



Minutes

Ordinary Meeting of Council

Wednesday, 28 October 2020, 6.00pm

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ORDINARY MEETING OF COUNCIL

Minutes of the Ordinary Meeting of Council
held in the North Fremantle Community Hall
on **Wednesday, 28 October 2020** at 6.00 pm.

1 Official opening, welcome and acknowledgment

The Presiding Member declared the meeting open at 6.01 pm and welcomed members of the public to the meeting.

2.1 Attendance

Dr Brad Pettitt	Mayor
Cr Andrew Sullivan	Deputy Mayor/South Ward
Cr Marija Vujcic	South Ward
Cr Doug Thompson	North Ward (<i>entered 6.24</i>)
Cr Bryn Jones	North Ward
Cr Rachel Pemberton	City Ward
Cr Adin Lang	City Ward
Cr Jenny Archibald	East Ward
Cr Su Groome	East Ward
Cr Geoff Graham	Beaconsfield Ward
Cr Hannah Fitzhardinge	Beaconsfield Ward
Cr Frank Mofflin	Hilton Ward
Mr Philip St John	Chief Executive Officer
Mr Glen Dougall	Director City Business
Ms Michelle Brennand	Director Community Development
Mr Paul Garbett	Director Strategic Planning and Projects
Mr Graham Tattersall	Director Infrastructure
Ms Charlie Clarke	Manager Governance
Mr Paul Dunlop	Manager Communications and Events
Ms Julia Kingsbury	Manager Development approvals
Ms Phillida Rodic	Manager Strategic Planning
Ms Marisa Spaziani	Director People and Culture
Ms Tanya Toon-Poynton	Meeting Support Officer

There were approximately 38 members of the public and 2 members of the press in attendance.

2.2 Apologies

Cr Sam Wainwright	Hilton Ward
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2.3 Leave of absence

Nil

3. Applications for leave of absence

Nil

4. Disclosures of interest by members

Cr Hannah Fitzhardinge advised the meeting that she lives in the area outlined in item FPOL2010-11 - Hilton Undergrounding Power Project. However the potential interest relates to a fee or charge and is therefore an exempt interest for which she can remain in the meeting during discussion and voting related to this item.

Cr Frank Mofflin advised the meeting that he had the same interest as Cr Fitzhardinge as he also lives in that area.

Cr Marija Vujcic declared two impartiality interests for:

- item number FPOL2010-10 – Tender – Walyalup Civic Centre Hospitality Space as her son operates a business on William Street.
- item number C2010-1 Operation of South Beach Markets 2020/2021 as her son operates a business on South Terrace.

Cr Adin Lang declared an impartiality interest C2010-1 Operation of South Beach Markets 2020/2021. In February 2017 Cr Lang volunteered at the market to fundraise for a community group he was leading.

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 September 2020:

The following members of the public asked questions in relation to item C2009-5 Swan River Crossing, a summary of these questions and responses is included below:

Question - Rebecca Clarkson

How will Council show leadership on this issue, and how can you support the community and work in parallel with us?

Response

The Council adopted a series of resolutions in June 2020, prior to community consultation, as it was concerned that the process about to commence would be too narrow and lack depth regarding engagement. The Council subsequently passed the motion put to Council on 23 September 2020 to continue to support the community in calling for a more meaningful community engagement process.

Question – Andrew Luobikis

What has been discussed between Council and Main Roads over the consultation period, and can the discussion be detailed in a letter to me?

Response

Main Roads WA (MRWA) were invited in to present an update of the project to members of the Council at an informal briefing session on 14 September 2020. At the presentation, no new information was provided by MRWA that isn't already in the public domain. Councillors reiterated their concerns (mentioned in the 24 June 2020 Council resolution) around:

- Lack of broader strategic plan for North Fremantle, including long-term transport solutions, especially in light of the recent Westport decision – and how all of this should have a demonstratable impact on the current bridge project;
- The current community consultation process is insufficient in terms of scope, options, and meaningful engagement;

Question – Andrew Luobikis

If the proposed motion is carried, how much will be spent and what kind of budget will be put forward to counter this?

Response

The Council has no specific budget allocation for this project. The motion as carried refers to the Council supporting community calls for the MRWA design and procurement process to be paused to allow a broader community engagement process to occur. The City has done this by writing to MRWA and the following State and Federal politicians, confirming the Council resolution and the City's request for a more comprehensive engagement process:

- Minister Saffioti
- Hon Ms McGurk
- Mr Josh Wilson
- Mr Ben Morton

This has been done using existing in-house resources within the City's administration and did not require a specific project budget.

6. Public question time

The following member of the public submitted questions related to item SPT2010-5 – One Planet Strategy – Review and Revised Action Plan in writing before the meeting. A summary of these question and responses is included below:

Question 1– Andrew Luobikis

What is the total itemised dollar budget for each of the specific actions of the plan in each of the 10 principals outlined? Ratepayers should be informed as to what this is costing the city to implement and administer ongoing in a transparent financially audited way using the Australian accounting standards.

Response – Director Strategic Planning and Projects

The cost of all projects and activities carried out by the City are outlined in the annual budget considered and adopted by Council each year. As the report outlines, the updated One Planet Action Plan approach proposed is to recognise how the City's

existing activities and proposals align with One Planet principles rather than to itemise new, specific 'One Planet' projects and actions.

Question 2– Andrew Luobikis

With no financial budget for the ongoing cost how can Councillors be fully informed to vote?

Response – Director Strategic Planning and Projects

Adoption of the Action Plan does not create a budget commitment: this can only occur through adoption of the annual budget. The purpose of the Action Plan is to outline the range of key activities the City could undertake which contribute to One Planet principles, for further consideration in the corporate planning, prioritisation and budgeting process.

The following statement is included in the Action Plan to make this clear:

All actions listed will be assessed against other strategic priorities of the City through the corporate budgeting process. Inclusion of an action on this list does not commit the City to delivering it: however, it identifies it as desirable and allows it to be scoped and fed into the corporate prioritization process.

Question 3 – Andrew Luobikis

How much was the overall cost to Ratepayers for the last 5 year plan in addition to the payments to Bioregional. This is the total measurement for each program, action or initiatives in the action plan on each of the 10 principals?

Response – Director Strategic Planning and Projects

Expenditure from the Sustainability Advice and Projects budget accounts as included in the Council adopted budgets for the last five years has been \$424,000. Excluding payments to Bioregional the total was \$348,000. Actions carried out by staff as part of their overall general duties are not included in this total.

The following member of the public submitted questions related to item C2010-1 – Operation of South Beach Markets 2020/2021 in writing before the meeting. A summary of these question and responses is included below:

Question 4 – Andrew Luobikis

Why is this not going out to a transparent lawful tender rather than just one individual business?

