, whether in hard copy or electronically.**
    d. **Provide feedback on the City of Fremantle practises relating to the operation of clause 9.3(1).**

Carried enbloc: 7/0
Cr Hannah Fitzhardinge, Cr Jenny Archibald, Cr Andrew Sullivan, Cr Doug Thompson, Cr Adin Lang, Cr Sam Wainwright, Cr Marija Vujcic

ADDITIONAL OFFICER COMMENT

A provision outlining that the City will take lost property items that appear to be of a valuable or sentimental nature was inadvertently omitted from the draft policy.

It is current practise that any items found on the City's property, that appears to be valuable or sentimental, is taken to the police station if not collected after 1 week.

It is intended that this practise will be continued and should be included in this policy for confirmation.

AMENDED OFFICER RECOMMENDATION

Council adopt the Disposal of inconsequential, surplus and lost property items Policy, provided in attachment 1, with the inclusion of a new part 3(a) as shown below and correct any consequential numbering:

3. Disposal

a. **Uncollected items (lost property items) that appear to be of a value greater than $250 or of a sentimental/memorabilia nature will be handed to WA Police 1 week after being left on City property.**

11.3 Strategic Planning and Transport Committee 21 July 2021

SPT2107-3 PLANNING REFORM PHASE 2

Meeting date: 21 July 2021
Responsible officer: Manager Strategic Planning
Decision making authority: Committee
Attachments: 1. Phase 2 Planning Reform – Comment on Proposed Initiatives
Additional information: 1. Action Plan for Planning Reform Summary
2. Action Plan for Planning Reform – Progress Update May 2021

SUMMARY

The state government has recently called for input into options for further reform to the planning system. This report considers opportunities for this and recommends that Council make a submission around these. Most initiatives proposed by the state government in its consultation material have merit, depending on how they are executed. However, concern is expressed about the potential for continued erosion of local government autonomy, with the submission suggesting that the state prioritise initiatives which support strategic outcomes and maintenance of up to date planning frameworks.

BACKGROUND

In 2019, the State Government released its Planning Reform Action Plan. This considered the recommendations from an earlier Green Paper, and grouped recommendations under the headings of:

1. Planning creates great places for people (4 recommendations)
2. Planning is easier to understand and navigate (5 recommendations)
3. Planning systems are consistent and efficient (10 recommendations)

A summary of the actions is provided at Additional Information 1. Full details can be viewed online at https://www.dplh.wa.gov.au/action-plan.

Considerable progress has been made in the delivery of the action plan including:

1. Finalisation of the Precinct Design and Apartment Design policies, and updates to Volume 1 of the Residential Design Code.
2. Release of a draft Medium Density Design policy.
3. Review of the Activity Centres policy.
4. Development of 'Movement and Place' framework to inform road design.
5. Amendments to the Planning Regulations to increase Deemed Provisions including:
    a. Increase in exemptions from planning approval;
    b. greater consistency in community engagement requirements;
    c. standardised approaches to cash in lieu of parking.
6. Development of 'frameworks' (guidelines and templates) for local planning strategies, parking plans and other common planning tools.

7. Review and rationalising of Development Assessment Panels, and introduction of additional templates and guidance.

(refer Additional Information 2 for further detail).

The establishment of the Special Development Assessment Unit and approval process was a COVID emergency response and was not part of the planning reform programme. However changes to the Regulations have created provision for a Special Matters Development Assessment Panel to operate into the future. Details of the type of development it will determine and under what circumstances is yet to be established.

The Western Australian Planning Commission has recently sought input on priority areas for a further phase of planning reform. The purpose of this report is to establish the Council's response. Its submission contributes to Council's objective of being an influential and collaborative thought leader in local government, with planning reforms also potentially impacting its delivery of various strategic objectives in relation to Places for People.

OFFICER COMMENT

The focus areas for planning reform are supported. Reforms to date have occurred in all areas with varying degrees of impact and success. At a local government level, the biggest impacts have, to date, been felt in the focus on consistency and efficiency, which have translated into increased requirements for standardisation, a reduction in the decision-making role of Council and, effectively, a change in balance in the system between the local and state / regional agendas.

Moving forward, further areas for reform which might benefit both the Fremantle community and the state include:

1. Addressing single-issue decision-making: e.g. the effective right of veto created by the Main Roads Act and Environmental Protection Act for some development. Whilst such issues are unquestionably vitally important, the planning system was established to weigh and balance multiple considerations, which it cannot effectively do if other legislation precludes a proposal based on a sole consideration.
2. Continuing to improve coordination between agencies, both in response to proposals and in the delivery of infrastructure: the suggested agency referral body could assist in this regard, but would need both adequate resourcing and sufficient weight to have effect.
3. Community information: Community concerns with the planning system and development outcomes are common in many areas. Whilst there is a key role for local government in engaging on planning issues and increasing public understanding and awareness of these, clear information addressing the common themes, and a public communications campaign delivered by the state government could assist and provides economies of scale. This extends beyond Scheme Amendments and might include, for example, and information sheet on the role of community input on development applications.
4. Regional reserves: the planning framework contains limited mechanisms for the management and regulation of regional reserves. This is evident in places such as the Fremantle Boat Harbours, which are subject to WAPC approval but for

which the WAPC has limited to no ability to establish an effective policy (beyond a state planning policy).

5. Local government fees: Funding limitations restrict the operation of local government in delivering planning outcomes. The regulated (and outdated) cap on planning application fees means statutory processes are substantially subsidized by other local government funding sources, and no fees are payable to local government for its input on MRS applications or subdivisions. By way of example, the statutory approvals team at the City of Fremantle is able to recoup only 54% of its costs annually from fees. The permissible charge out rate for a manager in assessing a structure plan at $66/hr is below cost (and, interestingly, also well below the $83/hr the Department has recently established as the hourly rate for its mapping services). Whilst a fully user-pays system may be inequitable (as the planning function is ultimately undertaken in the interest of the community, not the applicant) service charges should be maintained at a reasonable level and regularly updated (it is many years since the State Government last increased the maximum fee levels for local government applications prescribed in Planning Regulations).
6. Incentivise strategic planning: the Green Paper on planning reform recommended a more strategically-led planning system. The Action Plan has promoted this through requiring updates to schemes and local planning strategies (based on templates) within specific timeframes. Whilst maintenance of planning instruments is unquestionably desirable, it might be helpful to:
    a. Focus on local governments failing to deliver state planning objectives or, conversely, rewarding those which do: as an example, in the early 2000's the UK government operated a Planning Delivery Grant system which provided additional funding to local governments which met their housing land supply and infill development targets. Alternatively, provision of increased autonomy (for example a reduced JDAP role) could provide another incentive.
    b. Disincentivise neglect of the planning framework by undertaking scheme and strategy reviews where these are beyond a certain age (and requests to undertake updates have gone unactioned) by creating capacity for the state to step in and undertake this work (much as JDAPS step in and undertake DA determinations for substantial proposals).
    c. Provide additional support for local governments with restricted access to resources.
    d. Increase the capacity for state and local government to develop structure and precinct plans for strategic locations e.g. North Fremantle.
    e. Establish a default end of life for local planning policies, to ensure regular review.
7. Regional or shared service models: Review options for a regional or shared service models for planning, providing economies of scale.
8. Scheme Review and Amendment processes: whilst the streaming of amendments has been beneficial, other improvements to the scheme review and amendment process to reduce unproductive administration include:
    a. Removal of the requirement for scheme consolidation from the *Planning and Development Act 2005*
    b. Removal of the requirement to refer basic scheme amendments with the EPA for assessment
    c. Development of more effective amendment templates.

9. Rationalise decision-making frameworks: consider mandatory delegations for simple application types, increasing the value threshold for opt-in and/or mandatory determination by JDAPs, clarifying the role of any Council recommendation in the DAP Responsible Authority Report, and look at opportunities to integrate approval of access (i.e. crossovers) into development applications.
10. Improve consistency:
    a. Establish contemporary parking demand patterns based on robust research on utilisation to provide a more up to date starting point for parking standards (whilst allowing for local variation).
    b. Publish (non-mandatory) model land use permissibility for local, neighbourhood, district and regional centres.
11. More pro-active acknowledgement of climate change and constructive planning responses to it: planning has the potential to play a significant role in mitigating and adapting to climate change impacts, through the management of land use, structure of towns and cities and standards of development. Measures under this heading might include introduction of mitigation of climate change and its impacts as an objective in planning strategies and policies, introduction of higher construction standards for development which support low carbon living, and stronger more uniform protection for tree canopy. Recent inclusions in the Apartment Code and draft Medium Density Code provide a starting point for these latter two items but could arguably go further, and extend to single residential and non-residential development.

FINANCIAL IMPLICATIONS

Planning compliance involves administrative costs. A more efficient and effective planning system should increase cost-benefit ratios.

LEGAL IMPLICATIONS

Nil. Planning reform may result in further legislative changes.

CONSULTATION

The report responds to a state government call for input into the next phase of planning reform.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple Majority

COMMITTEE DECISION ITEM SPT2107-3
(Officer's recommendation)

Moved: Cr Su Groome Seconded: Cr Geoff Graham

Council

1. Approve the lodgement of a submission on Phase 2 of Planning Reform based on the following key points, and the more detailed comments on proposed initiatives provided in Attachment 1:

- **a. Addressing single-issue decision making**
- **b. Continuing to improve coordination between agencies, both in response to proposals and in the delivery of infrastructure**
- **c. Improving community information on common queries and concerns.**
- **d. Reviewing the planning framework for regional reserves (such as the Fremantle Boat Harbours)**
- **e. Reviewing local government fees and maintaining/updating these biannually**
- **f. Incentivising strategic planning and maintenance of up to date planning frameworks (either financially and / or through provision of increased autonomy to local government**
- **g. Reviewing options for a regional or shared service models for planning, providing economies of scale.**
- **h. Further streamlining Scheme Review and Amendment processes by:**
  - **i. Removal of the requirement for scheme consolidation from the *Planning and Development Act 2005***
  - **ii. Removal of the requirement to refer basic scheme amendments with the EPA for approval to advertise**
  - **iii. Development of more effective amendment templates.**
- **i. Further rationalising decision-making frameworks by:**
  - **i. increasing the value threshold for opt-in and/or mandatory determination by JDAPs,**
  - **ii. clarifying the role of any Council recommendation in the DAP Responsible Authority Report, and**
  - **iii. looking at opportunities to integrate approval of access (i.e. crossovers) into development applications.**
- **j. Improving consistency:**
  - **i. Establish contemporary parking demand patterns**
  - **ii. Publish (non-mandatory) model land use permissibility for local, neighbourhood, district and regional centres.**
- **k. More pro-active acknowledgement of climate change and constructive planning responses to it in planning strategies, policies and uniform provisions.**

2. Express in the submission on planning reform a concern about the erosion of local government autonomy and a recommendation that future reforms counterbalance the past focus on standardisation and regulation with review of collaborative approaches which incentivise proactive and responsible local government delivering strategic planning outcomes.

Carried: 7/0
3. Cr Andrew Sullivan, Cr Sam Wainwright, Cr Geoff Graham,
4. Cr Bryn Jones, Cr Adin Lang, Cr Marija Vujcic, Cr Su Groome

Cr Sam Wainwright requested the item be referred to the Ordinary Meeting of Council. Seconded by Cr Su Groome.

Reason for change

To allow Officers to add a submission point in relation to the built form outcomes that are resulting from the subdivision of infill lots, where subsequent development cannot be design in accordance with the local planning framework.

ADDITIONAL OFFICER COMMENT

In response to feedback received from the Strategic Planning and Transport Committee on 21 July 2021, an additional submission point is recommended to be added to the City's submission on Phase 2 Planning Reform, flagging the opportunity to streamline development application processes and improve built form outcomes through better management of infill lot subdivision.

AMENDED OFFICER RECOMMENDATION

Council

1. Approve the lodgement of a submission on Phase 2 of Planning Reform based on the following key points, and the more detailed comments on proposed initiatives provided in Attachment 1:
   - **a. Addressing single-issue decision making**
   - **b. Continuing to improve coordination between agencies, both in response to proposals and in the delivery of infrastructure**
   - **c. Improving community information on common queries and concerns.**
   - **d. Reviewing the planning framework for regional reserves (such as the Fremantle Boat Harbours)**
   - **e. Reviewing local government fees and maintaining/updating these biannually**
   - **f. Incentivising strategic planning and maintenance of up to date planning frameworks (either financially and / or through provision of increased autonomy to local government**
   - **g. Reviewing options for a regional or shared service models for planning, providing economies of scale.**
   - **h. Further streamlining Scheme Review and Amendment processes by:**
     - **i. Removal of the requirement for scheme consolidation from the *Planning and Development Act 2005***
     - **ii. Removal of the requirement to refer basic scheme amendments with the EPA for approval to advertise**
     - **iii. Development of more effective amendment templates.**
   - **i. Further rationalising decision-making frameworks by:**
     - **i. increasing the value threshold for opt-in and/or mandatory determination by JDAPs,**

ii. clarifying the role of any Council recommendation in the DAP Responsible Authority Report, and
iii. looking at opportunities to integrate approval of access (i.e. crossovers) into development applications.

j. Improving consistency:
i. Establish contemporary parking demand patterns
ii. Publish (non-mandatory) model land use permissibility for local, neighbourhood, district and regional centres.

k. More pro-active acknowledgement of climate change and constructive planning responses to it in planning strategies, policies and uniform provisions.

l. Improve the subdivision process to achieve improved built form outcomes for infill lots by more effectively ensuring that new lots are physically capable of accommodating development that is consistent with the local planning framework. This may require more detailed assessment of subdivision proposals and / or more consistent application of a Development Application condition of approval.

2. Express in the submission on planning reform a concern about the erosion of local government autonomy and a recommendation that future reforms counterbalance the past focus on standardisation and regulation with review of collaborative approaches which incentivise proactive and responsible local government delivering strategic planning outcomes.

SPT2107-4 SCHEME AMENDMENT NO. 83 – DELETION OF MANDATORY UPPER FLOOR SETBACK REQUIREMENT FOR BUILDINGS IN THE CITY CENTRE – OUTCOMES OF CONSULTATION

Meeting date: 21 July 2021
Responsible officer: Manager Strategic Planning
Decision making authority: Council
Attachments:
1. Schedule of Submissions
2. Scheme Amendment No. 83 Document

Additional information: Nil

SUMMARY

As a component of its review of the West End Heritage Area Policy, Council resolved in November 2020 to initiate Amendment No. 83 to Local Planning Scheme No.4, to delete the mandatory upper floor setback requirement for buildings over 3 storeys and 11m within the city centre (including the West End) sub-area of the scheme.

Formal consultation on the amendment was undertaken between 14 April and 26 May 2021, during which a total of 23 submissions were received (with 1 further received after advertising). These included responses both in support (8) and objecting to the proposal (16), with some stating that allowing for flexibility will improve design and development outcomes, and others of the view that maintaining the current setback requirement is imperative to upholding the heritage values and character of Fremantle, particularly the West End.

This report discusses the outcomes of this consultation in further detail and recommends that Council support a modified scheme amendment, stipulating that the mandatory setback requirement for buildings exceeding 3 storeys and 11 metres in height remain for upper level additions to individually heritage-listed buildings (making up the majority of sites in the West End) but providing flexibility in other circumstances. Finalisation of the Amendment will be subject to a decision of the Minister for Planning.

BACKGROUND

In November 2020, Council adopted Local Planning Policy 3.21 – West End Heritage Area (LPP 3.21). The policy applies to the State-listed West End Heritage Area and contains heritage, design and conservation provisions to guide development within the precinct.

As part of consultation on LPP 3.21, the City conducted preliminary consultation on the idea of amending the planning scheme to remove the mandatory upper floor setback requirement for new buildings within the West End which exceed 11 metres or 3 storeys in height. If approved, the proposed amendment would see the following criterion deleted from Schedule 7, Sub-Area 1.3.1 of the scheme text:

a) *the upper level being sufficiently setback from the street so as to not be visible from the street(s) adjoining the subject site*

Other criteria (including the existing limitation on additional height to 14m, and permissibility of this only where consistent with existing adjoining buildings and the locality) would remain.

It should be noted that sub area 1.3.1 covers the State-listed West End Heritage Area as well as surrounding areas of the City Centre, many of which sit within the broader Central Fremantle Heritage Area (previously known as the West End Conservation Area). This means that any change to the planning scheme would also apply to development outside the LPP 3.21 policy area. The figure below illustrates the different spatial areas applicable to the West End Heritage Area and Sub-Area 1.3.1.

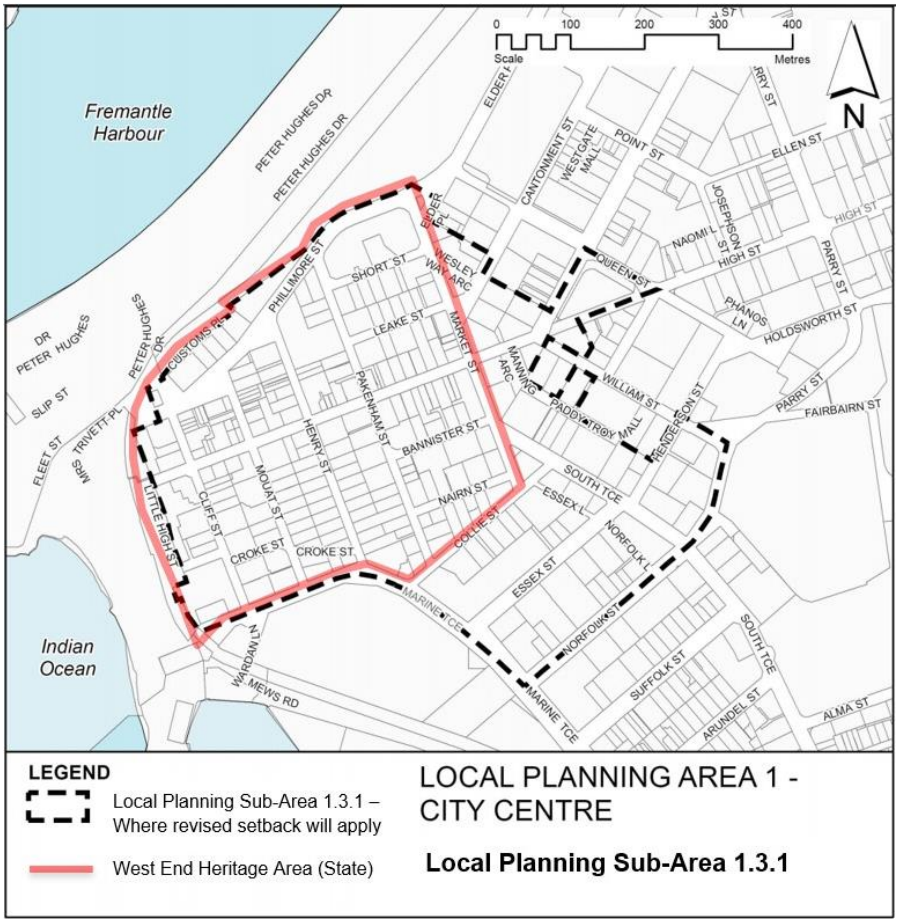


Figure 1 – West End Heritage Area superimposed over Sub-Area 1.3.1

The proposed deletion of the clause reflects the direction of LPP 3.21, which introduces a more performance-based assessment approach for the design of new development in the West End. Its provisions aim to ensure that new development is more responsive to the heritage context of a site, rather than apply a one size fits all standard to development assessment. In considering the effectiveness of the current clause, a key consideration was its compatibility with the traditional streetscapes of the West End, where buildings were mostly set back 'nil' to the street on all levels. Deletion of the clause was supported by the City's Design Advisory Committee as well as both the previous and current Heritage Coordinators. Further background information on this policy can be found in the previous report to Council (SPT2011-3).

Feedback on the potential scheme amendment during preliminary consultation was mixed: concerns were expressed by some suggesting that a change to the setback requirement could result in detrimental building designs that would dominate and undermine the heritage character of the precinct. There was also a perception that the scheme amendment would result in taller and less sympathetic buildings being developed within the precinct.

Council resolved at its November 2020 meeting to initiate Amendment No. 83 to remove the subject clause. Subsequent to the required environmental referral, the City undertook formal consultation on the amendment in April and May 2021. This report considers the outcomes of this consultation and options to proceed.

CONSULTATION

In accordance with the requirements of the *Planning and Development (Local Planning Schemes) Regulations 2015*, and the City's Local Planning Policy 1.3, consultation on Amendment No. 83 was undertaken for a period of 42 days between 14 April and 26 May 2021. This included letters being sent to all property owners and occupiers within sub-area 1.3.1, as well as direct notification to those who had made submissions on the preliminary consultation, and / or policy. A total of 23 submissions were received during formal consultation, with another after the closing date, making 24: 16 opposed to the setback change and 8 were in support. Almost all submissions were from property owners and occupiers within the West End, with one submission being made by a planning consultant on behalf of an owner, and one received from the Fremantle Society. A summary of the key positions outlined in submissions is provided below.

<u>Comments in Support</u>

- Removal of setbacks will have a positive impact on building form and will also assist as a noise buffer.
- The proposal has merit as many old buildings have zero setbacks, this idea of reducing setbacks from the traditional built form is a backwards idea.
- Removal of the setback requirement would bring the West End into the new era of architecture and improve the quality of design.
- The proposal has merit as the current planning scheme requirement has resulted in underwhelming development that does not reflect the character of the West End.
- The proposal will encourage proponents to design new development to be contextual with the predominant existing built form in the west end; setting back a fourth storey merely to hide it from view rather than seeking a good design outcome for a proposal is a negative approach.
- The 'wedding cake' approach to massing creates a built form inconsistent with the traditional streetscape, and removal of the fourth storey setback will result in greater development flexibility.

Comments Against

- The change to setback requirements will threaten the heritage qualities of the West End and will result in a confusing mixture of building forms.
- Retention of the setback requirement will ensure that the heritage quality of the West End remains at the forefront of the street.
- The precedent is weak given that there are very little, if any, 4 storey traditional buildings in the West End.
- Owners should be given incentives to maintain buildings, deletion of this clause does not provide this.
- 11 metres is high enough - the setback doesn't look good but is better than having additional height visible at street level.
- Concern raised that the new setback provision will not be applied consistently i.e. how will setbacks be assessed on a 'case by case' basis?
- The change will result in an increased risk to public thoroughfares or accessible areas by virtue of dropped objects from upper floors.
- The change would mean narrow streets of the West End become oppressive environments and would reduce access to sunlight at street level and increase the 'wind tunnel' effect.
- The proposal is an attempt by the council to allow developers to maximise their return and the council trying to maximise its rate base.

Other/Neutral Comments

- Why not make the exclusion for heritage listed properties?
- Each proposal should be assessed on its merits.
- When a building in the West End is extended, it should be done in the same style as the existing building/façade.
- Buildings should be allowed increase to 5 storeys to cater for Fremantle's future growth, interiors should be modernised where benefit to future purpose can be gained.
- Additional levels may look better with different design, rather than faux heritage, if aligned better with the original building and surrounds.
- A better constraint may be to say that the only elements visible above the third floor would be decorative elements of less than 2 metres in height.

The scheme amendment was referred to the Department of Planning, Lands and Heritage however no submission in response was received: the Department will have a further opportunity to review the proposal when it is referred to the Western Australian Planning Commission.

The Heritage Council was consulted as part of the preliminary consultation phase and did not raise any objections to the deletion of the subject clause in its referral response.

The Fremantle Society previously raised concerns with the proposal stating in its submission during preliminary engagement that "*the Fremantle Society does not support a scheme amendment to remove the need for 4th storeys to be set back, as they should rarely be allowed anyway."*

It further commented in response to the formal consultation that "*we do not want to see extra new storeys on top of existing buildings in the West End that can be seen from any angle in the street or adjacent streets."*

Further details of submissions are provided in Attachment 1 – Schedule of Submissions.

OFFICER COMMENT

Submissions received during formal consultation reaffirm the mixed responses noted during the preliminary consultation phase in 2020. Responses indicate a universally strong interest to retain the heritage character of the Fremantle City Centre, particularly the West End, and a desire for additions to existing buildings to be receptive to this. Regarding the proposed setback change, the City received a number of detailed submissions presenting strong arguments for and against the proposal. Those in support of the change cite the potential positive design consequences of allowing for additional flexibility, especially for new development, whilst those against the proposal raise strong concerns regarding the potential for the integrity of the City's established heritage streetscapes to be undermined. Unlike with feedback received during preliminary consultation, there was a greater understanding from submitters that the proposed amendment did not relate to overall building heights within the City Centre or West End or seek to increase this.

In considering the ideal outcome that strikes the optimum balance between planning, design and heritage considerations, three options are put forward for consideration:

Option 1 - Not proceed with scheme amendment

Key Implications:

- Not proceeding with the amendment would maintain the current scheme provision as-is, meaning all upper storeys above 11 metres will continue to be assessed against the 'visible from street' definition of LPS4 (as well as other criteria).
- The setback requirement would continue apply to both new buildings and additions to established (heritage) buildings.
- Local Planning Policy 3.21 would also require modification to reaffirm upper floor setbacks in all cases as a non-variable requirement of the planning scheme (Clause 3.2).

Option 2 – Progress with scheme amendment as advertised

Key Implications:

- This option would result in clause (a) of sub-area 1.3.1 being deleted.
- An upper floor setback would no longer be mandatory for development exceeding 11 metres in height; however, deletion of the clause would not preclude the provision of a setback based on heritage advice and the built-form context of a site.
- Provisions of LPP 3.21 would apply to development in the West End heritage area.
- Additional height for new development would still be subject to assessment under Cl. 1.2 of Schedule 7, which includes a requirement that a proposal be consistent with predominant height patterns of adjoining properties and the locality generally.
- LPP 3.21 would not require any amendment under this option.

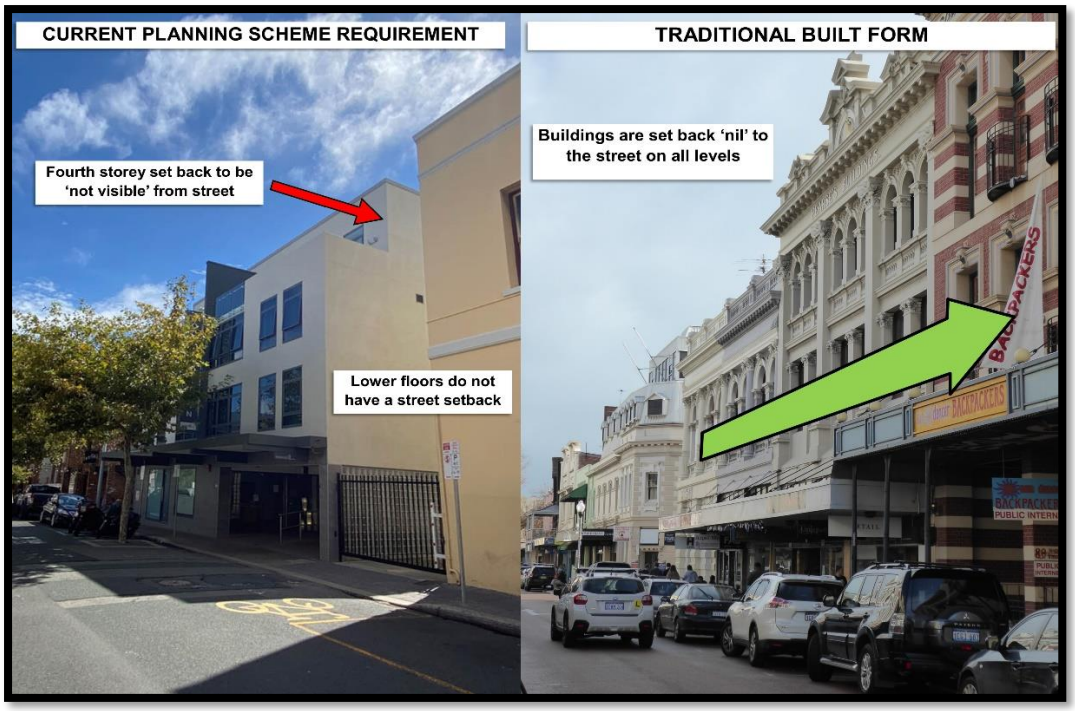


Figure 2 – Image used for consultation purposes to demonstrate current setback requirement

Option 3 – Maintain setback requirement for heritage-listed buildings and sites only

Key Implications:

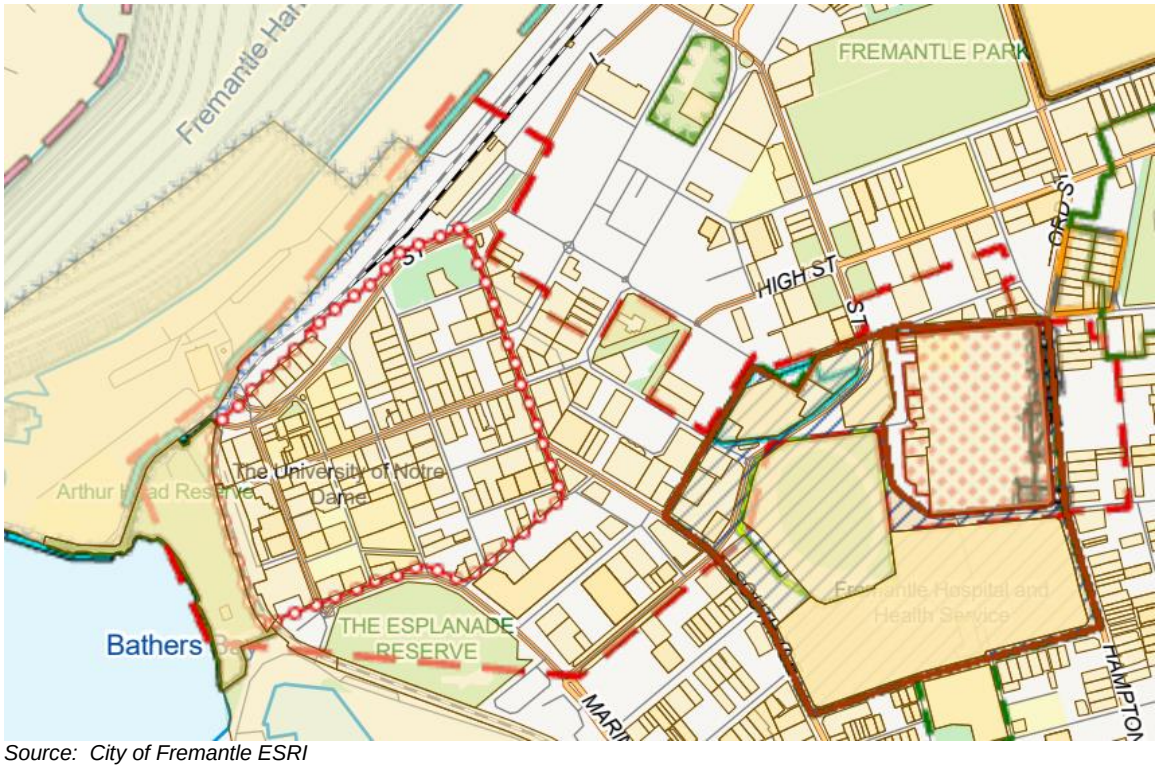
- This change to the advertised amendment would see a modification to clause (a), Sub Area 1.3.1 of Schedule 7, as follows:

  (a) ***Where a site is individually heritage-listed (local or State)****, the upper level being sufficiently setback from the street so as to not be visible from the street(s) adjoining the subject site*

- The revised wording of this clause reflects the sentiment raised in a number of submissions received during both rounds of consultation, particularly in respect to maintaining the scale and character of established heritage-listed buildings.
- Maintaining a setback requirement for heritage-listed buildings, both local and State, would ensure that the significant building fabric remains 'front and centre' in the streetscape.
- However, entirely new buildings exceeding 11 metres in height in the West End would be subject to a more performance-based assessment under LPP 3.21, meaning an upper storey setback may not be required if the overall building design is considered appropriate for the site and its context.
- New buildings outside of the West End would still require assessment against the bonus height criteria of Schedule 7.
- This option responds to criticism that the current setback provisions compromise the design quality of new development without any tangible positive impact on heritage outcomes. An example of such an outcome was provided in consultation materials and illustrated in Figure 2. It also allows for greater flexibility for new development outside of the West End heritage area, within sub-area 1.3.1.

- LPP 3.21 would not require any amendment under this option.

Individually listed places within the Central Fremantle area are show in yellow below (with the boundaries of the Central Fremantle and West End Heritage Areas shown in red):



Source: City of Fremantle ESRI

The challenge with this decision is that both good and bad design outcomes are capable under both a setback and a non-setback scenario. An argument of the History Council of Western Australia, in its original submission on the proposal, was that at least by retaining a setback, examples of poor design would be less obtrusive. Conversely, the revised West End Policy seeks to provide a greater emphasis and clarity on design quality, hopefully obviating this concern. On balance, officers recommend that Council progress with Option 3 above. This option is considered to respond to the key themes raised in submissions and strikes the best balance between opportunity and risk. Maintaining a mandatory setback requirement for heritage-listed places will ensure that established fabric remains at the forefront of streetscapes. Allowing for reduced setbacks for new development on non-listed sites (although not 'as of right') will provide greater flexibility for redevelopment sites within the City Centre. It will also allow for more contextually appropriate design responses on these sites.

All development proposals will still be subjected to assessment under Clause 1.2 of Schedule 7. For new development within the sub-area, there would be an option for upper floors to not to be set back out of line of the street: development would, however, still need to be deemed acceptable on conservation grounds, consistent with the West End local planning policy, capped at 14m and still be restricted to circumstances where the additional height is consistent with that of the adjoining buildings and the locality.

Progressing with Option 3 will no longer result in the deletion of the relevant setback clause from Schedule 7. Instead it is recommended that text be inserted before the existing clause (a) to specify that the setback requirement only applies to heritage listed sites.

Other Minor Corrections

As part of officer's assessment of this amendment, two other minor textual corrections to Sub Area 1.3.1 of Schedule 7 are also proposed to be included. These are administrative only and will not change the effect or classification of the amendment. The proposed changes, included in the following officer recommendation, are:

- Delete the text 'West End' below 'Sub Area 1.3.1'. This deletion will eliminate confusion with the State-listed West End Heritage Area and will provide consistency with the nomenclature of other LPS4 sub-areas.
- Delete the word 'outline' after 'Despite the general height…' and replace with 'outlined' to correct minor typographic error.

These corrections would normally be classified as 'basic' amendments and so would not, if advanced alone, require public advertising, having no impact on development under the scheme.

FINANCIAL IMPLICATIONS

Nil.

LEGAL IMPLICATIONS

The procedures for processing a 'standard' amendment to a local planning scheme is provided for within the 'deemed provisions' of the Planning and Development (Local Planning Schemes) Regulations 2015. Council's recommendation of this amendment twill be forwarded to the Western Australian Planning Commission for final assessment and decision from the Minister for Planning. If approved, gazettal costs are burdened by the City.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required.

COMMITTEE RECOMMENDATION ITEM SPT2107-4
(Amended officer's recommendation)

Moved: Cr Bryn Jones Seconded: Cr Su Groome

Council:

1) Note the submissions received on Amendment 83 to Local Planning Scheme No. 4 as detailed in Attachment 1.