Question 5 – Andrew Luobikis

If the market does in fact have wider community support and add benefit to the community without detriment to bricks and mortar businesses, then why would the city not run the event itself allowing funds to be generated back to the city or a local charity? This especially considering the city funds most of the operating expenses (\$30,000 worth of Ratepayers funds), such as generator power, bins, toilet facilities and logistics. Surely the well funded council events department/staff could arrange this?

Question 6 – Andrew Luobikis

What personal connections does the operator have to any councillors and if so have they declared any conflicts of interest to garner such preferential treatment?

Response – questions 4, 5 and 6 taken on notice.

Question 7 – Elisabeth Megroz

Please explain the City's rationale for committing ratepayers revenue to subsidise a commercial food market business at South Beach when the locality is well activated and patronised on the weekend

Response – question 7 taken on notice.

The following member of the public submitted questions in writing before the meeting. A summary of these question and responses is included below:

Question 8 – John Dowson

In relation to the Swan River Crossing the Fremantle Society asks: "Will Fremantle Council commission their own engineering report into ways of keeping the existing heritage listed bridge, along with a heritage report highlighting why it should be kept, especially given it is listed as being a structure of "Exceptional" significance?

Question 9 – John Dowson

In relation to Kings Square, the Fremantle Society asks:

- a) Why is Council going against their own policy in seeking tenders for the hospitality area of the new Admin building which prohibits existing Fremantle businesses like Clancy's from applying?
- b) Why is Council even considering a non conforming proposal which undermines other businesses in the area through its proposed overly generous lease terms?
- c) Why is Council spending an extraordinary amount of \$666,000 for a children's playground, while ignoring the heritage of King's Square?
- d) Why isn't the promised archaeological revealing of the former church proceeding?
- e) Why is Council dividing the community by seeking to change the name of King's Square, which along with Queen's Square, is part of the Regency planning for the town and which for almost 200 years has provided way finding for people?
- f) Why is Council seeking to remove the statue of Australia's most highly decorated soldier from King's Square?

Response – questions 8 and 9 taken on notice.

The following members of the public asked a question in relation to matters not on the agenda, a summary of these questions and response is included below:

Question 10 – Sarah Cole

In relation to the Fremantle Markets, has the contract lease ever been put to tender and if not, why not?

Response – question 10 taken on notice.

Question 11 – Ian Souter

In relation to the way Fremantle has transitioned from a working class area to a desirable place to live, which has driven up costs, has this cost low income workers the opportunity to partake in this heritage hubs future, where is Freo going and will it still be Freo?

Response – Mayor Brad Pettitt.

The Council is proud of Fremantle's working class roots and remains a diverse City. It is a challenge to have affordable housing as it is a desirable place to live, however one of the focuses of this council is to support small dwellings and affordable housing.

Mayor Pettitt stated that he would be happy to discuss this in more detail, at a time convenient to Mr Souter.

The following members of the public spoke in relation to item PC2010-1 – Knutsford Street, No 6 (Strata Lot 2) Fremantle – Two Storey Single House (TG180/20).

Jessamy Stirling
Shane Turner
Joe Algeri

The following member of the public asked questions in relation to item FPOL2010-10 – Tender – Walyalup Civic Centre Hospitality Space, a summary of these questions and response is included below:

Question 12 – Helen Cox

Please explain to Fremantle business owners and ratepayers how this proposal will benefit and not disadvantage other local businesses through the granting of a long term free rent opportunity within our new Civic Building, and does this mean that all ratepayers and business owners in Fremantle will now be afforded rate, lease or rent concessions in 2021?

Question 13 – Helen Cox

Please explain to business owners, ratepayers and residents how the granting of this 10 plus 10 year lease will not undermine the integrity or viability of the current business enterprises to participate in the promised commercial benefits outlined by the council's reviewed revitalisation plan of central Fremantle.

Question 14 – Helen Cox

Please qualify in detail the proposed services and amenities that will be implemented for business owners, ratepayers and residents after approval of a preferential long-term lease agreement that includes 10 years of free rent as a condition of tenure? How will this current commercial lease agreement improve the financial intentions of council to repay the \$50 000 000 debt as outlined in the council budget?

Response – questions 12, 13 and 14 taken on notice.

The following member of the public submitted questions in writing at the meeting. A summary of these question and responses is included below:

Questions related to item C2010-1 – Operation of South Beach Markets 2020/2021.

Question 15 – Mark Woodcock

- a. Can the council please explain to the rate payers how it can justify funding a private event group to run a market in a location that doesn't need activation and struggles with parking as it is.
- b. Surely the council sees the real community support that brick and mortar businesses give to Fremantle?
- c. How does council justify using city funds, especially with the dire financial situation council finds itself in, cutting services and laying off staff?

Questions in related to item FPOL2010-10, FPOL2010-10 – Tender – Walyalup Civic Centre Hospitality Space

Question 16 – Mark Woodcock

- a. Can the council please explain how a proposed multiple year (up to 10yr) free lease for the new civic centre fulfils the requirements of the Kings Square business plan?
- b. Why has council taken a submission, which in its officer's own terms has a "Lack of information" or "is non-compliant." Why is the council contemplating this proposal when it is so far from the normal general business acceptable free rent periods and so far from the cities own business plan which was used to partially under right the building of this \$50,000,000+ civic centre?
- c. Has the council sought independent professional advice as to whether the city would be better to leave the area vacant until a suitable financially viable tenant can be found? If not why not? What is the financial burden to rate payers of a 10yr rent free lease compared to waiting for a suitable tenant?
- d. Has the city sought independent professional advice for the impact of 10yr free lease on rental values for other rate paying property owners in the CBD? Is the cities consideration of 10yr rent free lease, an admission that their Kings Square business plan has failed to revitalize/activate Kings Square, as demonstrated by its failure to secure a single viable commercial long term tenant?

Questions in relation to an item not on the agenda:

Question 17 – Mark Woodcock

- a. When referring to council minutes from the 6 March 2008, Pg. 17 , can council please explain to the rate payers how the market has fallen into such disrepair considering the amendments that some current councilors supported are still on council?
- b. Why so little seems to have been done over that 11yr+ period?
- c. How can rate payers have confidence in council to further increase such a lease with its current state of disrepair, business and foot traffic having dropped so badly - the markets is now closing at 6pm on Friday, when for decades it has been open till 9pm. The councils current plan is to financially support an event market that would only draw business from the brick and mortar businesses and rate payers. How does this help the traditional Fremantle Markets?

Response – questions 15, 16 and 17 taken on notice.

The following members of the public spoke in relation to item C2010-1 – Operation of South Beach Markets 2020/2021.