2) Pursuant to reg 41 of the *Planning and Development (Local Planning Schemes) Regulations 2015* resolve to support Amendment 83 to Local Planning Scheme No. 4 (Attachment 2) subject to modifications, as follows:

i) Retain clause (a) of Schedule 7, 'Sub-area 1.3.1 – West End' of the Local Planning Scheme No. 4 but include additional text at the beginning of the clause to restrict its application to individually heritage-listed places, as follows:

(a) Where a site is individually heritage-listed (local or state), the upper level being sufficiently set back from the street so as to not be visible from the street(s) adjoining the subject site.

ii) In Schedule 7, 1.3 Specific Development Controls for Sub Areas, delete the text 'West End' after 'Sub Area 1.3.1'.

iii) In Schedule 7, Sub-Area 1.3.1, delete the word 'outline' after 'Despite the general height…' and replace with 'outlined'.

3) Authorise the Mayor and the Chief Executive Officer to execute and affix the common seal of the City of Fremantle to the scheme amendment documentation and submit the amendment to the Western Australian Planning Commission with a request for the endorsement of the final approval by the Minister for Planning.

Carried: 7/0
Cr Andrew Sullivan, Cr Sam Wainwright, Cr Geoff Graham, Cr Bryn Jones, Cr Adin Lang, Cr Marija Vujcic, Cr Su Groome

12. Reports and recommendations from officers

C2107-1 ACCEPTANCE OF MINUTES AND CONSIDERATION OF MOTIONS FROM THE ANNUAL GENERAL MEETING OF ELECTORS HELD ON MONDAY 21 JUNE 2021

Meeting date: 28 July 2021
Responsible officer: Manager Governance
Decision making authority: Council
Attachments:
1. Minutes of the Annual General Meeting Held on 21 June 2021

Additional information:
1. Attachments to questions asked at the Annual General Meeting of Electors.

SUMMARY

The purpose of this report is to receive the Minutes and consider the motions from the Annual General Meeting of Electors (AGME) held on Monday 21 June 2021.

BACKGROUND

Local governments are required to hold a general meeting of electors once a year to receive the annual report and to give an opportunity to electors to move motions for Council to consider, and to ask questions on council matters.

The City of Fremantle 2020 AGME was held on Monday 21 June 2021, and seven motions were carried at that meeting.

A number of questions were also asked at the meeting the interim responses provided at the meeting are included in the Minutes of the AGME as attached to this report and further responses to those questions received at the AGME are included in the 'Responses to previous public questions taken on notice' section of this Agenda (Ordinary Council Meeting Agenda 28 July 2021.

FINANCIAL IMPLICATIONS

There were no financial implications identified as a result of this report.

CONSULTATION

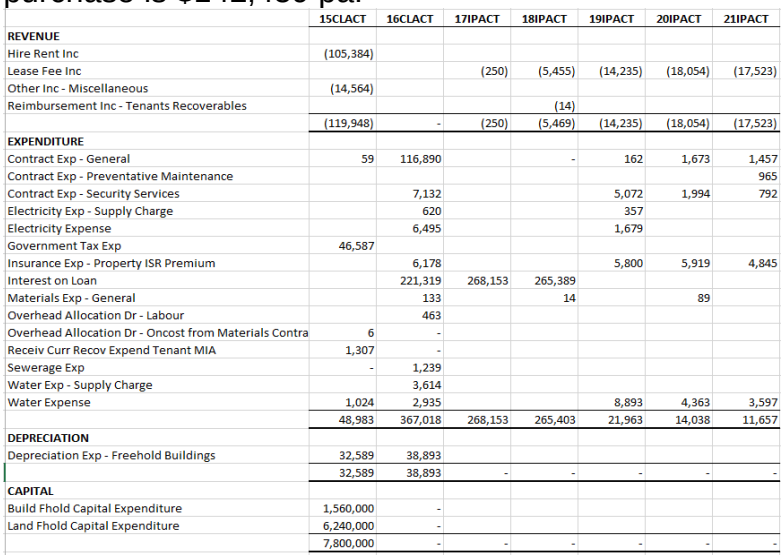
The date, time and location of the Annual General Meeting of Electors was advertised in the Fremantle Herald, on the City's public notice boards and on the City's official website for the 3 weeks preceding the meeting.

OFFICER COMMENT
The City of Fremantle 2020 AGME was held on 21 June 2021, approximately 40 members of the public attended, 15 attendees asked questions and seven motions were moved at the meeting as follows.

Questions (and responses) raised at the 2020 Annual General Meeting of Electors:

Questions	Responses
Sean Hefferon	
2 Jones Street 1. What due diligence was done in respect to the tenancy that the City of Fremantle took over management at time of purchase of 2 Jones St, O'Connor?	The City received an independent valuation and advertised a business plan prior to purchase. The size of the site suited the proposed future requirements and a previous site being considered was sold to another entity. The main structure on the site suited the intention for development as an operation centre, albeit the cladding is asbestos and needed replacement as part of the development for this purpose.
2 Jones Street 2. Did this due diligence undertake any ASIC or related checks to verify whether or not there were any commercial or company links between the vendor and the tenant?	No.
2 Jones Street 3 A Landgate valuation in 2017 showed a GRV of $410,689 for the site yet apart from the original tenant who had been paying rent of $639,984 – upon their departure in 2014, the rental income obtained is akin to a "peppercorn" rent – particularly given the$7.8M purchase cost? Why is the rent so low, when other similar properties can be expected to obtain or are receiving in income much higher?	The City makes no comment on the value placed by Landgate as it is a Landgate process. The original purchase of the site was undertaken with the intention to develop it as the new Council Operations Centre. Whilst having a tenant in the short term was favourable to assist with holding costs, it was not the original intention to hold the site for a significant period. This position has changed since the purchase and the property is currently being held. The main building contains asbestos and therefore the City has not sought to use it on a general commercial basis, The City has considered commercial opportunities that would see the building let under condition of replacement of this material. This outcome has not yet been achieved. The City currently only makes available hardstand for lease. Licenses and associated rental charges are offered commensurate to the size of the portion of hardstand being provided. Other similar properties may be receiving higher income due to being let as an entire site with the inclusion of buildings.

2 Jones Street 4. Planning for a new depot site started in 2005 with the eventual purchase of the above site in 2014. SPD Committee minutes (12/9/2016) show a schedule in which City was to move to depot to the Jones St site in mid-2018. Costs were incurred in relation to options (etc) – why did the move not occur?	The timeline to relocate depot operations referred to was part of a report to the Council's Strategy and Project Development Committee on a proposed business plan process to facilitate redevelopment of the depot site at 81 Knutsford Street. It was an indicative timeline assuming the successful execution of an agreement with a developer to transfer the Knutsford Street site for redevelopment on terms that achieve a satisfactory financial return to the City. Subsequent reports advised the Council that agreement to transfer of the land on terms acceptable to the City had not been achieved. In light of this, in August 2018 Council resolved to agree to retention of 81 Knutsford Street as an operational depot and recycling facility for City of Fremantle services in the short to medium term future, and also resolved that 2 Jones Street, O'Connor is surplus to the City's future operational requirements.
2 Jones Street 5. Is a reason for the non-relocation to Jones St due to the expense of site remediation given the level of contaminants?	No, the reason for the non-relocation of the City's depot to 2 Jones Street was the resolution of Council in August 2018 referred to in the response to question 4 above.
2 Jones Street 6. Cr.Pemberton states the following: Clarifying Fremantle's financial position www.rachelpemberton.com.au/freo-finances ▾ 1/10/2019 · We were able to purchase **Jones Street** property a potential future **depot** site, so that when the time came to Knutsford precinct, we had somewhere to shift the essential been required, so we are holding the land, which has been pa Isn't this statement by Cr.Pemberton contradicted by the minutes of the aforementioned SPD minutes?	No, this comment is related to the response to item 4 above.
2 Jones Street 7. If Cr.Pemberton's comment is not contradicted how can an organisation go through a several year process, purchase a multi-million dollar site – only to eventually realise that the purchase was premature?	The requirement to move will be based on the sale of the current depot site and subject to the answer in question 4 above.
2 Jones Street 8. Given that 2 Jones St was intended to be the	Further to the council resolution in August 2018 and until such time as the decision is made to relocate the depot, 2 Jones street will continue to be made available for short

depot site from mid-2018 onwards, and then possibly a film studio site can you please confirm what the specific plan is in regard to the site going forward?	term hardstand leases, licenses and storage for City materials and infrastructure.
2 Jones Street 9. What is the Year-on-Year income generated by 2 Jones St from the date of purchase benchmarked against the City's internal benchmarks (if any) as well as accepted industry benchmarks for such a property? NB: In respect to the latter, by benchmarks I refer to what other similar properties can be expected to obtain or are receiving in income. Could the site get benchmarked against the industry?	The site currently generates $11,994 pa in rental income from 4 hardstand licenses. The City currently only makes available hardstand for lease. Licenses and associated rental charges are offered commensurate to the size of the portion of hardstand being provided. The City could benchmark the site against other similar properties if they are only offering hardstand leases.
2 Jones Street 10. What are the Year-on-Year costs generated by 2 Jones St from the date of purchase?	Average annual expenditure on the site since date of purchase is $142,459 pa. 
Fremantle Festival 1. Can you advise the number of attendees at the Fremantle Festival when it was run in summer for the years 2014 to 2018?	Unfortunately, these number are not available for 2014 – 17. There were approximately 20,000 in 2018 (NB this included Fremantle Biennale, Blessing of the Fleet and Wardarnji).
Fremantle Festival 2. Cr.Sullivan advises in	Correct. This is a conservative estimate. It is difficult to accurately record attendance for free outdoor public

	15CLACT	16CLACT	17IPACT	18IPACT	19IPACT	20IPACT	21IPACT
REVENUE							
Hire Rent Inc	(105,384)						
Lease Fee Inc			(250)	(5,455)	(14,235)	(18,054)	(17,523)
Other Inc - Miscellaneous	(14,564)						
Reimbursement Inc - Tenants Recoverables				(14)			
	(119,948)	-	(250)	(5,469)	(14,235)	(18,054)	(17,523)
EXPENDITURE							
Contract Exp - General	59	116,890		-	162	1,673	1,457
Contract Exp - Preventative Maintenance							965
Contract Exp - Security Services		7,132			5,072	1,994	792
Electricity Exp - Supply Charge		620			357		
Electricity Expense		6,495			1,679		
Government Tax Exp	46,587						
Insurance Exp - Property ISR Premium		6,178			5,800	5,919	4,845
Interest on Loan		221,319	268,153	265,389			
Materials Exp - General		133		14		89	
Overhead Allocation Dr - Labour		463					
Overhead Allocation Dr - Oncost from Materials Contra	6	-					
Receiv Curr Recov Expend Tenant MIA	1,307	-					
Sewerage Exp	-	1,239					
Water Exp - Supply Charge		3,614					
Water Expense	1,024	2,935			8,893	4,363	3,597
	48,983	367,018	268,153	265,403	21,963	14,038	11,657
DEPRECIATION							
Depreciation Exp - Freehold Buildings	32,589	38,893					
	32,589	38,893	-	-	-	-	-
CAPITAL							
Build Fhold Capital Expenditure	1,560,000	-					
Land Fhold Capital Expenditure	6,240,000	-					
	7,800,000	-	-	-	-	-	-

the Fremantle Herald (18/6/2021) that the first winter version of the Fremantle Festival in 2019 had 11,000 attendees – is this correct? If not correct can you advise the correct number of attendees?	events. The move to winter was to help consolidate Fremantle as a year-round cultural destination. The Festival brings audience to Fremantle in the depths of winter, a time when visitation is historically low.
Fremantle Festival 3. What was the estimated annual income brought into the City of Fremantle by the: a) Fremantle Festival in the summer for each of the years 2014 to 2018? b) the Winter version in 2019?	The Festival is not commercial. It does have some income streams from grants and tickets. There are measures other than income. In 2019 there was diversity throughout the program in terms of artists and audience. The program was interspersed with some established interstate and international artists, but the heart of the program was site-specific, responded to Fremantle's identity and provided an opportunity for community participation. The festival was ambitious, and its external partnerships were critical to its success. In 2019 the City partnered with external community groups, businesses and artists to be able to successfully deliver the Festival. These included: Hilton Harvest Community Garden, Stackwood, PS Art Space, Navy Club, The Buffalo Club, St John's Church, The National Hotel, White Gum Valley Community Orchard, WA Maritime Museum, Freo.Social, and Fremantle College. The festival had a high social and cultural impact for the Fremantle community, artists and residents in celebrating Fremantle culture and creating new works, the demographic ranged from 0 to 100. Economically it impacted positively in terms of visitation, employment, income and profile. Festival Quick Stats: • 10 days and nights – active program • 82 multi art form/experiences • 25 venues – Fremantle, Hilton, WGV, North Fremantle, O'Connor & Beaconsfield • 15 community workshops • 340 artists participated in the program • 540 community members participated in workshops & contributors • 10 organisation partnerships • 30 technical and crew involved in delivery • 11 116 audience – visitation to Fremantle • 125 pieces of Media Coverage - total potential reach of 67.35 million

Fremantle Festival
4. What was the cost to the City of Fremantle in running the Fremantle Festival in summer for the years 2014 to 2018?

	Income	Cost
15/16 (Nov 2015 Festival)	Grants $ 54,150 Tickets $ 2,364	$314,424
16/17 (Nov 2016 Festival)	Grants $ 45,550 Tickets $ 54,194	$334,367
17/18 (Nov 2017 Festival)	Grants $ 47,550 Tickets $ 53,569	$352,011
18/19 (Nov 2018 Festival – Karla-K Koorling, Wardarnji, Blessing of the Fleet)	Grants $ 91,000	$325,642
NB: Fremantle Festival did not take place in summer. It was held spring prior to 2019.		

Fremantle Festival
5. What was the cost to the City of Fremantle to run the winter festival in 2019?

	Income	Cost
19/20 (July 2019 Festival)	Tickets $ 92,548	$382,521
NB: Fremantle Festival did not take place in summer. It was held spring prior to 2019.		

Fremantle Festival
6. What is the budget for this year's winter Fremantle Festival?

	Income	Cost
20/21	N/A COVID	N/A COVID
21/22	Projected tickets: $25,575 Projected grants: $70,892	$379,867

Craig Ross

Pindan
With the collapse of Pindan and next steps apparently in place for the civic centre project delivery:

1. What are the construction defect liability responsibilities the City has now taken on, and?
   - over what period, and
   - what are the currently known defects in the building?

Defect liability responsibilities in respect to the building will be provided through the novated agreements with sub-contractors. Noting contractors are now novated across and/or are contracted by the City to complete the works will provide the usual warranties and guarantees in respect to their works through novation.

Defects arising in the subsequent 12 month Defects Liaibility Period (DLP) would be expected to be covered by the usual subcontractor warranties. A process for diagnosing and coordinating the rectification of any defect works that may arise will need to be determined for the DLP.

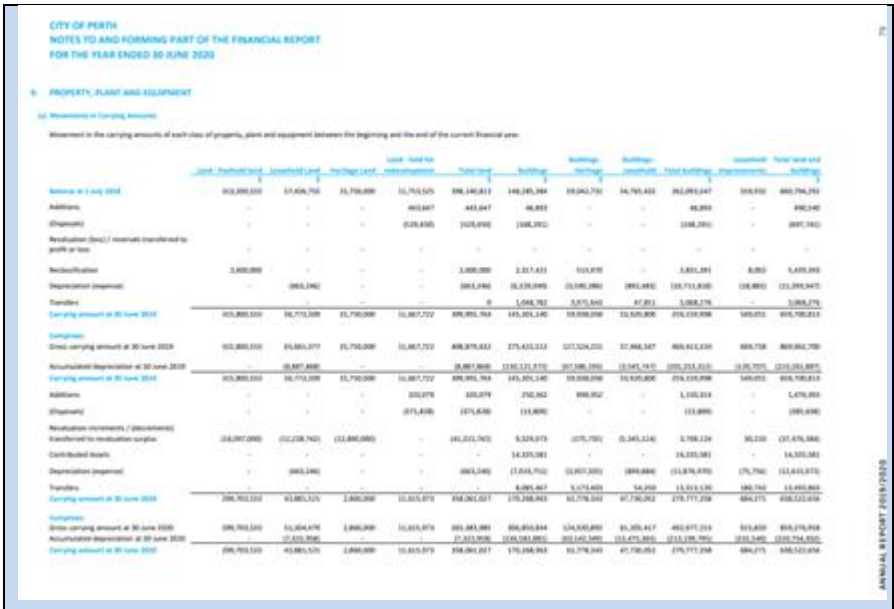
	Any defects arising beyond the 12 month DLP will need to be addressed by the City. The City will consider a suitable budget retention as provision for this. The project is ongoing and has not yet reached practical competion – it is not anticipated there will be any defects at Practical Completion.
Pindan With the collapse of Pindan and next steps apparently in place for the civic centre project delivery: 2. Once appointed will the defects liability be passed back to a new building contractor?	No, the City does not anticipate trying to pass this responsibility on to a third party Managing Contractor. However, the City may discuss a 12 month DLP coordination / facilitation role with a successful Managing Contractor.
Pindan With the collapse of Pindan and next steps apparently in place for the civic centre project delivery: 3. Are all subcontractors novated from Pindan to the City, and if not • how many are not and • what is their estimated value of works and? • will their subcontract work go out to tender or result in increased costs?	There are 29 sub-contractors still required to complete the works who operate under a novate deed. The estimated value of these works is $1.29m. The City is in discussions with a further 23 contractors who are not under a novate deed - however, these works are of a lower value and there is no expectation of significant cost increases or tender requirements. The non-novated deed sub-contracts are being negotiated under the resolution from the Special Council meeting from 8 June, 2021, as a sole source supplier. The City has gained commitments from these contractors to continue the works as agreed. The vast majority of these contractors have works of a lower value and there is no expectation of significant cost increases or tender requirements.