Nancy Spanbroek
Oliwia Szymanska
Bryn Evans
Georgie Adeane and Hayley Ognenis
Fenella Peacock
Nimrod Kazoom

7. Petitions

Nil

8. Deputations

8.1 Special deputations

Nil

8.2 Presentations

Nil

9. Confirmation of minutes

COUNCIL DECISION

Moved: Mayor, Brad Pettitt

Seconded: Cr Doug Thompson

Council confirm the minutes of the Ordinary Meeting of Council dated 23 September 2020.

Carried: 11/1

For

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

Against

Cr Marija Vujcic

10. Elected member communication

Cr Hannah Fitzhardinge informed the meeting she had attended the Fremantle Surf Life Saving Club season opening. She stated that there are approximately 1500 people in the club and the day had been well attended by members from all age groups. Cr Fitzhardinge noted however, that there are significant parking issues and the City and the Port Authority may need to work towards solving the parking issues in the immediate future, as the current parking situation is quite dangerous.

Cr Bryn Jones informed the meeting that he had been invited to present on the Council's position on the Swan River Crossing at the Town of East Fremantle Council Meeting. At that meeting the Town of East Fremantle had adopted a similar position to the City's on the Swan River Crossing.

Cr Doug Thompson informed the meeting that at a special meeting of the South Metropolitan Regional Council they had voted to enter into Waste Supply Agreement and contract. The Waste Reform Advisory Group have been advised that 21 million containers have been presented for refunds since Containers for Change commenced in early October.

Cr Thompson will attend a Regional Waste Summit being held in Karratha next week.

Cr Andrew Sullivan informed the meeting that he had attended the farewell for the Duyfken (replica), which was set to sail to Sydney, to the National Maritime Museum.

Cr Sullivan explained that the Duyfken Foundation has looked after the ship until now, however the care of the ship in the future will be funded and undertaken by the National Maritime Museum. The Foundation will now wind up and Cr Sullivan passed on the Councils congratulations for the work they had done.

Mayor, Brad Pettitt brought forward the following item:

Reports and recommendations from officers

C2010-1 OPERATION OF SOUTH BEACH MARKETS 2020/2021

Meeting date:	28 October 2020
Responsible officer:	Manager Economic Development & Marketing
Decision making authority:	Council
Agenda attachments:	1. Nil
Additional information:	1. Commercial Events Policy

SUMMARY

This report seeks consideration from Council to invite proposals from local operators through a Request for Proposal process to provide a food market each Saturday at South Beach Reserve between December, 2020, and April, 2021 whilst a review of any future food market is undertaken.

BACKGROUND

In 2012 Council Georgie Adeane (trading as Sunset Markets) was approved by Council to run a multicultural food market at Bathers Beach, Fremantle, as part of an activation strategy for the area. The markets ran at this location up the summer season of 2014/15.

After the redevelopment and opening of the premises adjacent to Bathers Beach and Fishing Boat Harbour and the extension of the leased area of Kidogo Arthouse, the area become more activated in its own right which created management problems for the location when the sunset market was in operation. To resolve the Bathers Beach issues officers proposed to transfer the markets to South Beach Reserve in October 2015 as an activation consideration option

The City entered a Licence with Ms Adeane for a term of five years from November 2015. The Licence accommodated for a market every Saturday between November and April between the hours of 2.00pm and 10.00pm (allowing for bump in and out). This licence effectively concluded in March 2020.

As part of the agreement the City provided waste bins free of charge and contributed \$16 000 towards generator hire due to a lack of infrastructure to provide adequate power to the location.

Due to their size and frequency of the markets officers are of the opinion that a licence is not the most appropriate way to manage these markets and proposed any future markets activation is managed by an events agreement.

At Finance, Policy, Operations and Legislation (FPOL) Committee 13 November 2019 officers proposed the following recommendation for consideration by council;

1. *Notify Ms Georgie Adeane formally that the Licence between the City of Fremantle and Georgie Adeane for a portion of South Beach Reserve will terminate 13 November 2020 and that a new Licence term will not be considered.*

2. *Approve advertisement of an Expression of Interest for a Portion of South Beach Reserve for the purposes of market activation based on the following key terms;*
 - a. *Booking fee: \$104.00*
 - b. *Hire fee for South Beach and Wilson Park \$5520 x 19 dates (high impact / full day / commercial / 3 sectors @ \$1,840 per sector): \$104,800*
 - c. *Bond: \$10,000*
 - d. *Ground Restoration bond: \$10,000*
 - e. *Additional cleaning public toilets: \$650*
 - f. *Bin hire: \$22,000 per annum*
 - g. *Three year sponsorship agreement of 50% subsidy on hire fees*

FPOL Committee deferred the item at the time "to the next appropriate FPOL meeting to allow further consideration and discussion of issues raised before making a decision".

No further item has been brought back to Council since November 2019.

FINANCIAL IMPLICATIONS

Under the current licence agreement Ms Adeane is charged \$306.85 + GST per week during the market season or approximately \$6,750 per season.

The City contributed \$16,000 per year to support the use of generator power for each market day due to the lack of power infrastructure at this location. The total cost of generator power for a season is approximately \$40,000.

The City also provided bins at no charge for each season which equates to a waste cost of \$22,000 per year.

On average over the past five seasons, the City supported the operation of the markets to the figure of \$30,000 per year.

In anticipation the current licence effectively ended in March 2020, the City has not allocated any budget to accommodate support costs for the market's operation in the current 2020/21 adopted budget.

It is anticipated that should the markets continue into the future the operator would to be financially responsible for all costs associated with its operation and delivery.

In November, 2019, officers proposed that any future market operation would be managed through the event process rather than a property licence process. at the time it was suggested that the event process fees would apply.

Currently, the following fees would apply under this arrangement;

Booking fee: \$104
Hire fee for South Beach and Wilson Park \$5520 x 19 dates (high impact / full day / commercial / 3 sectors @ \$1,840 per sector): \$104,800
Bond: \$10,000
Ground Restoration bond: \$10,000
Additional cleaning public toilets: \$650

Bin hire: \$22,000 per annum

Generator and lighting tower equipment will need to be arranged and provided by the operator, as will additional toilet facilities.

To retain an annual market event series at South Beach and to ensure the market remained financially viable the November, 2019, report proposed a three-year sponsorship agreement. The proposed three-year sponsorship agreement will offer a 50% subsidy on hire fees reducing this to \$52,400.

This would result in the total cost being \$95,154 per year payable by the operator.

LEGAL IMPLICATIONS

Officers recommend the use of a Request for Proposals (RFP) process for the engagement of a supplier to undertake the South Beach markets, rather than calling for Expressions of Interest (EOI).

The EOI process is governed by the Local Government (Functions and General) Regulations 1996. As such the EOI process has to meet the following criteria:

- State wide public advertising for a minimum of 16 days
- All responses to be assessed by an Evaluation Panel
- A written recommendation is required which provides evidence of the selection process used to determine a short-list
- CEO required to determine suitable short-listed respondents
- Closed Tender issued to short-listed respondents
- 16 days for respondents to provide a tender
- Tender responses to be assessed by an Evaluation Panel
- A written recommendation is required outlining decision for awarding a contract
- This process may lead to a contract being awarded to suppliers outside the local area defeating the request to have a local supplier undertake the service.

This process cannot be undertaken in the timeframes required by Council for a contract to be in place (commencement December 2020).

A Request for Proposal process is similar to requesting quotations:

- Request for proposals issued to select local suppliers
- Suppliers can be given a week to respond
- No need for a panel to be involved
- A decision can be made quickly on the preferred supplier
- Manager / Director can approve the supplier
- Contract can be awarded in under two weeks, ensuring Markets can commence in December 2020

CONSULTATION

In 2016 officers consulted with residents and businesses in the surrounding area inviting them to provide their feedback on the markets. Responses from 26 parties were received with the majority having positive feedback. The markets location, parking options and generated rubbish received negative responses. There were also other general comments around crowd numbers and the lack of toilet facilities.

As a result of the survey the following occurred;

- The City changed the bins being provided from 40 x 240ltr bins to 5 x 660Ltr bins. These were stored next to the car park surrounded by hired fencing for the season (cost by operator) so that they weren't used mid-week by beach goers.
- The operator to conduct cleaning early Sunday to pick up what's missed the night before.
- The operator was advised that they need to hire parking attendants for Wilson park and that this needed to occur from mid-morning so that management could occur correctly with beach goers using the park for overflow parking.
- The public was encouraged to use public transport (CAT bus is operating during the markets operation) via the City's and the markets social media and advertisements.
- The City increased parking compliance patrols in the area on market days.
- The City increased toilet cleaning and the operator was instructed to increase the number of portables available.
- The operator was instructed to ensure security personal attend each market and provide a medical tent with trained staff.
- The City's Environmental Health, Events and Community Safety Officers regularly attend the markets to monitor management.

Since the initial consultation there has been a continuation of issues being raised around parking. The main complaints are from residents of the units located on the corner of Marine Terrace and Douro Road who contact the City if any vehicles park on their verge. Otherwise general complaints are around the lack of parking available.

The City recently contacted a number of businesses in South Fremantle regarding their general opinion of the markets and its effect on their business. Of the nine businesses contacted, four responded. Of the four, three were supportive albeit acknowledging that business can be affected when the markets are operating and one was less supportive and commented on needing a better consultation process.

OFFICER COMMENT

Various issues are being considered as part of the review of the continuation of markets at South Beach.

Comparative food markets

The Inglewood night markets, and the Scarborough Markets are organised through two separate Town Teams (Scarborough Organisation and Inglewood on Beaufort Street).

The Town Teams apply to their respective Council each year for a grant towards the activations they plan for the year, these markets being included as one of these events. The Council covers up to 30% of costs for the year with 3-5-year period agreements and an aim that Town Teams become financial sustainable through sponsorship and other means of income into the future.

These Town Teams have contracted market operators for both events. The operators are commercial operators and retain the income from the events. The Town Teams provide the operator with some financial assistance towards advertising.

Both events are reviewed and approved annually.

South Beach Reserve Infrastructure

A project to install power at South Beach has been included in the ten-year forward financial plan. This is included in the South Beach Master Plan allocation for 2023/2024 and 2024/25 financial years. Officers do not have an itemised cost for the power installation at this stage. This means ongoing operation at the markets at South Beach will continue to require generator hire.

Parking

Parking will continue to be an ongoing issue during the operation of the markets. Ongoing management of the parking on Wilson Park by can be undertaken by the market's operator. If the markets operate in the 2020/2021 season it is possible parking may be further impacted by the decreased service of the CAT bus.

The City received enquiries in early 2020 from the Department of Planning, Land and Heritage (DPLH) regarding the use of Wilson Park for overflow parking for beach and market patrons. This occurred after correspondence was received by the Minister for Lands from a community member concerned about the use of Wilson Park for this purpose. The City provided information on the Wilson Park overflow carparking management plan and greening strategy. DPLH accepted the measures the City had implemented to minimise the impact to the reserve and advised that they considered the use of parking to be ancillary to the purpose of the reserve (recreation). The community member was advised to contact the City directly in future with any questions or concerns.

Economic Impact

The City has not yet considered the full economic impact of the markets at the South Beach location. Whilst the market activates the beach area during its season, more work should be carried out to better understand the impact it is having on the area and surrounding businesses before a future agreement is considered.

Council adopted the COVID-19 Economic Recovery plan in August 2020. The plan was the outcome of work down by the Economic, Community and Infrastructure Recovery Working Groups. The plan directed resources in pursuit of priority initiatives with the intention to pursue other initiatives when resources were available.

Industry feedback from the Working Groups included requests to put in place temporary moratorium on pop-up food and beverage operators and food trucks to provide primary support of “brick and mortar” businesses.

Commercial Events Policy

Officers propose that any future long term proposition to continue a food market at South Beach be provided through an open competitive process and subject to the Commercial Events Policy (provided in additional information). This will ensure consistency in operation requirements with all other events that occur throughout the City.

Where to from here?

As much of this work is yet to occur it is proposed that Council consider supporting a short term outcome of inviting proposals from local operators to conduct a food market for the coming summer season. This would occur in a Request for Proposal that could be concluded through normal procurement processes approved under delegation to the Chief Executive Officer. Up to three local operators would be invited to submit a proposal based on the following criteria;

1. Term: December 2020 to April 2021
2. The operator is responsible for the following event fees:
 - i. Booking fee: to be waived
 - ii. Hire fee for South Beach and Wilson Park: to be waived
 - iii. Bond: \$10,000
 - iv. Ground Restoration bond: \$10,000
 - v. Additional cleaning public toilets: \$650
 - vi. Any additional toilet provision to be provided at the expense of the operator
 - vii. Bin hire: \$22,000
 - viii. Any additional power supply requirements to be provided at the expense of the operator
 - ix. Suitable security costs requirements to be provided at the expense of the operator, and
 - x. Suitable car parking management to be provided at the expense of the operator.
3. Market Mix
 - a. Maximum of 60 stalls
 - b. Maximum of 40 Food stalls
4. Compliance Permits
 - a. Stall operator to ensure all stalls have current permits.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION

Moved: Mayor, Brad Pettitt

Seconded: Cr Andrew Sullivan

Council

1. Approve a seven (7) day Request for Proposal process be used to source a local licensee to operate a food market at South Beach Reserve for the single season of 2020/21 based on the following criteria;
 - 1) Term: December 2020 to April 2021
 - 2) The operator is responsible for the following event fees:
 - i. Booking fee: to be waived
 - ii. Hire fee for South Beach and Wilson Park: to be waived
 - iii. Bond: \$10,000
 - iv. Ground Restoration bond: \$10,000
 - v. Additional cleaning public toilets: \$650
 - vi. Any additional toilet provision to be provided at the expense of the operator
 - vii. Bin hire: \$22,000
 - viii. Any additional power supply requirements to be provided at the expense of the operator
 - ix. Suitable security costs requirements to be provided at the expense of the operator, and
 - x. Suitable car parking management to be provided at the expense of the operator.
 - 3) Market mix
 - a. Maximum of 60 stalls
 - b. Maximum of 40 food stalls
 - 4) Compliance permits
 - a. Stall operator to ensure all stalls have required permits
2. Authorised the Chief Executive Officer to select a preferred licensee from the Request for Proposal process based on the best fit of the above criteria in 2 above, and finalise the licence.