Pindan With the collapse of Pindan and next steps apparently in place for the civic centre project delivery: 4. What are the current estimated costs as at 31 May 2021 to complete the civic centre project – within say +/- $1m, • what is the percent complete for the construction costs by value, and? • what are the main remaining areas left unfinished, and? • what is the estimated completion date? • What happens when you over spend the $3.64m? • Has the project gone over budget? • Is it anticipated to go over budget?	The remaining construction project budget for the City as of 19 May (time of Pindan stopping works) was $3.64m. As of 19 May the building was approximately 90% complete by price against the contract sum. Remaining works include: • External façade / building envelop works. • Roofing works and PV array installation. • General interior fit out works, inc carpet installation, painting, cabinetry works and cleaning. • Exterior works, i.e. paving installation works, soft landscaping works, cleaning, defect inspections. • Final testing, witnessing, and commissioning works. A revised estimated completion date has yet to be determined. Cost increases (beyong the $3.64m) will be covered by the insurance bonds the City has already accessed. As of the 19 May, the construction project remained within budget. It is anticipated that there will be increased costs as a result of the collaspse of Pindan (beyond the City's agreed contracted sum), however, these costs will be offset against the insurance bonds.
Pindan With the collapse of Pindan and next steps apparently in place for the civic centre project delivery: 5. Are the 4 Pindan ex-employees which is a new additional expense and now on the City payroll expensed or are their costs capitalised to the project as construction costs? • Are these incremental additional costs?	Costs associated with the City taking on and finishing the project will be held against the project and the relevant insurance bonds – this includes the cost of employing the ex-Pindan employees. These costs are incurred incrementally.
Pindan	The City has formally taken possession

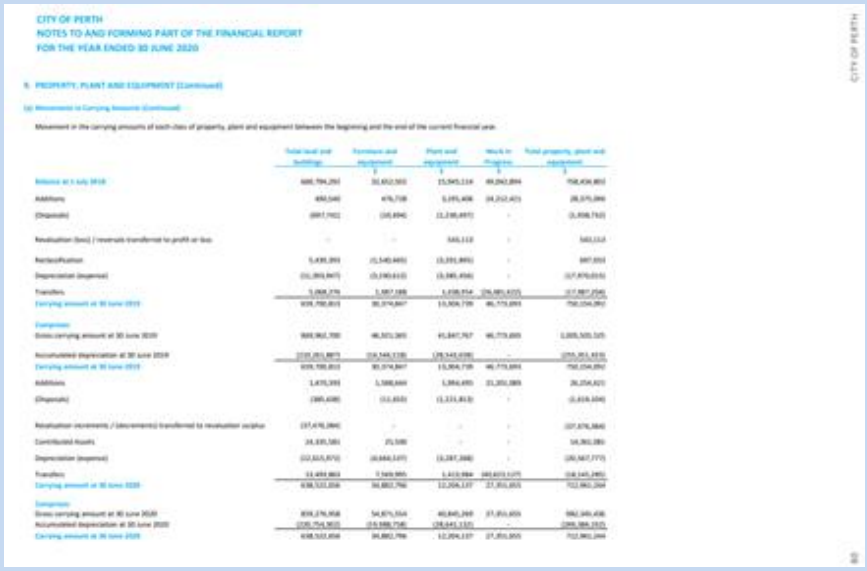
With the collapse of Pindan and next steps apparently in place for the civic centre project delivery: 6. Is Ernst & Young approval required on any planned arrangements, and • what are the additional new legal and other consultant fees incurred by the City due to the Pindan collapse?	of the building / site. Ernst and Young have formally 'disowned' the project, no approvals from EY are required. The project will incur additional legal / consultant fees as a result of the liquidation event and prolongation of the project works. These costs will be held against the insurance bonds.
Pindan With the collapse of Pindan and next steps apparently in place for the civic centre project delivery: 7. What are the additional fees for extension of the project length such as Sirona's management fee and other ongoing project management costs?	These are yet to be determined. (see 5a above re payment of additional fees)
Pindan With the collapse of Pindan and next steps apparently in place for the civic centre project delivery: 8. What are the additional insurance premiums paid for the City taking on the project directly and what additional coverage?	The previous insurance policy under Pindan ran until 30 June, 2021 and the insurer has confirmed this remained in place. The City has received insurance from 1 July, 2021 at a premium of $95,000 for the current structure and $8,000 for continuing works.
Property in course of construction disclosure 9. The project expenditure capitalised in the course of construction on the new civic centre has not been disclosed in the financial statements as at 30 June 2020. Why is there not proper disclosure of the expenditure in the financial statements as required by Australian Accounting Standards? Refer to attachment extract AASB 116 para 74(b)?	These works were capitalised at the end of the financial year. The City has discussed this process with our Auditor and will look to review and change this for the coming financial year.
Property in course of construction disclosure 10. Based on the building's revaluation listing the construction in progress amount as at 30 June 2020 is $38,380,135. How much of this amount as at 30 June 2020 relates to the new civic building project?	The amount of capital expenditure on the construction of the new civic building as at 30 June, 2020 is; Preliminaries $ 3,091,241 Demolition $ 2,504,791 Consultants $ 2,660,015 Newman Ct $ 647,272 Construction $23,878,810 TOTAL $32,782,129 These costs are a progression from

	FY17/18 to FY19/20 as follows; 2017/18 $ 3,486,450 2018/19 $ 7,470,399 2019/20 $21,825,280 TOTAL $32,782,129
Property in course of construction disclosure 11. Based on the construction in progress listing as at 30 June 2020 ($38,380,135) plus the amount shown in the May 2021 monthly accounts ($18,275,154) gives a current construction in progress amount of $56,655,289. How much of this amount relates to the civic building project and what is the budget as it currently appears the project budget has already been exceeded and the project is far from complete?	Based on the civic building construction amount at 30 June 2020 of $23,878,810 (identified in the response above) and the April 2021 monthly financial report figure of $14,432,537 for the current financial year, the total progress cost for capital construction for the civic building as at 30 April, 2021 is $38,311,347.
Property in course of construction disclosure 12. Will the amount of construction in progress on the new civic centre be properly disclosed in the upcoming financial statements as at 30 June 2021?	The City will review its disclosures to provide detail on the progress of capital costs of the civic building with its 30 June 2021 financial statements. Discussion on this issue will occur in consultation with the City's Auditor.
Property in course of construction disclosure 13. In addition to the direct civic centre project amounts capitalised, how much has been incurred in indirect project costs relating to the project and expensed through profit & loss up to 30 June 2020, and up to the current date?	From an initial review, very little expenditure, other than the internal officer time fortnightly pay, is being expensed through operating accounts.
Property revaluation during FY19 - 20 14. The revaluation of property in the FY19/20 financial statements was booked in the City's accounting records 9 months ago in October 2020 (can be seen by comparing the asset revaluation reserve in the Nov & Oct 2020 attachments). The process for oversight by councillors seems backwards. Why was there no explanation provided in monthly agendas in October 2020 when the adjustment was booked, or when the financial statements were signed in March 2021 by the CEO, or even when presented to the Audit Committee or even the Ordinary Council Meeting in April 2021, and why was a special confidential clarification meeting held on 16 June 2021 being 3 months after the financial statements were signed and why was that	The closure of the financial statements was the timing to provide information to council re financial statements for June 2020. These valuations were discussed at the first available Audit and Risk meeting once the financial statements were signed off by the City's Auditor. Audit and Risk meetings are not open meetings as they do not have a delegated function identified under section 5.23 (1) (b) of the *Local Government Act 1995*. All agenda items presented to the committee are then considered at the following ordinary council meeting, which is an open meeting for public attendance.

meeting not open to the public?	
Griffin Valuations 15. Griffin Valuation (refer attached page 12 para 2) of their report states heritage listed properties which cannot be reliably measured should not be recognised in the financial statements and a full description including reasons why a reliable value cannot be determined should be shown in notes to the accounts. As all heritage property has been recognised, does this mean all heritage land and heritage buildings have been reliably measured as at 30 June 2020 and why were there such large variations from the previous valuation in 2017, and was the last valuation reliable?	Both financial years were signed by the relevant Auditor. The valuations for both years were provided by an authorised independent auditor. It is the City's understanding that the valuations provided for June 2020 are in accordance with the "fair value" provisions of the accounting standards.
Griffin Valuations 16 Can the City confirm to what value it insures buildings and are the values in line with the recent Griffin Valuation amounts?	The City is Insured at $230m against Griffen's value of $157m. The insurance value estimates were required prior to sign off by the OAG (March 2021) of the new values. A review of the insured values will now be undertaken
Griffin Valuations 17. Other local councils (such as City of Perth attached) disclose separately in their financial statements the amounts attributed to Heritage Land & Heritage Buildings and Construction Work in Progress so as to be much more meaningful to the readers of the financial statements. Meanwhile the City of Fremantle discloses none of these categories separately. Why are these amounts not shown separately and transparently in the FY19/20 financial statements to both highlight and showcase the heritage and other assets of Fremantle?	The City will consider this request as part of the upcoming financial year audit and discuss with our Auditor as part of this process.



CITY OF PERTH
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020



CITY OF PERTH
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

Quarry Street – Holdsworth Street

18. Quarry Street property has been earmarked for disposal and classified as land held for sale in the FY19/20 financial statements at $4,243,000 (refer attachment) and was valued in the prior period at $9,321,000. Given it is to be sold and the valuation important, why and how did the property lose $5,078,000 in value during FY19/20 or since last valuation?

7 Quarry Street	Fremantle	Former YMCA	(595,000)	2,650,000
Quarry St	Fremantle	Fremantle Childrens Services	(4,483,000)	1,593,000
		Sub Total Land held for resale	**(5,078,000)**	**4,243,000**

The valuation provided as at 30 June, 2020 was provided by an independent valuer. They have determined that this value represents “fair value” in accordance with accounting standards at the time of determination.

The proposed sale for 7-15 Quarry Street is being undertaken in an open market process and will be sold at market value at the time of sale.

Quarry Street – Holdsworth Street 19. How did the 12 Holdsworth Street property sold during FY19/20 for $1,084,886 be valued previously at $3,107,875, and why is there such a large discrepancy between the fair value recorded?	The valuation provided as at 30 June, 2020 was provided by an independent valuer. They have determined that this value represents "fair value" in accordance with accounting standards at the time of determination. The property was sold on the open market at the time and therefore sold on the basis of market value.

Mark Woodcock	
1. Can the following documents be made available to the electors?	
a. The Auditor general reports on the city's finances and operations	a. These are already currently publicly available
b. The city's business plans for the last decade, ie the Jones Street	b. The City has developed many business plans. The City would like to seek clarification on specific business plans being requested.
c. The finalised report of the Tent City from the CEO	c. Yes, this is publicly available through the March Council minutes.
d. The city's set of master plans	d. The City has developed many masterplans. The City would like to seek clarification on specific masterplans being requested
2. Can the council please provide the electors the following in relation to the purchase of Jones Street Property	
a. A copy of the Business Plan and due diligence done prior to its purchase	a. Yes, this is already publicly available
b. The report on the asbestos issues	b. Yes
c. How much was spent on the planning of the site and depot works and what its current status is	c. Since 2016 the City has reviewed the depot services, facilities, workstyles and equipment at both the Knutsford Street and Jones Street sites. The City has spent approx. $162k on these studies including service area studies, high-level site evaluation, site testing and remediation (at Knutsford Street) and the development of initial concepts for potential project evaluation. The City is currently assessing the service areas, service levels and delivery models with staff and will reinitiate concept development and site option appraisals at the conclusion of these works.
d. The report on ground	d. Yes

contamination	
e. The confidential documents in relation to the site	e. No
2 Jones Street 3. What are the current plans for the site's future?	The timeline to relocate depot operations was part of a report to the Council's Strategy and Project Development Committee in September 2016 and on a proposed business plan process to facilitate redevelopment of the depot site at 81 Knutsford Street. It was an indicative timeline assuming the successful execution of an agreement with a developer to transfer the Knutsford Street site for redevelopment on terms that achieve a satisfactory financial return to the City. Subsequent reports advised the Council that agreement to transfer of the land on terms acceptable to the City had not been achieved. In light of this, in August 2018 Council resolved to agree to retention of 81 Knutsford Street as an operational depot and recycling facility for City of Fremantle services in the short to medium term future, and also resolved that 2 Jones Street, O'Connor is surplus to the City's future operational requirements.
2 Jones Street 4. Why did council pay above the reported valuer's price?	Valuations do not account for price variations resulting from the negotiation processes.
2 Jones Street 5. What investigations has been done on the remediations of the site and removal of sites contaminations?	The City is aware of the site condition and contaminates at 2 Jones Street. No works have been done to remediate the site. The site continues to be managed and monitored in line with the City's normal statutory / maintenance obligations.
2 Jones Street 6. Does the city have costs for the aforementioned process?	Costs for monitoring 2 Jones Street are included in the City's annual maintenance program. Approx. $3,300 has been spent on monitoring/managing site contaminations at 2 Jones Street since 2016.
2 Jones Street 7. What is the cities income from site annually	The site currently generates $11,994 pa in rental income from 4 hardstand licenses.
Elizabeth Megroz **- on behalf of the Greater Fremantle Community and Business Association (GFCBA)**	
1. On page 6, from the Toilet Block (House #9) to the end of the list, all of the items are now	The revaluation increment is calculated as the movement between the current valuation and initial valuation.

currently valued at precisely the same as the revaluation increments. Why?	In relation to the buildings highlighted, the revaluation increment is the same as the current valuation as these buildings had an initial valuation of $0. The movement is therefore calculated as the current valuation. The initial value of $0 is attributed to either the buildings not being owned by the City of Fremantle at the time of the initial valuation or the building not being included in the initial valuation.
2. On page 2 the Fremantle Oval Office value appears to have increased from $2,530,958 to $6,732,000: a staggering increase of 266%. It raises the question of how a modern building (not the land, just the building) can increase in value at all and least of all, by 266% in 3 years? How was the increase in value ascertained and calculated?	The valuation provided as at 30 June, 2020 was provided by an independent valuer. They have determined that this value represents “fair value” in accordance with accounting standards at the time of determination. The subsequent (current) valuation for the property had a greater level of detail following a site inspection. Each component of the building structure was examined, a replacement cost & useful life estimated for each to provide a fair value for each component & the building combined. The initial valuation did not go to this level of detail.
3. On page 3, the Round House shows and increased value from $1,159,632 to $4,465,200 (an increase of 385%) when we are constantly being told that this building is in dire need of major repair work. How was the increase value calculated?	The valuation provided as at 30 June, 2020 was provided by an independent valuer. They have determined that this value represents “fair value” in accordance with accounting standards at the time of determination.
4. Why is the very last item on page 6 called ‘Buildings WIP’ included at the end of the financial year in this list, when it is by sheer definition, work in progress and not a building? Why is this item not disclosed and recorded separately in the accounts	The revaluation of the City’s building assets is disclosed in the City’s Annual Financial Statements for FY19/20, Note 9(a) Property, Plant and Equipment. These works were capitalised at the end of the financial year and represented the building works from this financial year as at 30 June. The City has discussed this process with our Auditor and will look to review and change how this information is presented for the coming financial year.
Andrew Luobikis	
ARMC2106-3 – Overdue Debtors report 1. Why are we waiving these	Waivers have been provided as required under the provisions of the Commercial Tenancies (COVID-19 Response) Act 2020.

debts rather than put these businesses on a payment plan?	
ARMC2106-3 – Overdue Debtors report 2. Why has an Ex-councillor's business had its debts waived two years in a row? Why can't he be on a payment plan?	Waivers have been provided in accordance with the provisions of the Commercial Tenancies (COVID-19 Response) Act 2020. Independent legal advice was also sought as to recoverability of debt which confirmed that the City has no prospect of recovering monies owed from the debtor.
ARMC2106-3 – Overdue Debtors report 3. Can we have the individual justifications for each business on this list with proof as to why?	Waivers or deferrals were provided as required under the Commercial Tenancies (COVID-19 Response) Act 2020. Businesses were required to provide financial statements demonstrating direct financial impact from COVID-19 before a waiver or deferral was provided. A further report on the individual provision for each commercial tenant will be provided to Council through the next Audit and Risk Committee meeting.
Rates question 4. Why are we as ratepayers with ever increasing rates, required to pick up the tab for the Round house a State Heritage building?	The State Government has contributed funds for the latest works being carried out on the Round House on condition that the City provides an equal contribution.