AMENDMENT 1

Moved: Cr Rachel Pemberton

Seconded: Cr Su Groome

To amend the officer's recommendation, shown in red strikethrough and green text below:

1. ~~Approve a seven (7) day Request for Proposal process be used to source a local licensee~~ Authorise the CEO to offer a licence to the current operator of South Beach Markets to operate a food market at South Beach Reserve for the single season of 2020/21 based on the following criteria;

- 1) Term: December 2020 to April 2021
- 2) The operator is responsible for the following event fees:
 - i. Booking fee: to be waived
 - ii. Hire fee for South Beach and Wilson Park: to be waived
 - iii. Bond: \$10,000
 - iv. Ground Restoration bond: \$10,000
 - v. Additional cleaning public toilets: \$650
 - vi. Any additional toilet provision to be provided at the expense of the operator
 - vii. Bin hire: \$22,000
 - viii. Any additional power supply requirements to be provided at the expense of the operator
 - ix. Suitable security costs requirements to be provided at the expense of the operator, and
 - x. Suitable car parking management to be provided at the expense of the operator.
- 3) Market mix
 - c. Maximum of 60 stalls
 - d. Maximum of 40 food stalls
- 4) Compliance permits
 - b. Stall operator to ensure all stalls have required permits

2. ~~Authorised the Chief Executive Officer to select a preferred licensee from the Request for Proposal process based on the best fit of the above criteria in 2 above, and finalise the licence.~~

Amendment carried: 12/0

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

Reason for amendment:

The Council did not make a decision to put the licence out to tender, but rather deferred the decision in November 2019 (agenda page 78). Furthermore, the operator has developed the concept and offering and delivered a satisfactory service and community facility for the past 8 years. The South Beach Sunset markets is a widely known and successful brand and attracts many people to Fremantle. While others could do the same, it is unfair to undermine the intellectual property and existing brand.

This business could be considered to be unique and successful (like Ginos) and therefore not be required to go to tender.

However, the Council subsidy of this market is very generous and hard to justify. If the operator cannot make the business a success, or refuses the option for a licence, then the licence should be made available to other operators who can run a market without generous council subsidies.

AMENDMENT 2

Moved: Cr Hannah Fitzhardinge

Seconded: Cr Frank Mofflin

To include a new part 2 to the amended recommendation. The mover and seconder agreed to a wording change to the amendment printed in the additional documents by removing the wording shown in red strikethrough below:

2. Advise the current operator that following this season of the Markets, the opportunity to run a summer market at South Beach will be put out to ~~public tender in~~ an open and transparent process, with criteria that reduce the annual financial contribution from the City.

Amendment carried: 9/3

For

Mayor Brad Pettitt, Cr Jenny Archibald, Cr Su Groome,
Cr Hannah Fitzhardinge, Cr Frank Mofflin, Cr Doug Thompson,
Cr Bryn Jones, Cr Andrew Sullivan, Cr Adin Lang

Against

Cr Geoff Graham, Cr Marija Vujcic, Cr Rachel Pemberton

Reason for amendment:

To enable the current operator to run the South Beach Markets in the 2020/21 season, however in future seasons the opportunity to operate summer markets will contain criteria that reduces the annual financial contribution from the City.

PRESIDING MEMBER DETERMINATION

The Presiding Member determined he would allow a proposed amendment by himself be moved as the amendment was considered to be minor.

Moved: Mayor, Brad Pettitt

Seconded: Cr Andrew Sullivan

To amend the recommendation as shown in red strikethrough and green text below, and renumbering accordingly:

- 2) The operator is responsible for the following event fees:
 - iii. ~~Bond: \$10,000~~
 - iv. ~~Ground Restoration bond: \$10,000~~ Negotiate a suitable bond to reflect a community event outcome and propensity for damage as a result of the event.

Carried: 11/1

For

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

Against

Cr Marija Vujcic

PROPOSED AMENDMENT – Cr Vujcic

To add parts 3 and 4 to the Officer's Recommendation, as shown below:

3. Following the expiration of this temporary agreement, council use a full tender process when establishing any new operators and that the operator pays all costs (approximately \$147,554 per year) and are not provided with discounted fees.
4. Immediately consider restricting the markets frequency and scheduling to a weekly Thursday night market. To allow local 'bricks and mortar' businesses to benefit from the busy Saturday night trade and to increase and promote additional activity Thursdays.

Proposed Amendment withdrawn

COUNCIL DECISION ITEM C2010-1
(Amended officer recommendation)

Moved: Mayor, Brad Pettitt

Seconded: Cr Andrew Sullivan

Council:

1. ***Authorise the CEO to offer a licence to the current operator of South Beach Markets to operate a food market at South Beach Reserve for the single season of 2020/21 based on the following criteria;***
 - 1) **Term: December 2020 to April 2021**
 - 2) **The operator is responsible for the following event fees:**
 - i. **Booking fee: to be waived**
 - ii. **Hire fee for South Beach and Wilson Park: to be waived**
 - iii. ***Negotiate a suitable bond to reflect a community event outcome and propensity for damage as a result of the event.***
 - iv. **Additional cleaning public toilets: \$650**
 - v. **Any additional toilet provision to be provided at the expense of the operator**
 - vi. **Bin hire: \$22,000**
 - vii. **Any additional power supply requirements to be provided at the expense of the operator**
 - viii. **Suitable security costs requirements to be provided at the expense of the operator, and**
 - ix. **Suitable car parking management to be provided at the expense of the operator.**
 - 3) **Market mix**
 - a. **Maximum of 60 stalls**

- b. Maximum of 40 food stalls
 - 4) Compliance permits
 - a. Stall operator to ensure all stalls have required permits
2. *Advise the current operator that following this season of the Markets, the opportunity to run a summer market at South Beach will be put out to an open and transparent process, with criteria that reduce the annual financial contribution from the City.*

Carried: 11/1

For

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

Against

Cr Marija Vujcic

11. Reports and recommendations from committees

11.1 Planning Committee 7 October 2020

PC2010-1 KNUTSFORD STREET, NO. 6 (STRATA LOT 2) FREMANTLE - TWO STOREY SINGLE HOUSE (TG DA0180/20)

Meeting Date:	7 October 2020
Responsible Officer:	Manager Development Approvals
Decision Making Authority:	Committee
Agenda attachments:	1. Amended Development Plans
Additional information:	1. Site Photos 2. State Heritage Assessment (DPLH) 3. Heritage Assessment 4. Limestone wall Heritage Assessment

SUMMARY

Approval is sought for a two storey Single House at 6 Knutsford Street, Fremantle.

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

- Building height (external wall)
- Primary street setback
- Boundary wall (east and west)
- Lot boundary setback (east, west and north)
- Open space
- Vehicle sightlines
- Site works and retaining walls
- Visual privacy (north, east)

The application was considered by PC at its meeting on 2 September 2020 and deferred for the applicant to make amendments to the proposal and provide additional information to address the following concerns from PC:

- The dwelling could be set back further from the eastern property boundary to reduce the scale of the building as viewed by the eastern neighbour and minimise the impact that the setback has on their amenity, particularly access to light and ventilation;
- The proposal did not provide adequate sightlines for vehicle movement;
- Additional detail was required with respect to the existing limestone retaining wall and how the northern elevation of bedrooms 2 and 3 and the balcony will be screened.

Amended plans and additional details were provided by the applicant on 22 September 2020. In addition, the City's Heritage team provided an updated report on the proposal which addressed the removal of the existing limestone retaining wall, supporting its removal.

The application as amended is recommended for conditional approval.

PROPOSAL

Detail

Approval is sought for a two storey Single House to an existing vacant property at 6 Knutsford Street, Fremantle. The proposed works include:

- Ground floor.
 - o Two car garage.
 - o Study/Guest room.
 - o Kitchen/Living Room.
 - o Powder room.
 - o Outdoor living area.
- Upper floor
 - o Three bedrooms and bathrooms.
 - o Balcony.

The applicant submitted amended plans on 18 August 2020 including the following:

- The atrium structure was reversed to reduce the prominence of this element when viewed from the street.
- Making amendments to the wall to the return to the western boundary to include a high level window to the first floor bathroom and, increase the height of the arch leading to the rear yard and adding a breeze wall.

The applicant submitted further amended plans on 21 September 2020 in response to the concerns raised by PC including the following amendments:

- The setback of the upper floor beyond the proposed boundary wall from the eastern property boundary was increased from 1.05m to 1.5m.
- The crossover and garage door width were reduced to 4.5 metres.
- A wall to the south east corner of the site was removed to improve vehicle sightlines.
- The sill of north facing bedroom windows was increased to 1.6m above floor level.
- A planter box balustrade was added to the proposed balcony to mitigate overlooking of the northern neighbouring property.
- The proposed material for the eastern boundary wall was confirmed (banded concrete blockwork).

The City's heritage team also completed an assessment concerning the age and condition of the existing limestone retaining wall on the subject site which supported the removal of the structure. The findings of this report are included in Additional Information document 4 and discussed further in the officer comment section below.

Amended development plans are included as attachment 1.

Site/application information

Date received: 29 May 2020
 Owner name: Wave Bay Holdings Pty Ltd as trustee for the Smith Family Trust
 Submitted by: Slavin Architects Pty Ltd
 Scheme: Residential R25
 Heritage listing: Ord Street Precinct Heritage Area, Heritage Listed
 Existing land use: Vacant site
 Use class: Single House
 Use permissibility: P



CONSULTATION

External referrals

Heritage Service (DPLH)

The original application was referred to Heritage Services as the subject site is located in the Ord Street Heritage Area and adjoins several individually State Heritage Listed properties. Heritage Services recommended several amendments to the proposal so it better reflected the existing streetscape. The applicant incorporated these amendments into the design and upon review DPLH Heritage Services advised that they had no objection per the attached assessment. The amended plans were not required to be referred back the DPLH for additional comment.

Community

The original application was advertised in accordance with Schedule 2, clause 64 of the Planning and Development (Local Planning Schemes) Regulations 2015, as the development proposed variations to several deemed-to-comply criteria and policy requirements. The advertising period concluded on 22 June 2020, and two (2) submissions were received. The following issues were raised (summarised):

Submitter concern	Officer comment
The submitter was concerned that the new build does not attempt to relate to the existing visual language of the heritage streetscape beyond a superficial reference on the front facade. The flattened rooflines that sit behind the equally shallow front verandah pitch do not provide enough depth and articulation to the streetscape to relate to the rhythm of the existing pitched rooflines (note the contemporary Klopper style build opposite that does reference the angle of the surrounding pitched roofs).	The design of the building has been reviewed for its consistency with the existing streetscape of Knutsford Street by the City's internal Heritage Officers and the Heritage Services Department of the Department of Planning, Lands and Heritage. The application has been supported.
The submitter was concerned with the double garage dominating the front elevation, and reading as a flat front to the streetscape. It was noted that there are no double roller door garages with minimum setback in the area. Where they do exist, they are recessed well back into a lot so as not to detract from the existing houses as a dominant feature. From an established heritage precinct perspective, this is an anomaly in the streetscape. Particularly when the verandah does not overhang the garage and it has been designed as a prominent feature fronting the ground level pedestrian streetscape.	While it is noted that none of the other dwellings have a garage facing the streetscape at a reduced setback, it is considered that the proposed garage responds well to the streetscape in contributing to the appearance of a solid foundation, resulting in the dwelling being more consistent with the streetscape.
The submitter was concerned with the materials that maybe chosen for the western side wall, particularly if it is a continuation of solid limestone. The submitters concern in this regard was as follows: "From our ground level to the rear in our courtyard in sections we already have over 3m in height of solid limestone retaining wall, to follow on top of that with the same material would read as a bit like Freo Prison". A change in materials above this would mitigate the look and feel of a contiguous solid wall of the same material that would reach a height of almost 5m from our ground level.	The applicant has submitted amended plans which specify the finish of the eastern boundary wall to be banded concrete blockwork. The proposed finish is considered to be suitable and assist in providing some visual interest to the wall given its height and length.