Petr Pacak	
Civic Admin Building 1. Is a Managing Contractor a fancy term for a Registered Builder?	The City intends to engage a Contractor to 'Manage' the construction process - AS 4916 (Construction Management Contract) provides for this. A key aspect of a Managing Contractor would be they are a registered builder.
2. The construction team will essentially perform the same role that they have provided on the project to date and contractors who have already been working will continue with that under a new builder?	The emphasis in the wording there is Managing. A managing builder or Managing contractor will be engaged to take on the responsibility of the building site. The intent is to bring in a managing contactor to oversee the activities of the site as a whole. The City have employed 4 of the key ex-pindan staff that were essentially running the project and have been doing for the last 2 years they are quite capable of delivering and overseeing the works and managing the contactors that have been novated across. The City is seeking an oversight contractor with a Builders Registration to have a watching brief and to make sure we equate all the insurances and the health

	and safety and help with the financials.
3. How are you sourcing a new builder are you tendering?	The City has tendered for a Managing Contractor.
4. Who will take legal responsibility for the building? A similar situation with the City of Cockburn Medical Centre, where the builder went bust during the process, cost them Millions to change the builder and pretty much had to redo the entire contract. It seems from reading the website that this is a walk in the park.	A comparison has been made to the City of Cockburn Medical Centre that was around about 50% complete when they had problems with the builder. We are at more the 90% complete. The significant difference is that, thankfully with the foresight, the City initiated a contract with a project bank account and with requirement for novate subcontracts, so subcontracts with the builder at the time were given the option to have novated contracts, the vast majority of them took up that opportunity and had novated contracts and what that means is that those subcontractors are now contracting, essentially to the City of Fremantle. In a terminology sense it could be compared to the term Nominated Subcontractor, a nominated subcontractor in a contract where the owner nominates that person and the builder simply administers the overarching work of that person including insurances and making sure the work they do onsite is done in accordance with health and safety rules and the like.
5. What is the percent of the internal fit out is completed?	Internal fit-out is advanced. The City has secured all of the facades and these are on site. So effectively it is just about placing these façade panels in and around the building.
6. Can I visit the building on behalf of rate payers basically assess what council is telling us?	Every month the City has an independent quantity surveyor and an independent superintendent do exactly that, they access the value of works that have been completed and they certify before any payments are made, that's done every month and is on track. So, the answer is no.
Georgie Adeane	
1. I run the South Beach Market, I spoke the Cr Sullivan some months ago and asked him why my business is going out to tender? His reply was that they site is an iconic site and that other people should have the option of using it as well. So, my question is Fremantle Markets is an iconic building which has been let to the same tenant for going	Cr Sullivan First of all I will state for the record that your question to me was sometime around October last year not a few months ago and I did try to talk to you about that matter at the time, prior to the report going to the Council and the time of last year's tender. CEO So, the current lease for the Fremantle Markets is in place till October 2026. There is a conversation

on 50 years and why shouldn't that be shared as well? Why have they been given a 50 Year lease when they normal lease is 5 years?	going on inside council at the moment and there will be a tender released shortly to undertake some works at the Fremantle Markets, there is a conversation with the tenants about how those works are funded moving forward.
2. How long have they been there?	The current lease was put in place in March 2008.
3. Prior to that, they had a 30year lease prior to that?	Not the current owners but the current owners' family had partnership in the lease.
4. I am a market holder and I am operating a business in Fremantle and the council has actually been quiet generous to me in the past but I just wonder why something I have created and worked very hard at can just be put on the table as a tender? Legally a commercial lease is 5 years, so legally the Fremantle Markets should have been put out for tender after at least 20 years.	A temporary open-air market held in a public reserve is considered an event and as such would operate under an event hire agreement and not a lease. The Fremantle Markets is a bricks and mortar business that pays commercial rent and rates and any other required charges under the terms of a lease. A commercial lease and any further optional terms within it must constitute a minimum of 5 years and not any less, if it is a lease defined under the Commercial Tenancies (Retail Shops) Agreements act.
5. Some of their rent was waived, isn't this in breach of their lease?	Waivers have been provided in accordance with the provisions of the Commercial Tenancies (COVID-19 Response) Act 2020.

Shirley Burbidge	
1. Who is responsible for the upkeep of Wray Avenue road surface? Also, Hampton road between Scott St and Jenkins Street? Potholes appeared last year not filled very well. Holes appearing again after first bad storm.	Following inspection, it has been confirmed that the potholes on both Wray Avenue and Hampton Road are logged for urgent repair on the forward maintenance schedule.

Bill Burbidge	
1. Why is this meeting so late compared to last year? Why don't we have a consistent time in the year as to when these meetings are held?	This year the financial statements were late in being finalised. There were late changes to the Local Government provisions and this year was the first year the City had the Auditor General's office undertake the audit. There was a change in the way in which the accounting practises occurred, these came through in November 2020, which required retrospective application, which required the statements and records to be adjusted to meet the new accounting practises. These were State Government requirements.

	It would be the City's preference that these meetings took place within 6 months of the end of the financial year.
2. There is a rumour going around that council is no longer going to have a contractor that goes around and does bulk collections?	There has been a report that has been investigating verge side collections, so those reports are on the public record and we can refer you to those to see what the proposals are and comment to council accordingly.

John Dowson	
The City of Fremantle Annual Report is a detailed and interesting account, and the first page states that Fremantle is home to "the state's busiest and most important cargo port…Now the beating heart of Western Australia's economy" 1. Why then does Fremantle Council appear to be doing so little to keep the port in Fremantle when the state government has unilaterally made a decision to move it out of Fremantle? Where is the evidence of effort by Council to keep WA's "beating heart in Fremantle?	Council has an adopted position in terms of its advocacy on the matters of the Port which is still current and includes that Council does not favour the relocation of the Port and would prefer the container port to remain in Fremantle. Council has made its representations and position abundantly clear, but this is a decision for the State Government which clearly has a different view. They have said in their most recent press release that they are steaming ahead with the relocation of the Port.
The Annual Report presented tonight states that one of the, quote, "Notable achievements" of the One Planet involvement is the roll out of the FOGO waste program, after a 2% rate levy was introduced to pay for the red bins. 2. Given that this is not a once off charge for a new bin, but an annual 2% tax on every ratepayer every single year for a single bin, and that inner city residents and businesses do not and have never received one of those bins, when will Fremantle Council rescind the tax for those who don't benefit, and refund their money?	Council is continuing to review the roll out of FOGO to as many properties as possible. Current review is to roll out to Multi Use Dwellings.

Suzanne John	
1. What is the City going to do about stopping the anti-social behaviour around the Round House?	The City's Community Safety Officers will patrol and can keep an eye on this location. Our CCTV plan actually provides for more CCTV in this location. The City will continue to advocate for additional funding. However, it is not just about funding to put a new camera in, it is also a bit of a dead spot as far as the camera's connecting back to our monitoring room and they need to relay from each camera wirelessly to make that work.

2. Are you suggesting with all the noise and carry on that we just call a ranger?	The City's Community Safety team can be contacted on 1300 360 666 if you wish to report any issues or require security patrols of a location. Police matters should be reported to the police by calling 131 444

Richard Bartlett	
1. What is the state of progress on remediation of the wall on rail side of Arthur Head?	Works are currently progressing on site. The wall to the rail side of Arthurs head has been delayed as a result of the poor condition of the cliff-face. The current revised completion date for this phase of works is late August.
2. When will the cliff on the coastal side of Arthur Head be restored and why the delay, which has now extended to at least 4 years?	The steel canopy to the beach side of the tunnel is now being fabricated (off site). The current revised completion date for this phase of works is late August.
3. What steps, such as CCTV and more lights are planned to address security issues and anti-social and criminal behaviour all around Arthur Head?	The City's Community Safety Officers will patrol and can keep an eye on this location. Our CCTV plan actually provides for more CCTV in this location. The City will continue to advocate for additional funding. However, it is not just about funding to put a new camera in, it is also a bit of a dead spot as far as the camera's connecting back to our monitoring room and they need to relay from each camera wirelessly to make that work.

Chris Williams	
1. How many informal meetings took place between the former Mayor Dr Pettitt and representatives of Sirona Capital Management Proprietary Limited (Sirona) before Council signed a memorandum of understanding with Sirona in October 2011?	This is a matter for the former Mayor to respond to.
2. Were all those meetings recorded in the Mayor's official diary? If not, why not?	As above.
3. If yes, were notes of date, venue, who attended and any informal agreements, understandings or proposed motions to Council with respect to a memorandum of understanding with Sirona recorded by the Mayor?	As above.
4. Give that it appears the partnership between the City of Fremantle and Sirona appears to have resulted in at least a $40 million reduction in ratepayer assets of the city, and an estimated $100 million capital gain to Sirona, has Council requested the Auditor General to conduct a performance audit of the partnership entered into by the City of Fremantle pursuant	Council has not sought a performance audit on the Kings Square Business Plan from the Auditor General.

to the Kings Square Business Plan of November 2012? If not, will Council now request such a performance audit?	

Ken Adams	
What is the actual position, who or what entity is going to take legal responsibility for the standard of construction of the completion of the Civic admin building?	The City has tendered for a new Managing Contractor to assist in completing the works.

Adele Carles	
1. Several years ago Sirona Capital as we know was given more than $40million worth of the City's properties with no public tender process and yet we hear tonight that Georgie Adeane who set up the Markets at South Beach, you have decided that she has to go out to tender and she has built all the relationships with the food holders and stall holders, it is her business, it's a small scale business compared to $40 million of income producing assets. So why are you throwing the book at her and why wasn't Queensgate and all that other properties, why were they given to Sirona without a tender process?	The City undertook a process under section 3.59 of the *Local Government Act 1995*. Under the provision of this section of the Act, the City is not required to separately tender for the sale of property identified in this process. Only property nominated under this process was sold to Sirona.
2. Why were Georgie Adeanes highly regarded South Beach markets put out to public tender?	The license to use South Beach for a "summer market" is yet to be placed for tender. Council resolved to undertake this process following the summer season - December 2020 to April 2021.

Martin Lee	
We have been told that Covid 19 is to blame for current state of affairs, it is not, the problem is you have sold more the $50million worth of investment properties, you have lost more income from those investment properties you have from lost rates in Covid, in addition to that you have saddled us the another $20million of debt that we did not need which was not in the business plan, because that business plan was supposed to be funded by cash flows that were with the	The Kings Square Project Business Plan included a provision to borrow funds for the project. The provision in the Plan was for loan funds of $15m. This figure was subsequently adjusted to $20m to account for CPI project cost increases between the adoption of the Plan and the awarding of the tender. The annual revenue for Queensgate Carpark at the time of sale was: Queensgate Car Park $1,685,482 (2015/16) Centre Park Shops $ 104,209 (2015/16) Total $1,789,691 The annual revenue for Queensgate

business case itself, so you have actually added to the rate payers an addition $20million. How much money have you lost through lost income and additional debt on an annual basis compared with Covid 19?	Commercial Complex at time of sale was: Queensgate Complex $ 561,441 (2015/16) The annual revenue for the Spicer property at time of sale was: Car Park 13 $ 427,755 (2017/18) Warehouse rental $ 70.908 (2017/18) Total $ 498,663

Motions moved at the 2020 Annual General Meeting of Electors 2020:

1. Motion proposed by Craig Ross

Moved: Craig Ross **Seconded: John Dowson**

The customary order of items in the Ordinary Meeting of Council monthly agenda be changed so that Finance Reports (Monthly Financial Report) become the reports presented first (not last as currently is the practice) in the agenda to facilitate more discussions as a priority and show a better focus and scrutiny by councillors on financial matters than shown to date.

Carried by simple majority vote

Officer Comment

The customary flow of items on the council agenda takes into consideration the order in which the committees of council are held during the preceding month.

Elected Members attend council meetings fully prepared and aware of each item on the agenda for that meeting and may ask questions or seek clarification of any information provided. Ordinary Council Meeting Agendas are made available 5 days before the meeting is held, meaning there is adequate time for appropriate consideration of all reports on the agenda.

In some instances, it is also a requirement that a particular decision made by Council must be made before a later decision. For instance, the Annual General Meeting of Electors (AGME) date cannot be set before the receipt of the annual financial statements, so it is common practise for council to adopt financial statements at the beginning of a meeting and set the date for the AGME later at that same meeting. This allows the City to 'save' a month of normal meeting cycle time and therefore to provide a lengthier public notice period for the holding of the AGME.

Officer recommendation

Council notes that elected members properly scrutinise all items presented to them through Council Meeting Agendas, regardless of the position in which they appear, and do not support a change to the current order of the agenda layout.

2. Motion proposed by Sean Hefferon

Moved: Sean Hefferon **Seconded: John Dowson**

That an independent and external investigation of the purchase of 2 Jones street, O'Connor be implemented.
This investigation, to be open for public submission, should report on:

1. **Any and all actions taken by the City of Fremantle, and elected members in relation to the purchase of 2 Jones Street and whether these actions were in accordance with relevant standards;**
2. **Any conflicts of interest, should they exist, relating to City of Fremantle staff, and elected members in relation to 2 Jones Street purchase;**
3. **The due diligence taken by the City prior to the purchase and in particular verification of the tenancy in place at the time of purchase;**
4. **The total cost of 2 Jones street being all purchase, and call carrying costs from date of purchase to the present;**
5. **The total income generated by 2 Jones street year on year benchmarked against the City of Fremantle's internal benchmarks (if any) as well as accepted industry benchmarks for such a property;**
6. **All valuations pre and post purchase;**
7. **Future options for the site.**

Carried by simple majority vote

Officer comment

The City acted within the parameters of the adopted Business Plan for the purchase of 2 Jones Street O'Connor, in accordance with section 3.59 of the *Local Government Act 1995.*

The City received an independent valuation, advertised the business plan and undertook all necessary due diligence prior to the purchase of the property.

The City is confident that the purchase of 2 Jones Street was undertaken within the parameters of the business plan and relevant legislation and do not consider an investigation to be necessary.

Officer recommendation

Council

1. Agrees that the purchase of 2 Jones Street, O'Connor was undertaken within the parameters of the business plan and relevant legislation
2. Does not support the implementation of an investigation into the purchase of 2 Jones Street, O'Connor.

3. Motion proposed by Mark Woodcock

Moved: Mark Woodcock **Seconded: Andrew Luobikis**

A vote of no confidence in Council

Carried by simple majority vote

Officer Comment
There are no statutory powers under which a motion of 'no confidence' can be enacted by Council. Only the Minister for local government has the power to remove an Elected Member from office or disband a Council.
It is open to Council to consider such a motion; however, the Council cannot take any direct action in relation to the matter, other than to accept, reject or note the motion.

Officer recommendation
Council notes the motion and advises that there are no statutory powers under which a motion of 'no confidence' can be enacted by Council.

4. Motion proposed by Elizabeth Megroz

Moved: Elizabeth Megroz **Seconded: Craig Ross**

That the meeting does not accept the accounts as presented, for they cannot be said to give a true and fair view of the City's financial situation, given the controversy surrounding the valuations of the land, buildings and other assets.

Carried by simple majority vote

Officer Comment
The meeting did not accept the accounts as presented to it and this is reflected in the Minutes of the meeting with the motion being recorded as 'LOST'.
Officer recommendation
Council notes that the meeting did not accept the accounts as presented.

5. Motion proposed by Helen Cox

Moved: Helen Cox **Seconded: Mark Woodcock**

Fremantle ratepayers, business owners and residents, respectfully instruct the Acting City of Fremantle CEO to undertake a previously proposed independent investigation as outlined by Cr Vujcic's motion (24/2/2021) on behalf of all ratepayers, business owners and residents; and

1. **That a full report be presented to Council as soon as possible in review of the Council's own policies and practices of 'good governance' and high standards of compliance that are expected to be followed and enacted at all times, in the best interests of ratepayers, business owners and residents.**
2. **That the City allocate appropriate resources to ensure that the recommendations of that report are immediately implemented in support of the principles of continuous improvement and 'good governance' of our City of Fremantle.**

Carried by simple majority vote

Officer Comment
Council has previously determined the outcome of this motion. The final decision and information relating to its consideration can be found in the Minutes of the Ordinary Council Meeting held on Wednesday, 24 February 2021.

Officer recommendation
Council notes that a previous council decision has already determined the outcome of this motion and does not support a revocation of that decision or reconsideration of the motion.

6. Motion proposed by Andrew Luobikis

Moved: Andrew Luobikis **Seconded: Mark Woodcock**

1. To abolish 'One Planet' and replace it with Climate Active/NCOS Certification.

2. Authorises the Acting CEO to immediately implement this resolution.

Carried by simple majority vote

Officer Comment
These matters will be considered in an upcoming report to council which more broadly considers the budget allocation for One Planet subscriptions and purchase of carbon offsets. These budget allocations were 'quarantined' by Council in the adoption of the 2021/22 budget on 23 June 2021. Refer to item C2106-1 - Adoption of the Annual Budget 2021/2022.

Officer recommendation
Council notes that the matters raised in this motion will addressed in an upcoming item to council and that the mover of that motion will be advised when that report is presented.

7. Motion proposed by John Dowson

Moved: John Dowson **Seconded: Mark Woodcock**

That funding for heritage should be increased in 2021 budget.

Carried by simple majority vote

Officer Comment.
The 2021/22 budget adopted by Council on 23 June 2021 included the following allocations for heritage operating and capital projects, totalling $3,060,000:

2021 - 2022					
Project	**Operating or capital**	**Proposed expenditure**	**Source of funding**	**Municipal funds**	**Comment**
Undertake heritage review	Operating	$50,000	($20,000) Grant	$30,000	For review/update of Heritage List and Local Heritage Survey for South Fremantle and white Gum Valley
Arthur Head wall stabilisation	Capital - renewal	$500,000	($500,000) Carry forward surplus		
Restore heritage walls	Capital - renewal	$30,000		$30,000	Heritage wall restoration at Princess May Park
Fremantle Education Centre	Capital - renewal	$200,000		$200,000	Renewal of air conditioning and relocating from the roof.
Fremantle Markets	Capital - renewal	$2,200,000	($1,700,000) FMPL	$500,000	Major refurbishment and upgrade project
Union Stores Building	Capital - renewal	$30,000		$30,000	Window repairs
Gilbert Fraser Grandstand	Capital - renewal	$50,000		$50,000	Renewal of timber flooring
Total		**$3,060,000**	**($2,220,000)**	**$840,000**	

By comparison, total heritage-related operating and capital project expenditure in the 2020/21 budget was $2,040,000:

2020 - 2021					
Project	**Operating or capital**	**Budget**	**Source of funding**	**Municipal funds**	**Comment**
Town Hall Fire Protection	Capital - new	$600,000		$600,000	Install a fire protection sprinkler system to the Old Town Hall
Arthur Head wall	Capital - renewal	$1,000,000	($500,000) State gov.	$500,000	Stabilisation and restoration works to

stabilisation					Arthur Head
38 Henry St Facade	Capital - renewal	$25,000		$25,000	Repair and make safe deteriorating heritage facade
Arts Centre Sewer	Capital - renewal	$70,000		$70,000	Replace failing sewer pipe to Fremantle Arts Centre
Fremantle Markets	Capital - renewal	$265,000		$265,000	Design of major refurbishment and upgrade project
Round House CMP	Operating	$40,000		$40,000	Develop Conservation Management Plan
Fremantle Arts Centre CMP	Operating	$40,000		$40,000	Develop Conservation Management Plan
Total		$2,040,000	($500,000)	$1,540,000	

Officer recommendation

Council notes that the 2021/22 budget adopted by Council on 23 June 2021 included a total allocation of $3,060,000 for heritage operating and capital projects.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple Majority Required

OFFICER'S RECOMMENDATION

That Council

1. **Receive the minutes of the 2020 Annual General Meeting of Electors held on 21 June 2021.**
2. **Acknowledge the motions carried at the 2020 Annual General Meeting of Electors.**
3. **Approve the officer's recommendations relating to motions carried at the 2020 Annual General Meeting of Electors as follows:**

Motion 1

Council notes that elected members properly scrutinise all items presented to them through Council Meeting Agendas, regardless of the position in which they appear, and do not support a change to the current order of the agenda layout.

Motion 1

"The customary order of items in the Ordinary Meeting of Council monthly agenda be changed so that Finance Reports (Monthly Financial Report) become the reports presented first (not last as currently is the practice) in the agenda to facilitate more discussions as a priority and show a better focus and scrutiny by councillors on financial matters than shown to date."

Motion 2

Council agrees that the purchase of 2 Jones Street, O'Connor was undertaken within the parameters of the business plan and relevant legislation; and does not support the implementation of an investigation into the purchase of 2 Jones Street, O'Connor.

Motion 2

"That an independent and external investigation of the purchase of 2 Jones street, O'Connor be implemented.

This investigation, to be open for public submission, should report on:

1. *Any and all actions taken by the City of Fremantle, and elected members in relation to the purchase of 2 Jones Street and whether these actions were in accordance with relevant standards;*
2. *Any conflicts of interest, should they exist, relating to City of Fremantle staff, and elected members in relation to 2 Jones Street purchase;*
3. *The due diligence taken by the City prior to the purchase and in particular verification of the tenancy in place at the time of purchase;*
4. *The total cost of 2 Jones street being all purchase, and call carrying costs from date of purchase to the present;*
5. *The total income generated by 2 Jones street year on year benchmarked against the City of Fremantle's internal benchmarks (if any) as well as accepted industry benchmarks for such a property;*
6. *All valuations pre and post purchase;*
7. *Future options for the site."*

Motion 3

Council notes the motion and advises that there are no statutory powers under which a motion of 'no confidence' can be enacted by Council.

Motion 3

"A vote of no confidence in Council"

Motion 4

Council notes that the meeting did not accept the accounts as presented.

Motion 4

"That the meeting does not accept the accounts as presented, for they cannot be said to give a true and fair view of the City's financial situation, given the controversy surrounding the valuations of the land, buildings and other assets."

Motion 5

Council notes that a previous council decision has determined the outcome of this motion and does not support a revocation of that decision or reconsideration of the motion.

Motion 5

"Fremantle ratepayers, business owners and residents, respectfully instruct the Acting City of Fremantle CEO to undertake a previously proposed independent investigation as outlined by Cr Vujcic's motion (24/2/2021) on behalf of all ratepayers, business owners and residents; and

1. *That a full report be presented to Council as soon as possible in review of the Council's own policies and practices of 'good governance' and high standards of compliance that are expected to be followed and enacted at all times, in the best interests of ratepayers, business owners and residents.*
2. *That the City allocate appropriate resources to ensure that the recommendations of that report are immediately implemented in support of the principles of continuous improvement and 'good governance' of our City of Fremantle."*

Motion 6

Council notes that the matters raised in this motion will be addressed in an upcoming item to council and that the mover of that motion will be advised when that report is presented.

Motion 6

"1. To abolish 'One Planet' and replace it with Climate Active/NCOS Certification.

2. Authorises the Acting CEO to immediately implement this resolution."

Motion 7

Council notes that the 2021/22 budget adopted by Council on 23 June 2021 included a total allocation of $3,060,000 for heritage operating and capital projects.

Motion 7

"That funding for heritage should be increased in 2021 budget."

C2107-2 MONTHLY FINANCIAL REPORT - JUNE 2021

Meeting date: 28 July 2021
Responsible officer: A/Manager Finance
Decision making authority: Council
Attachments: 1. Monthly Financial Report – 30 June 2021
Additional information: Nil

SUMMARY

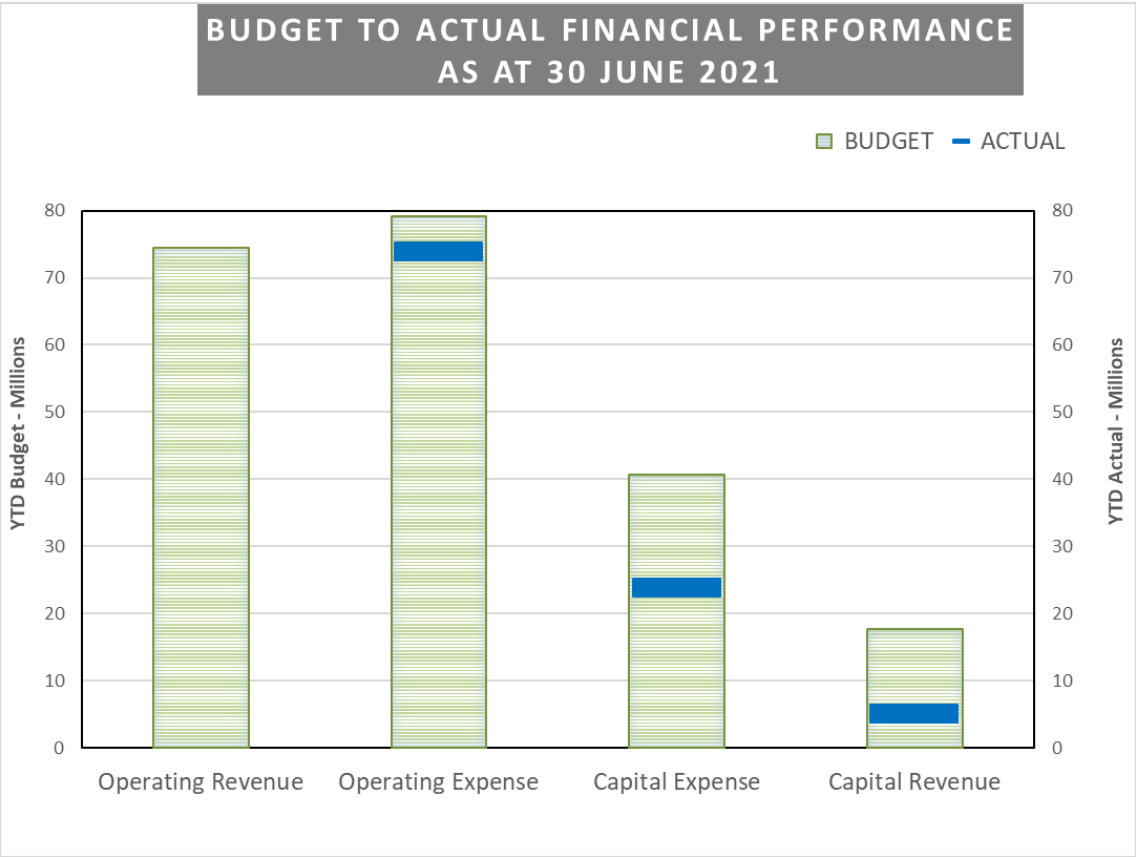
The monthly financial report for the period ending 30 June 2021 has been prepared and tabled in accordance with the *Local Government (Financial Management) Regulations 1996*.

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

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

BACKGROUND

The following graph and table provide a high-level summary of Council's year to date financial performance as at 30 June 2021.



Description	YTD Budget $M	YTD Actual $M	Variance $M	Variance % %	+/-
Opening Surplus	3.56	3.56	0.00	0.00%	
OPERATING					
Rate Revenue	48.14	48.24	0.10	0.21%	
Revenue	26.27	31.98	5.71	21.75%	
Expenses	(79.15)	(74.03)	5.12	6.48%	
Non-Cash Adj.	7.17	10.07	2.90		
	2.43	**16.26**	**13.83**	**569.14%**	
CAPITAL					
Revenue	17.63	5.24	(12.39)	(70.30%)	
Expenses	(40.63)	(23.90)	16.73	41.16%	
Financing	(2.31)	(2.27)	0.04	1.48%	
Reserve Transfers	19.32	16.50	(2.82)	(14.59%)	
	(5.99)	**(4.43)**	**1.56**	**-26.04%**	
Closing Surplus	**(0.00)**	**15.39**	**15.39**	**0.00%**	

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

Income	Variance	
Rates (including Annual Levy)	113,609	
Operating Grants, Subsidies & Contributions	143,656	
Fees and Charges	2,253,990	
Interest Earnings	101,378	
Profit on Sale	(729,321)	
Other Revenue	3,938,679	
Total Operating Income	**5,821,991**	
Expenses	**Variance**	
Employee Costs	2,729,483	
Materials and Contracts (including Agency Labour)	1,833,062	
Depreciation Expenditure	(1,176,352)	
Interest Expenses	90,701	
Utility Charges	296,125	
Loss on Sale of Assets	(340,370)	
Other Expenditure	1,706,621	
Total Operating Expenses	**5,139,270**	

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

FINANCIAL IMPLICATIONS

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

LEGAL IMPLICATIONS

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

CONSULTATION

Nil

OFFICER COMMENT

The overall performance for the City of Fremantle for the period ended 30 June 2021 resulted in an additional $15,394,048 surplus being identified in the year to date position over anticipated, which is mainly as a result of: -

Reduction in anticipated year to date position

- Reduction of net transfer to/from reserve of ($2,819,979)
- Reduced capital revenue of ($12,391,852)

Increase in anticipated year to date position

- Increased general rates income of $113,609
- Increased operating revenue (excluding general rates) of $5,714,143
- Underspending of operating expenditure (excluding depreciation) to date of $6,304,635
- Underspend on capital expenditure of $16,723,981

It is noted that the that this report is a representation of the City's financial performance at reporting date and is subject to change due to ongoing end of year processing. The final document will be finalised at the time of the annual independent audit.

Explanation of Material Variances

In accordance with regulation 34(5) of the Local Government (Financial Management) Regulations 1996 and AASB 1031 Materiality, Council adopted the level to be used in statements of financial activity in FY2020/21 for reporting material variances as 10% or $100,000, whichever is greater (Item SC2007-2 refers Council meeting on 8 July 2020).

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

Description	Variance Amount	Comment
Operating Grants, Subsidies and Contributions	**143,656**	▲ **4%**
Major Variances:		
Receive general purpose grants and contributions	581,091	Financial Assistance Grant for FY22 paid in advance. Funds to be carried forward into FY22.
P12029. Events and Initiatives to reconnect vulnerable people	97,892	Lotterywest grant for FY22 paid in advance. Funds to be carried forward into FY22.
Provide tenancy advocacy and support	(26,249)	4th quarter payment outstanding. The City is advised to expect receipt of funds in early FY22.
Conduct South lawn events	(32,000)	Venue deposits returned to promoters due to cancelled events owing to COVID.
MOU Notre Dame	(34,855)	Accounting variance - Grants have been received in cash as budgeted. However, due to the requirement of AASB 15 Revenue from Contracts with Customers, income is only recognised when contract performance obligations are fulfilled. The City is reviewing contract performance and costs incurred at 30 June 2021. This will be finalised as part of year end process.
Conduct Street arts festival	(44,806)	Street Arts Festival not held in FY21 due to COVID and therefore no grant received.
P-11945 Program-Reveal Aboriginal Artist 2021	(86,607)	Accounting variance - Grants have been received in cash as budgeted. However, due to the requirement of AASB 15 Revenue from Contracts with Customers, income is only recognised when contract performance obligations are fulfilled. The City is reviewing contract performance and costs incurred at 30 June 2021. This will be finalised as part of year end process.
Provide domestic violence legal aid - State	(94,335)	
P-10848 Program-In Cahoots art exhibition	(110,722)	Exhibition not held in FY21 due to COVID and therefore no grant received. Exhibition to be reschedule for September 2021.
P-11980 Design and construct - Western Power Streetlight LED	(120,000)	Grant funds not received in FY21. Re-budgeted in FY22.
Fees and Charges	**2,253,990**	▲ **12%**
Major Variances:		
Lease Evan Davies Building 13 South Terrace Fremantle - Tena	227,878	Rental waivers and/or write offs associated with COVID not reflected in year to date actual. This information will be presented to Council for consideration in due course.
Operate Fremantle leisure centre health club	220,460	Leisure centre memberships for FY22 paid in advance. Funds to be carried forward into FY22.
Conduct South lawn events	166,452	Additional concerts performed during FY21 resulting in additional revenue to budget.
Issue health licences and permits	141,110	Revenue from health licences and permits greater than forecast in FY21.
Lease Union Store 41-47 High Street Fremantle – Tenant Recovery	135,481	Rental waivers and/or write offs associated with COVID not reflected in year to date actual. This information will be presented to Council for consideration in due

Description	Variance Amount	Comment
Lease 38-40 Henry Street Fremantle University of Notre Dame	108,631	course.
Operate car park 31 Fishing Boat Harbour Fremantle	89,742	Car park revenue greater than forecast in FY21.
Hire and Events – Recreation Reserves – Parks & Landscapes	87,958	Annual events income greater than forecast in FY21.
Operate car park cappuccino strip	77,267	Car park revenue greater than forecast in FY21.
Lease Port Beach Restaurant 42 Port Beach Road North Fremantle	72,718	Rental waivers and/or write offs associated with COVID not reflected in year to date actual. This information will be presented to Council for consideration in due course.
Statutory Planning services – Development Approvals	66,192	Increased revenue generated by the increased volume of applications received by the City, primarily in response to Federal & State Government COVID Construction Industry Grants.
Lease Clancy's Tavern 51 Cantonment Street Fremantle	60,105	Rental waivers and/or write offs associated with COVID not reflected in year to date actual. This information will be presented to Council for consideration in due course.
Lease Investment Trust Old Fire Station 20 Phillimore Street	59,955	
Operate arts centre retail craft shop	52,004	Revenue from sales at the Fremantle Art Centre Shop greater than forecast in FY21.
Provide arts centre education services	45,487	Revenue from Fremantle Art Centre education services greater than forecast in FY21.
Operate car park 12A and 12B beach Street Fremantle	43,574	Car park revenue greater than forecast in FY21.
Lease Roundhouse Cottages Arthur Head Fremantle	42,126	Rental waivers and/or write offs associated with COVID not reflected in year to date actual. This information will be presented to Council for consideration in due course.
Conduct arts centre marketing activities	38,337	Increased Fremantle Art Centre membership sales in FY21.
Operate car park 01 Parry Street Fremantle	36,524	Car park revenue greater than forecast in FY21.
P-11945 Program-Reveal Aboriginal Artist 2021	34,670	Sales commmisions received from the 'Revealed 2021 Exhibition' not previously budgeted.
Lease J-Shed Arthur Head Fremantle (excludes Sunset Events)	33,595	Rental waivers and/or write offs associated with COVID not reflected in year to date actual. This information will be presented to Council for consideration in due course.
Conduct art centre small concerts	31,868	Additional small concerts performed at the Fremantle Arts Centre in FY21 resulting in increased bar revenue above budget.
Lease Australian Touristic Attractions Esplanade Park Fremantle	30,333	Rental waivers and/or write offs associated with COVID not reflected in year to date actual. This information will be presented to Council for consideration in due course.
Lease 46 Henry Street Fremantle Moore's Building Café Kitchen	28,315	
Lease 42 Henry Street Fremantle	28,127	

Description	Variance Amount	Comment
Operate car park 20 Essex Street Fremantle	28,044	Car park revenue greater than forecast in FY21.
Process animal registrations	26,468	Revenue from dog and cat registrations greater than forecast in FY21.
Lease South Beach Kiosk South Fremantle	25,265	Rental waivers and/or write offs associated with COVID not reflected in year to date actual. This information will be presented to Council for consideration in due course.
Conduct Sonic sessions	(33,550)	Event cancelled due to COVID. Re-budgeted in FY22.
Issue parking infringements	(44,183)	Variance related to lodgement of unpaid infringements with FER. Funds expected to be recovered in FY22.
Operate Fremantle leisure centre aquatics	(49,899)	Business turnover impacted by COVID restrictions in FY21.
Lease Fremantle Markets 74 South Terrace Fremantle	(130,721)	Lease income below budget on account of turnover based rental calculations. Business turnover impacted by COVID restrictions.
Interest Earnings	**101,378**	**14%**
Major Variances:		
Raise rate income	80,542	Higher than anticipated interest income received on outstanding rate balances in FY21.
Profit on Sale of Assets	**(729,321)**	**98%**
Major Variances:		
Disposal of Freehold Land	(709,321)	Disposal of land at 7 & 9-15 Quarry Street, Fremantle not transacted in FY21. Re-budgeted in FY22.
Reimbursement Income	**(324)**	**0%**
Administer Long Service Leave (LSL) transfers	70,350	Reimbursement of LSL from former local government employers of current City employees. Not budgeted in FY21.
Operate recycling facility	(43,500)	Second instalment of the Town of East Fremantle's contribution to the recycle centre not received in FY21. The City has been advised the instalment will be paid in early FY22.
Coordinate debt recovery of rates and accounts receivable	(54,701)	Debt collection activities not undertaken during this COVID year.
Other Revenue	**3,938,679**	**1800%**
Major Variances:		
P-10297 Construct-Walyalup Civic Centre & Library	3,677,256	Bonds recovered from Pindan following liquidation.
Containers for Change	74,874	Increased handling fee income in FY21 offset by increased costs.
Monitor financial accounting processes	57,344	Increased income due to miscellaneous refunds received in FY21 that were not budgeted.
Materials and Contracts	**1,833,062**	**7.6%**
Major Variances:		
Collect waste - domestic	247,767	Final invoices for June being processed. No savings anticipated in FY21.