The submitter was concerned with the potential incursion of privacy from overlooking on the west from bathrooms, study window, and from the large void expanse. The submitter noted that obscured glass on these windows would help and additional confirmation of the angling and movement potential of the angled louvres that are proposed to restrict overlooking potential was requested. <i>“Essentially its not so much whether they really physically can look into our rear courtyard(our only private area) but rather the perception of overlooking from several windows and a particularly large void window looking down on us.”</i> The front balcony was also of concern the submitter from overlooking into neighbouring rear space, particularly should the existing Sugar Gum be pruned.	The applicant has demonstrated the barriers to overlooking through the submission of section B, the applicant has included a vertical blade privacy screen to protect mutual privacy between the two sites. Otherwise it is noted that overlooking from bathroom/ensuite windows and hallways such as the far side of the void is not able to be controlled by the R-Codes deemed-to-comply criteria. Overlooking from the upper floor master bedroom is controlled by a privacy screen which is required to meet the screening definition listed in the R-Codes. The applicant has also included a screen structure to the void. Overlooking towards the west from the front balcony and atrium/living area is discussed below in the officer comment section.
Proposed setbacks to the west were considered fairly minimal which unfortunately and were considered to increase the potential feel of overlooking to the neighbouring rear area.	Lot boundary setbacks facing west are considered to satisfy the relevant design principles of the R-Codes as discussed in the officer comment section below.
The submitter noted that it was ‘difficult to imagine’ how the building will insert itself into the rhythm of the existing heritage streetscape without confirmation of building materials and external paint finishes etc. Construction materials and render/paint finishes will have the potential to soften the insertion of the contemporary style of the build or create too much contrast and compete with the existing heritage buildings.	In accordance with the assessments completed by the DPLH and City’s internal heritage officers the building is considered to respond positively to the prevailing streetscape character.
A submitter considered that the proposed house was ‘grossly oversized’ for such a small site, and out of scale in an historically sensitive area. The submitter felt that will be overwhelming and obstruct both natural breeze and views of importance.	Per the below assessment, the building is considered to satisfy the relevant design principles of the R-Codes with respect to on site open space, building height and street setbacks.

Submitter objected to the width of the crossover due to the impact it would have on street parking availability in the cul-de-sac. It was requested that the crossover be reduced to 4m or less and relocated to the western side of the frontage for safety and sightline reasons, and to preserve existing street parking.	The applicant has submitted amended plans which specify a crossover of 4.5m which is consistent with the requirements of LPP 2.9.
The submitter was concerned about the loss of south-westerly views which would be obscured by the atrium/clerestory.	The limited depth of this element and open character of the structure are considered to permit any views which will be enjoyed over the building and site to be at least partly retained.
The submitter was concerned upper that the proposed street setback did not allow for graduation in the street setback as the proposed atrium/clerestory is set well forward of the neighbouring floor.	The applicant has amended their plans to reverse the orientation of the atrium/clerestory element to the roof, resulting in the roofscape better reflecting the existing dwellings in the street and reducing the prominence of this element.
The submitter objected to the boundary wall and reduced lot boundary setbacks to the eastern boundary for the following reasons: - o The bulk of the wall was considered visually overwhelming. - o Ventilation would be inhibited, the submitter noted that their dwelling relies on cross ventilation from the south west which may be limited by the development. - o The adverse impact of the development and setback upon access to views.	In accordance with the below assessment, the boundary wall to the eastern site boundary is considered to appropriately address the design principles of Local Planning Policy 2.4.
The submitter was concerned in relation to overlooking from bedroom 2 towards the property to the west and the potential impact upon the privacy of the neighbouring dining room.	It is recommended that this opening be appropriately screened to protect mutual privacy.

The remaining comments are addressed in the officer comment below.

In accordance with LPP1.3, as the amended proposal does not include any further variation the amended plans were not required to be re-advertised.

OFFICER COMMENT

Statutory and policy assessment

The proposal has been assessed against the relevant provisions of LPS4, the R-Codes and relevant Council local planning policies. Where a proposal does not meet the

Deemed-to-comply requirements of the R-Codes, an assessment is made against the relevant Design principles of the R-Codes. Not meeting the Deemed-to-comply requirements cannot be used as a reason for refusal. In this particular application the areas outlined below do not meet the Deemed-to-comply or policy provisions and need to be assessed under the Design principles:

- Building height (external wall)
- Primary street setback
- Boundary wall (east and west)
- Lot boundary setback (east, west and north)
- Open space
- Vehicle sightlines
- Site works and retaining walls
- Visual privacy (north, east)

The above matters are discussed below.

Background

The subject site is located on the northern side of Knutsford Street, Fremantle. The site has a land area of approximately 287m² and is currently vacant. The site is zoned Residential and has a density coding of R25. The site is not individually heritage listed but is located in the Ord Street Precinct Heritage Area.

The site is currently occupied by several retaining walls, having been subdivided from the rear yard of the adjoining property at 24 Ord Street. Topographical information indicates an approximate slope of 1.5m metres across the site.

The original application was considered by PC on 2 September 2020, where the Committee resolved to:

Refer the application to the Administration with the advice that the Planning Committee is not prepared to grant planning approval to the application for the construction of two storey Single house at No. 6 Knutsford Street, Fremantle based on the current submitted plans, and invite the applicant, prior to the next appropriate Planning Committee meeting, to consider amending the proposal to improve vehicle sightlines and increase the setback of the development from the eastern boundary to reduce the scale of the dwelling as viewed from the eastern neighbour and minimise the impact that the current setback has on the amenity of the adjoining dwelling in particular its access to light and ventilation. Additional details are to be provided in regard the existing limestone retaining wall and how the northern elevation of bedrooms 2 and 3 and the balcony will be screened.

On the 22 September, the applicant submitted amended plans in response to the above concerns. These plans are the subject of this amended officers report.

Heritage

In addition to being considered and supported by the State Heritage officers, the proposal has been considered by the City's Heritage Officers. The subject site is individually heritage listed, located in the Ord Street Precinct Heritage Area and adjoins several properties which are individually State Heritage Listed.

The Heritage Council's documentation on the property contains Management Strategies for the precinct that confirm that new development should be controlled so as to retain the heritage significance of the precinct and its diverse components. While the need for the evolution of the place is recognised, change is to be managed to conserve the visual harmony of the precinct.

In considering the design of the proposed dwelling, the City's Heritage Officers found that many elements of the proposal were 'cleverly designed' and were able to be supported from a heritage perspective. The initial assessment identified two areas of concern with the proposal, being the orientation of the skylight/atrium structure, and the upper floor ensuite wall (located to the return in the western boundary) being a flat wall facing the street.

In response to these concerns, the applicant submitted amended plans reversing the orientation of the atrium and providing additional articulation to the ensuite wall. These amended plans were supported by the City's Heritage Officers as they had appropriately addressed their concerns. Accordingly the development is considered to be worthy of approval with respect to its impact on the heritage significance of the immediate streetscape.