Description	Variance Amount	Comment
Dispose of MSW at Regional Resource Recovery Centre (RRRC)	212,135	Final invoices for June being processed. No savings anticipated in FY21.
Maintain trees - road reserves and carparks	172,474	Underspend offset by overspend on Maintenance Trees – Recreation Reserves.
P-11945 Program-Reveal Aboriginal Artist 2021	162,224	Underspend in FY21 carried forward to FY22.
Conduct Street Arts festival	154,013	Festival delayed due to COVID. Planning currently underway for proposed event in FY22. Savings in FY21.
Maintain Soft Landscaping - Recreation Reserves	122,530	Lower than forecast reactive maintenance. Savings in FY21.
P-11980 Design and construct - Western Power Streetlight LED	112,940	Grant funded project not undertaken in FY21, to be carried forward to FY22.
P-10848 Program-In Cahoots art exhibition	110,722	Exhibition not held in FY21 due to COVID and therefore minimal costs incurred. Exhibition to be reschedule for September 2021. Savings in FY21.
Operate car park 19 Roundhouse Fremantle	110,000	Accounting variance - Changes to accounting standards for Operating Leases. Rental expenditure is now accounted as interest expenditure (as opposed to Materials & Contracts) and a reduction of lease liability.
P-11963 Better Bins Plus - Go FOGO	106,255	Underspend on general contract expenses in FY21.
Operate Fremantle library	101,321	This budget activity was tied to opening of the new library which has been delayed due to WCC building contractor liquidation. Savings in FY21. Re-budgeted in FY22.
P-10962 Relocation - Council Administration	100,000	Project delayed due to WCC building contractor liquidation. Savings in FY21. Re-budgeted in FY22.
Statutory Planning services	74,388	Contract budget not required for SAT Appeals, unlike in previous years. Savings in FY21.
Operate car park 12A and 12B beach Street Fremantle	71,949	Accounting variance - Changes to accounting standards for Operating Leases. Rental expenditure is now accounted as interest expenditure (as opposed to Materials & Contracts) and a reduction of lease liability.
Conduct Wardanji festival	70,603	Festival delayed due to COVID. Rescheduled for November 2021. Savings in FY21.
Domestic - collect & dispose - recycled waste	67,453	Underspend on general contract expenses. Savings in FY21.
Maintain Fremantle Leisure Centre	66,512	Savings at Leisure Centre offset by expenditure to replace air conditioning units at Education Centre and Evan Davis building.
P-11973 Deliver - Entrepreneurs Program - Expert in Residence	55,620	Expenditure based on project milestones being met. Savings in FY21 to be carried forward for project completion in FY22.
Coordinate debt recovery of rates and accounts receivable	54,250	Debt collection activities not undertaken during this COVID year.
Maintain internet cloud and other hosted technologies	53,966	Savings generated through services budgeted for WCC not being initiated.

Description	Variance Amount	Comment
Manage commercial parking operations	52,697	New contract negotiated for cash collection. Savings in FY21.
Maintain financial asset registers	48,400	Re-valuation of the City's art assets underway. Expenditure based on completion of valuation report expected in July. Savings in FY21 to be carried forward for project completion in FY22.
Contingency - reactive necessary works – Facilities	48,133	Operational savings offset by capital expenditure to replace failed air-conditioning units at Education Centre.
Remove graffiti	47,493	Savings due to reduced graffiti in FY21.
Maintain business systems - HR	47,392	Delays in HRIS project delivery have resulted in an underspend on consultancy. Savings in FY21.
Operate community legal centre	44,438	Accounting variance - Changes to accounting standards for Operating Leases. Rental expenditure is now accounted as interest expenditure (as opposed to Materials & Contracts) and a reduction of lease liability.
Maintain business systems - CAMMS	40,819	Suspension of the CAMMS software platform. Awaiting review by CAMMS which has been delayed until July 21. Budget to be carried forward to FY22.
Refer unpaid fines to fines enforcement	40,514	Underspend on contract expenses related to lodgement of unpaid infringements with FER.
P-11832 Software-IT Strategy Going Digital	40,000	Lack of resources to complete project in FY21. Project carried forward to FY22.
Maintain Medians, Verges and Street Gardens	38,975	Underspend on general contract expenses, savings anticipated in FY21.
P-10300 Plan-Fremantle Oval Precinct	38,375	Budget to be carried forward to FY22 to fund business plan development and preparation of new conservation plan.
Conduct Soft soft loud events	37,600	Event cancelled due to COVID. Savings in FY21.
Conduct Anzac Day event	35,470	Event cancelled due to COVID. Savings in FY21.
Maintain business systems - Assets	35,300	Underspend on software licences. Saving in FY21.
P-11830 Program - Biennale festival	35,000	Variance attributed to expense budget allocated to 'Materials and Contracts' and actual expense costed to 'Other Expenditure'. Impact nil.
MOU Notre Dame	34,855	Underspend in FY21 to be carried forward to FY22.
Operate and maintain parking ticket machines	33,235	Awaiting final invoices for June. No savings anticipated in FY21.
Clean city precinct	31,069	Accounting variance – Internal plant cost allocations below forecast for FY21. Finance is currently reviewing & adjusting allocations across the business as part of year-end process.
Sustainability advice and projects	29,368	Greensense Energy reporting cancelled due to closure of business - alternative being sourced. Outreach activities restricted as per Council direction in response to Climate Change Engagement report (March 21).

Description	Variance Amount	Comment
P-11970 Program - Northbank Foreshore Stabilisation (Stage 2	28,404	Delay in project commencement due to grant award delay, project carried forward to FY22.
Operate data centre	28,038	Accounting variance - Changes to accounting standards for Operating Leases. Rental expenditure is now accounted as interest expenditure (as opposed to Materials & Contracts) and a reduction of lease liability.
Conduct Sonic sessions	27,900	Sessions cancelled due to COVID. Savings in FY21.
Clean city wide	25,273	Requirement for specialist biohazard cleaning contractor less than forecast. Savings in FY21.
Conduct South lawn events	(25,135)	Costs associated with additional concerts performed. Offset by additional concert revenue.
Lease Union Store 41-47 High Street Fremantle - Variable Out	(27,240)	Variable outgoings to be recovered from tenants, to be finalised as part of year end process.
Maintain Fremantle Arts Centre	(27,649)	Overspend on repairs to address water ingress.
Operate Fremantle arts centre	(28,157)	Additional costs offset by increased revenue from sales at the Fremantle Art Centre Shop in FY21.
Participate in South West Group	(28,291)	Duplication of expense in FY21. To be corrected as part of year end processes.
Maintain lighting equipment - recreation reserves	(28,319)	Higher than forecast reactive maintenance in FY21, offset by savings in base operating.
Collect & dispose bulk waste (Verge)	(30,613)	Increase bulk verge volume resulting in increased cost for FY21.
Maintain business systems - Other	(31,832)	Higher than forecast telephone expenses in FY21.
Maintain Fremantle Education Centre 1 Parry Street-community	(37,454)	Additional costs offset by increased revenue from Fremantle Art Centre education services in FY21.
Maintain footpaths	(40,289)	City owned machinery (Bobcat) removed from service due to age and concerns surrounding OHS. Replaced with hired machine, cost of which was not budgeted. Considerations being made to replace via fleet review.
Maintain Civic Administration Buildings	(44,284)	Additional costs associated with increased material supplies for COVID and cleaning increase.
Maintain City Works Depot buildings Knutsford Street	(47,378)	Additional costs associated with OSH offset by savings on other building maintenance budgets.
Maintain Irrigation - Recreation Reserves	(51,344)	Increased general material & contract expenses above those budgeted in FY21.
Develop and monitor purchasing and contract management proce	(59,491)	Additional cost of consultants to implement the accounts payable automation project.
Containers for Change	(63,366)	Increased costs above budget offset by increased income in FY21.
Maintain heavy vehicles - allocated	(67,123)	Underspend on fuel for heavy vehicles in FY21. Allocations impacted as a result.
Sweep suburbs and dispose of tailings	(69,395)	Additional contract expenses above forecast in FY21.
Conduct Fremantle festival	(72,401)	Fremantle Festival: 10 Nights in Port to be delivered 15 - 25 July. Costs for materials & contracts greater than

Description	Variance Amount	Comment
		forecast.
Maintain Hard Landscaping	(73,273)	Additional costs associated with installation of paving.
Maintain Sports Grounds	(74,871)	Higher than forecast reactive maintenance, offset by savings in base operating.
Maintain roads	(87,574)	City owned vehicle (Hotmix truck) removed from service due to age and concerns surrounding OHS & environment. Replaced with hired flowcon, cost of which was not budgeted. Considerations being made to replace via fleet review.
Maintain Trees - Recreation Reserves	(88,508)	Overspend offset by underspend on Tree Maintenance – Road Reserves and Carparks.
Maintain fixed and wireless network infrastructure	(101,104)	Overspend due to double up of maintenance and licensing suppling IT infrastructure for Fremantle Oval in conjunction with WCC.
Lead city business directorate	(101,276)	Legal expenses related to High Street and Fremantle markets more than budgeted.
Collect & dispose waste - commercial	(108,954)	Incorrect apportionment of waste disposal costs to Henderson landfill, offset by over-allocation to domestic waste budget line.
Maintain Microsoft SOE applications	(121,175)	Additional costs attributable to action of OAG Financial audit findings.
Depreciation on Non-Current Assets	**(1,176,352)**	▲ **15%**
Major Variances:		
Depreciation – Buildings	(1,631,579)	Depreciation on buildings is higher than adopted budget due to building revaluations as at 30 June 2020 which increased fair value of buildings by $35m and reduced the remaining useful life for some buildings. A review of the remaining useful lives is underway and any required adjustments to depreciation will be made prior to finalising end of financial year 30 June 2021.
Depreciation - Right-of-use Asset	(464,213)	Depreciation expense is now required on operating leases due to the change in accounting treatment resulting in more depreciation than the adopted budget.
Interest Expenses	**90,701**	▼ **12%**
Major Variances:		
Interest payment Loan 307 Civic & Library Building	80,827	Loan guarantee fees below budget. Savings in FY21.
Interest Payment Lease - 12 CP 19	(26,214)	Interest payment to Burgess Rawson for lease of Car Park 19, not budgeted in FY21.
Utility Charges	**296,125**	▼ **15%**
Contribute to public street lighting	61,435	Supplier invoice not received prior to 30 June 2021. Expense to be paid in FY22 and assigned back to FY21.
Operate Fremantle Leisure Centre (administration)	51,497	Gas expenses at Leisure Centre below budget for FY21.

Description	Variance Amount	Comment
Maintain Walyalup Civic Centre	42,000	Budget for gas consumption at Walyalup Civic Centre not utilised as a result of delay in transition to building. Saving in FY21, to be re-budgeted in FY22.
Maintain & operate public toilets	28,347	Awaiting final invoice for June. No savings anticipated in FY21.
Maintain Hard Landscaping	(44,374)	Water charges higher than forecast for FY21.
Loss on Sale of Assets	**(340,370)**	▲ **538%**
Major Variances:		
Project 11847 - Purchase/Sale Road Sweeper	(44,668)	The sale of the Road Sweeper was expected to occur in June resulting in a budgeted loss of $63,265 however actual loss $44,677 less than budget.
Demolition of Public Golf Course Clubhouse	(358,967)	The demolition of the Public Golf Course Clubhouse building as part of the Fremantle Golf Course project was not included in the adopted budget. At time of demolition, the written down value of the asset was $358,967.
Insurance Expenses	**(10,986)**	▲ **1%**
Major Variances:		
Monitor city insurances (excluding workers compensation)	(33,960)	Public liability insurance premium higher than forecast for FY21.
Other Expenditure	**1,706,621**	▼ **49%**
Major Variances:		
Coordinate debt recovery of rates and accounts receivable	1,213,439	Debt collection activities not undertaken during this COVID year. End of year processing in relation to expected credit losses yet to be finalised and contingency for potential impact on revenue due to COVID not required and has been included in EOY surplus to be carried forward.
Conduct place activation activities	225,000	No sponsorship payments made to SFFC and FFC. Budget carried forward to FY22.
Coordinate external event enquiries and bookings	92,660	City's sponsorship of events lower than budgeted due to COVID restrictions on events/gatherings.
Support the mayor and councillors	55,637	Sponsorship expenditure below FY21 forecast.
Allocate community development funding	51,919	Ad hoc expenditure for community and neighbourhood quick response grants below budget for FY21.
Support CAT bus service	34,938	Supplier invoice not received prior to 30 June 2021. Expense to be paid in FY22 and assigned back to FY21.
P-11830 Program - Biennale festival	(31,818)	Variance attributed to expense budget allocated to 'Materials and Contracts' and actual expense costed to 'Other Expenditure'.
Capital Grants and Subsidies/Contributions for the development of Assets	**(7,407,842)**	▼ **59%**
Major Variances:		

Description	Variance Amount	Comment
P-12058 Design and construct - Booyeembara Park - Bike trail	300,000	Dept. of Local Government, Sport & Culture grant for mountain bike trail paid in advance. Funds to be carried forward into FY22 as a Contract Liability.
P-11915 Road safety - South Tce - Node 2	134,000	Local Roads & Community Infrastructure (LRCI) Program Phase 2 grant $506,518 received in advance. Funds to be carried forward into FY22 as a Contract Liability.
P-12027 Design and Construct - Griffith Park- Swale	66,000	
P-11980 Design and construct - Western Power Streetlight LED	60,000	
P-12027 Design and construct - Griffiths Park - Upgrade	50,000	
P-12016 Road safety - Ord St - Bike lane	30,000	
P-12049 Footpath - Duffield Ave	30,000	
P-12029 Road safety - McCombe Ave - Bike lane	27,500	Dept. of Local Government, Sport & Culture grant for 'Revealed Exhibition' paid in advance. Funds to be carried forward into FY22 as a Contract Liability.
P11983 - Design and Construct - Leighton Beach Access	(25,182)	Dept. of Communities grant not received in full in FY21. Remaining funds to be budgeted in FY22.
P-10260 Program - Arthur Head - Wall stabilisation	(25,744)	Grant funding of $500k received in FY21 from Dept. of Planning, Lands & Heritage. Due to the requirement of AASB 15 Revenue from Contracts with Customers, income is only recognised when contract performance obligations are fulfilled. The City has performed a review to recognise grant income in line with the proportion of the costs incurred to date ($474k). The portion of unspent capital grants shown here is reflected as a contract liability and is expected to be extinguished in FY22.
P-11977 - Design and construct - CBS Crossing	(28,000)	Invoice issued for payment at the end of June 2021. Payment expected to be received in July. Project fully funded by Christian Brothers College (CBC).
P-11911 - Design and construct - Leighton Beach - Shelters	(28,785)	Local Roads & Community Infrastructure (LRCI) Program Phase 1 grant $146,951 received in FY21. Due to the requirement of AASB 15 Revenue from Contracts with Customers, income is only recognised when contract performance obligations are fulfilled. The City has performed a review to recognise grant income in line with the proportion of the costs incurred to date. The portion of unspent capital grants shown here is reflected as a contract liability and is expected to be extinguished in FY22.
P-11910 - Design and construct - Bike Projects	(31,500)	
P-11904 Design and construct- Gilbert Fraser - Lighting	(86,666)	

Description	Variance Amount	Comment
P-11819 - Design and construct - Dick Lawrence - Playspace	(90,000)	Local Roads & Community Infrastructure (LRCI) Program Phase 2 grant $506,518 received in advance. Funds to be carried forward into FY22.
P-11838 Design and construct-Kings Square change facility	(150,000)	Grant funding received in FY20, no project expenditure in FY21 and therefore funds to be carried forward into FY22 as a Contract Liability.
P-11904 Design and construct- Gilbert Fraser - Lighting	(173,333)	Grant funding not received in FY21. Grant funds re-budgeted in FY22
P-11680 Design and construct-Kings Square Playspace	(342,000)	Grant funding not received in FY21. Grant funds re-budgeted in FY22.
P-10412 Design and construct - Booyembara Park Masterplan	(404,075)	Grant funding not received in FY21. Grant funds re-budgeted in FY22.
P-11823 Design and construct-Port Beach coastal adaptation	(3,088,093)	Grant funding from Dept. of Transport not received in full in FY21. Grant funds re-budgeted in FY22.
P-11882 Design and construct - Fremantle Golf Course	(3,928,221)	Main Roads grant funding of $1.04m received in FY21 in line with budget. Prior year funding of $5.6m received to date. Due to the requirement of AASB 15 Revenue from Contracts with Customers, income is only recognised when contract performance obligations are fulfilled. The City has performed a review to recognise grant income in line with the proportion of the costs incurred to date. The portion of unspent capital grants shown here is reflected as a contract liability and is expected to be extinguished in FY22.
Proceeds from Disposal of Assets	**(4,984,010)**	**98%**
Major Variances:		
Proceeds from Disposal of Freehold Land	(5,000,000)	Disposal of land at 7 & 9-15 Quarry Street, Fremantle not transacted in FY21. Re-budgeted in FY22.
Purchase Infrastructure – Community Land & Buildings	**10,722,491**	**34%**
Major Variances:		
P-10297 Construct-Walyalup Civic Centre and Library (KS)	3,973,957	Project delayed due to WCC building contractor liquidation. Carried over into FY22.
P-11882 Design and construct - Fremantle Golf Course	3,928,221	Multi-year project. Unspent budget in FY21 to be carried forward into FY22.
P-11670 Design and construct-Leisure Centre Pool Roof	936,560	Project re-programmed due to late withdrawl of tender. Carried over into FY22.
P-11682 Fit out - Council Admin Offices (KS)	669,282	Project delayed due to WCC building contractor liquidation. Carried over into FY22.
P-10260 Program - Arthur Head - Wall stabilisation	525,744	Project delayed due to WCC building contractor liquidation. Carried over into FY22.

Description	Variance Amount	Comment
P-11829 Design and construct-Kings Square Commercial tenancy	399,194	Expenditure on commercial tenancy fitout dependant on paractical completion of WCC and finalised lease agreement. Project carried over into FY22.
P- 10898 Relocation – AV Equipment & Installation (KS)	353,524	Project delayed due to WCC building contractor liquidation. Carried over into FY22.
P-11838 Design and construct-Kings Square change facility	150,000	Project delayed due to WCC building contractor liquidation. Carried over into FY22.
P-11981 Design and Construct – Men's Shed - Wall	100,000	Project carried forward. Will be completed early FY22.
P-11968 Purchase - Leisure Centre - Pool blankets	94,000	Project carried forward. Will be completed early FY22.
P-11843 Design and construct- Markets Building Services	78,033	Project delayed due to design approval from FMPL.
P- 11943 - Construct - Town Hall- Fire upgrade	70,587	Project delayed due to WCC building contractor liquidation. Carried over into FY22.
P-11982 Design and construct - Arts Centre - Sewer	70,000	Project carried forward. Will be completed early FY22.
P-11873 Program - Solar panels	59,510	Project not yet commenced. Carried over into FY22.
P-11965 Purchase - Leisure Centre - Disinfectant System	50,000	Project carried forward. Will be completed early FY22.
P-11842 Design and construct-Westgate Mall courtyard	36,780	Project delayed due to construction on adjacent lot. Carried over into FY22.
P-11598 Building development - Project Management fees - (Ki	(120,843)	Realignment of budget in line with contractor liquidation.
P-11814 Building development - Consultants Council	(196,177)	Realignment of budget in line with contractor liquidation.
P-10297 Construct-Walyalup Civic Centre & Library (KS)	(527,858)	Realignment of budget in line with contractor liquidation.
Purchase Infrastructure - Drainage	**67,449**	**96%**
Major Variances:		
P-11952 - Design and construct – Hampton Road – Drainage	67,449	Unspent budget in FY21 to be carried forward to FY22.
Purchase Infrastructure - Parks	**2,079,156**	**60%**
Major Variances:		
P-10295 Design and construct-Kings Square Public Realm	1,010,149	Budget Phasing - Stage 2 construction has commenced and is subsequently delayed due to WCC building contractor liquidation.
P-10412 Design and construct - Booyembara Park Masterplan	404,075	Multi-year project. Unspent budget in FY21 to be carried forward into FY22.

Description	Variance Amount	Comment
P-11904 Design and construct- Gilbert Fraser - Lighting	278,120	Multi-year project. Unspent budget in FY21 to be carried forward into FY22.
P-11680 Design and construct-Kings Square Playspace	195,078	The commencement of construction on the playground was delayed due to overall delays on the WCC building project. Project due for completion in July 2021.
P-11819 - Design and construct - Dick Lawrence - Playspace	180,000	Multi-year project. Unspent budget in FY21 to be carried forward into FY22.
Purchase Infrastructure - Other	**3,687,566**	**89%**
Major Variances:		
P-11823 Design and construct-Port Beach coastal adaptation	2,993,415	Multi-year project. Unspent budget in FY21 to be carried forward into FY22.
P-10865 Construct-Fremantle Park carpark	450,000	Unspent budget in FY21 to be carried forward into FY22.
P-11878 -Design and construct- Kings Square - Windows to the	137,949	Concept approved. Savings in FY21 to be carried forward to FY22 and used to develop project details and estimate to assist with seeking external funding support.
P-11687 Install Public Art Kings Square	60,200	Project delayed due to WCC building contractor liquidation. Carried over into FY22.
P11983 - Design and Construct - Leighton Beach Access	50,000	Grant funding for the project received in June 2021. Project to be delivered in FY22. Budget carried forward to FY22.
Purchase Infrastructure – Furniture and Fittings	**117,315**	**29%**
Major Variances:		
P-11077 Install-Kings Square Network infrastructure Queensgate	34,638	Project delayed due to WCC building contractor liquidation. Carried over into FY22.
P-10897 Purchase-Wi-Fi network infrastructure	32,032	Project delayed due to WCC building contractor liquidation. Carried over into FY22.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required

OFFICER'S RECOMMENDATION

Council

1. **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 30 June 2021.**

2. **Acknowledge that this report is a representation of the City's financial performance at reporting date (30 June 2021) and is subject to change due to ongoing end of year processing. The final document will be finalised at the time of the annual independent audit.**

C2107-3 STATEMENT OF INVESTMENTS – JUNE 2021

Meeting date: 28 July 2021
Responsible officer: A/Manager Finance
Decision making authority: Council
Attachments: 1. Investment Report – 30 June 2021
Additional information: Nil

SUMMARY

This report outlines the investment of surplus funds for the month ending 30 June 2021 and provides information on these investments for Council consideration.

This report recommends that Council receive the Investment Report for the month ended 30 June 2021, as provided in Attachment 1.

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

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

BACKGROUND

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

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

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

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

FINANCIAL IMPLICATIONS

To date actual investment interest earned is $370,522 against an amended budget of $349,686, representing a favourable variance of $20,836.

The City's investment income budget was reduced by $100,000 at the mid-year budget review due to the cash rate cut in November 2020.

The City's investment portfolio is invested in highly secure investments with a low level of risk yielding a weighted average rate of return of 0.32% for the month of 30 June 2021. The City's actual portfolio return in the last 12 months is 0.55%, which compares favourably to the benchmark Bloomberg AusBond Bill Index reference rate of 0.06% (refer Attachment 1 point 8).

LEGAL IMPLICATIONS

The following legislation is relevant to this report:

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

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

CONSULTATION

Nil

OFFICER COMMENT

A comprehensive Investment Report for the month ending 30 June 2021 can be viewed in Attachment 1 of this agenda item. A summary of the investment report is provided below.

1. Portfolio details as at 30 June 2021

At period end, the City's investment portfolio totalled $39.90m. The market value was $39.93m, which takes into account accrued interest.

The investment portfolio is made up:

Cash Investments (<= 3 months)	$12.40m
Term Deposits (> 3 months)	$27.50m
TOTAL	**$39.90m**

Of which:

Unrestricted cash	$27.99m
Restricted cash (Reserve Funds)	$11.29m
Restricted cash (Trust Funds)	$ 0.62m
TOTAL	**$39.90m**

The current amount of $27.99m held as unrestricted cash represents 39.29% of the total adopted budget for operating revenue ($71.24m)

2. Portfolio counterparty credit framework (as at 30 June 2021)

The City's Investment policy determines the maximum amount to be invested in any one financial institution or bank based on the credit rating of the financial institution. Council adopted amendments to this policy at its Ordinary Council Meeting held on 25 November 2020. The recently adopted counterparty credit framework is as below.

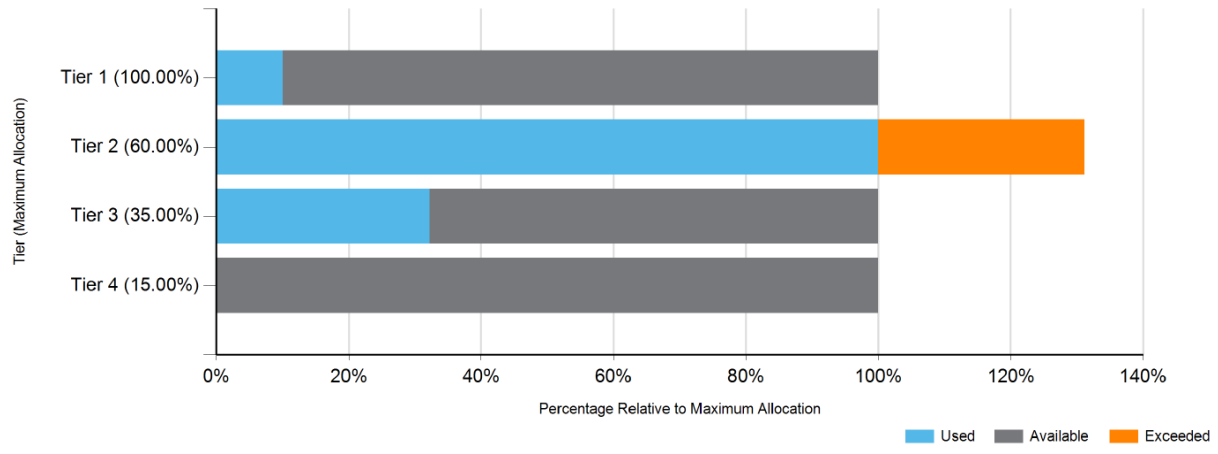
Counterparty credit framework

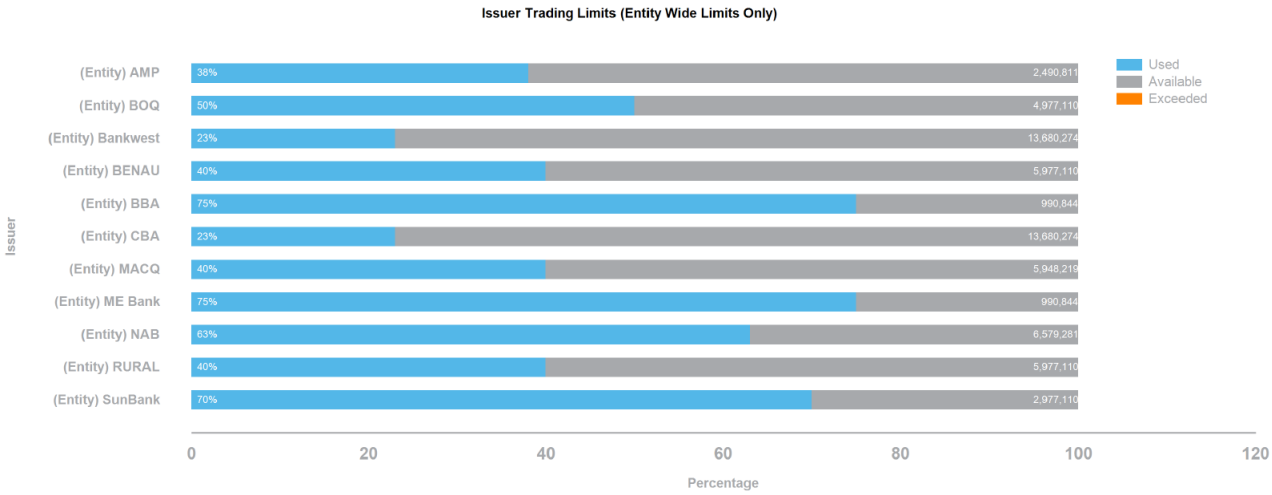
Investments are not to exceed the following percentages of average annual funds invested with any one financial institution and consideration should be given to the relationship between credit rating and interest rate.

Credit quality	Maximum % of total investments
Tier 1 (excl. AAA government) AAA to AA-	45%
Tier 2 A+ to A-	25%
Tier 3 BBB+ to BBB-	10%
Tier 4 Unrated	($1m)

The following graphs provide details of the funds invested at the end of this month as per the City's investment portfolio relative to the threshold allowed by the investment policy as below:

Portfolio Credit Framework Amounts Relative to Maximum Allocations





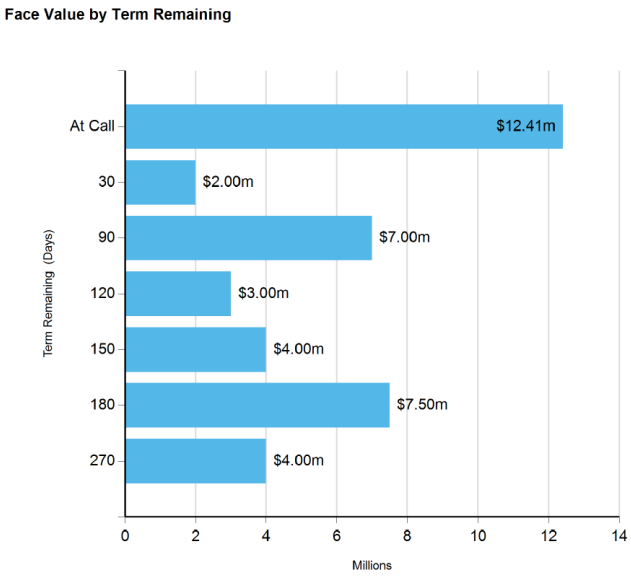
At reporting date, the portfolio exceeded the credit framework in relation to maximum allocations due to the acquisition of ME Bank (Tier 3) by Bank of Queensland (Tier 2). Upon maturity of Tier 3 investments, funds will be reallocated to other tiers to return the portfolio to compliance.

As reported in the above graph as at 30 June 2021, the portfolio was compliant with the issuer trading limit.

3. Portfolio Liquidity Indicator (as at 30 June 2021)

The below graph provides details on the maturity timing of the City's investment portfolio. Currently all investments will mature in one year or less.

Investments are to be made in a manner to ensure sufficient liquidity to meet all reasonably anticipated cash flow requirements, without incurring significant costs due to the unanticipated sale of an investment.



4. Portfolio Summary by Fossil Fuels Lending ADIs (As at 30 June 2021)

At the end of this month, $16m (40.1%) of the portfolio was invested in "Green Investments"; authorised deposit taking institutions that do not lend to industries engaged in the exploration for, or production of, fossil fuels (Non-Fossil Fuel lending ADI's).

In order to address the City's ability to undertake greater fossil fuel divestment, a review of the Investment Policy was presented and adopted by Council on 25 November 2020 which incorporated a minor change to the investment framework to increase the percentages allocated to tier 3 and tier 4 categories to allow some greater flexibility. Since December 2020 investments have been made in accordance with the revised policy to increase in the percentage invested in "Green Investments". However, it has been challenging for the City to invest in banks deemed "green" as these banks are full on liquidity and therefore are not issuing new term deposits.



5. Interest Income for Matured Investments (For 1 June 2021 to 30 June 2021)

During the month of June $44,203 interest income was earned from matured investments (refer Attachment 1 point 9).

6. Investing Activities (For 1 June 2021 to 30 June 2021)

During the month, two (2) term deposits were acquired with a total value of $7m invested.

Full details of the investment institution, interest rate, number of days and maturity date are provided in the attached report.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required

OFFICER'S RECOMMENDATION

Council receive the Investment Report for the month ending 30 June 2021, as provided in Attachment 1.

C2107-4 SCHEDULE OF PAYMENTS JUNE 2021

Meeting date: 28 July 2021
Responsible officer: A/Manager Finance
Decision making authority: Council
Attachments: Schedule of payments and listing
Purchase Card Transactions
Attachments viewed electronically

Additional information: Nil

SUMMARY

The purpose of this report is to present to Council a list of accounts paid by the Chief Executive Officer under delegated authority for the month ending June 2021, as required by the *Local Government (Financial Management) Regulations 1996*.

BACKGROUND

Council has delegated, to the Chief Executive Officer, the exercise of its power to make payments from the City's municipal or trust fund. In accordance with regulation 13 of the *Local Government (Financial Management) Regulations 1996,* a list of accounts paid under delegation for the month of June 2021, is provided within Attachment 1 and 2.

FINANCIAL IMPLICATIONS

A total of $12,184,201.50 in payments were made this month from the City's municipal and trust fund accounts

LEGAL IMPLICATIONS

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

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

(2) A list of accounts for approval to be paid is to be prepared each month showing
(a) for each account which requires council authorisation in that month —
(i) the payee's name; and
(ii) the amount of the payment; and
(iii) sufficient information to identify the transaction; and

(b) the date of the meeting of the council to which the list is to be presented.

(3) A list prepared under sub-regulation (1) or (2) is to be —
(a) presented to the council at the next ordinary meeting of the council after the list is prepared; and
(b) recorded in the minutes of that meeting.

CONSULTATION

Nil

OFFICER COMMENT

The following table summarises the payments for the month ending June 2021 by payment type, with full details of the accounts paid contained within Attachment 1.

Payment Type	**Amount ($)**
Cheque / EFT / Direct Debit	$10,050,090.20
Purchase card transactions	$67,756.45
Salary / Wages / Superannuation	$2,066,354.85
Other payments (*as outlined in Attachment 1)*	$0
Total	**$12,184,201.50**

Contained within Attachment 2 is a detailed listing of the purchase card transactions for the month ending June 2021.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required

OFFICER'S RECOMMENDATION

Council:

1. Accept the list of payments made under delegated authority, totalling $12,184,201.50 for the month ending June 2021, as contained within Attachment 1.

2. Accept the detailed transaction listing of credit card expenditure, for the month ending June 2021, as contained within Attachment 2.

13. Motions of which previous notice has been given

A member may raise at a meeting such business of the City as they consider appropriate, in the form of a motion of which notice has been given to the CEO.

14. Urgent business

In cases of extreme urgency or other special circumstances, matters may, on a motion that is carried by the meeting, be raised without notice and decided by the meeting.

15. Late items

In cases where information is received after the finalisation of an agenda, matters may be raised and decided by the meeting. A written report will be provided for late items.

16. Confidential business

Members of the public may be asked to leave the meeting while confidential business is addressed.

C2107-5 CEO PERFORMANCE REVIEW COMMITTEE REPORT

Meeting Date:	28 July 2021
Responsible Officer:	Director People and Culture
Decision Making Authority:	Council
Agenda Attachments:	1. Minutes of the CEO Performance committee meeting 14 July 2021. 2. Consultant report: Establishment of the Performance Review Process and Performance Criteria for the Acting CEO.

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:

(a) a matter affecting an employee or employees

17. Closure