Existing Limestone Wall – Additional Heritage Comment

The subject site includes an existing retaining wall which is to be removed to accommodate the proposed dwelling and associated works. In response to concerns raised by PC with respect to the potential heritage significance of this wall, the City's Heritage officers completed a further investigation of this wall, which is attached to this report (Additional Information document 4). The findings of the report are summarised as follows:

- An 0.8 to 1.2m high retaining wall is located along the boundary of the site.
- The wall appears to have been constructed in various stages and is in various states of condition.
- This wall has not been identified as a heritage wall in either the HCWA listing for the Ord Street precinct or the City's listing in the Municipal Heritage Inventory.
- The City's mapping identifies two features running along the boundary of the site, a limestone wall of later construction and a retaining wall. This does not date the wall but does indicate that the wall is not an original wall and dates to sometime after 1910.
- An inspection of the site found that the wall was in poor condition.
- The construction date of the wall is considered to be between 1975 to 1986.
- In regard to its condition, the wall generally in poor condition, it is patchy in nature, features later poor repairs which would require removal, and is likely to be impacted further on by the removal of existing vegetation around the wall.

Given the above review, the wall is not considered to be worthy of retention and its removal is supported on heritage grounds.

Primary Street setback

Element	Requirement	Proposed	Extent of Variation
Ground Floor – Garage and Study/Guest Room	5m	0.8m-1.5m	4.2m (max)
Upper Floor – Master Bedroom	7m	2.6-3.5m	4.4m (max)

The upper floor setbacks are considered to satisfy the discretionary criteria of Local Planning Policy 2.9 – Residential Streetscapes for the following reasons:

- The proposed dwelling design is considered to appropriately reflect the streetscape character through the provision of a modern dwelling which still reflects the character of the setbacks of the buildings in the streetscape.
 - a) The ground floor is considered to be consistent with the large limestone foundations for the remaining dwellings in the streetscape, with the upper floor sitting above this structure consistent with the ground floors of the other dwellings in the streetscape. The windows into the study will be partially screened by the retained limestone wall to the street boundary.
 - b) The upper floor, with the verandah element in front of the main building is likewise consistent with the design characteristics of the other dwellings along Knutsford Street which all exhibit verandahs facing the street.
- Overall the height of the dwelling appropriately steps down the street in accordance with the character of the streetscape, with higher elements such as the clerestory set back from the street and not as readily visible to pedestrians.
- The development is considered to appropriately reflect the streetscape character and will therefore not result in a projecting element into the street.
- The initial proposal included the roof clerestory element however this was oriented to face south, resulting in a bulkier structure facing the street. This element was not supported by DPLH Heritage Services, nor the City's Heritage officers and accordingly the applicant reversed the orientation of this element.
- The imagery submitted by the applicant below demonstrates how the development will exist in the Knutsford Street streetscape.



Figure 1: View of dwellings along Knutsford Street with proposed dwelling inserted.



Figure 2: 3D view of proposed dwelling and adjoining property.

Building Height (external wall)

Element	Requirement	Proposed	Extent of Variation
Atrium roof structure (light well) – wall height	6m	8.4m	2.4m
Wall height (east)	7m (wall with concealed roof)	7.1m	0.1m

The height of the roof light well atrium structure is considered to meet the Design principles of the R-Codes in the following ways:

- The subject lot is oriented such that shade from the building at midwinter generally falls over the streetscape, the lightwell structure is located centrally on site and therefore shade cast by this element will generally be contained by the development.
- The limited depth of this element and open character of the structure permits any views which will be enjoyed over the building and site to be at least partly retained.
- The lightwell is set back from the front of the building and oriented such that it will not be readily visible from the streetscape in front of the property and will not result in an impression of building bulk onto the streetscape.

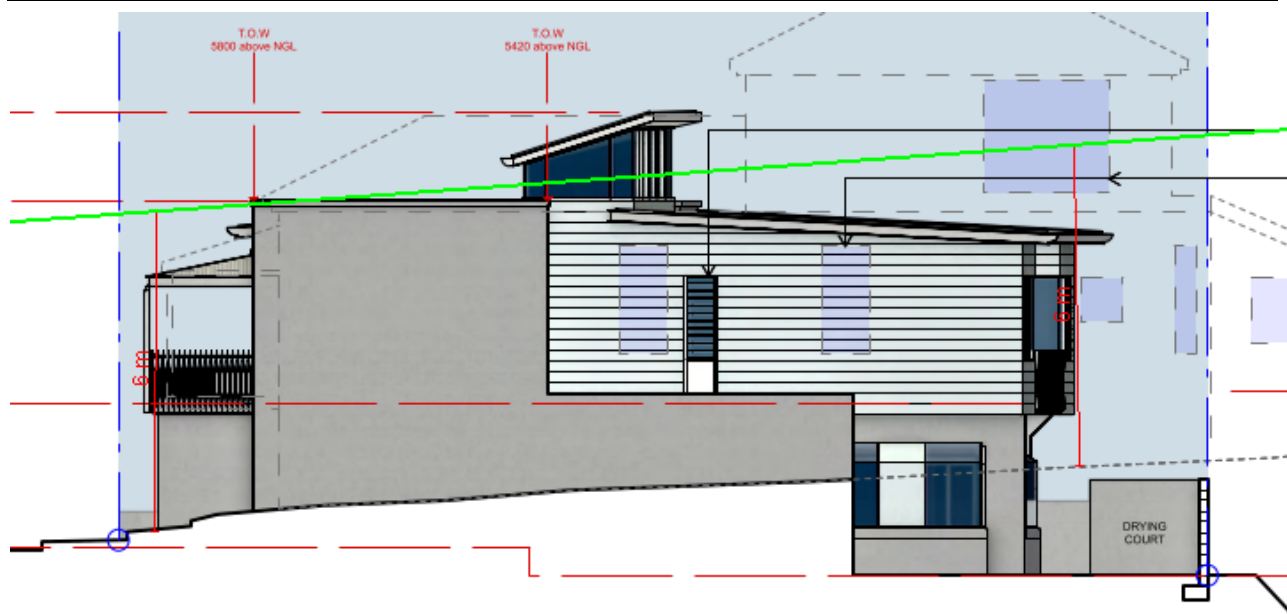


Figure 3: Eastern elevation showing area of atrium above 6m wall height requirement

The height of the eastern wall of the building exceeds the 7m permitted wall height for walls with concealed roofs. This minor variation considered to meet the Design principles of the R-Codes in the following ways:

- The minor variation to height requirements results from the approximate 0.5m fall across the subject site, the area of discretion is considered to be minor with the area of wall exceeding the applicable height requirement highlighted below in green.
- Any views across the subject site are not unduly impacted by this element, as the opposite side of the building is the same height above AHD and meets the deemed-to-comply requirement.
- The shade cast by this portion of wall will predominantly fall over the streetscape when measured at midday on midwinter, when shade cast by buildings is greatest.



Figure 4: Portion of western wall which exceeds height requirements for walls with concealed roofs.

Boundary walls

The amended plans do not alter the height, length or location of the originally proposed boundary wall, however the applicant has specified that the wall is intended to be finished as banded concrete blockwork.

Notwithstanding the additional criteria of LPP2.4, in general, boundary walls are assessed in accordance with the lot boundary setback requirements of the R-Codes. In accordance with the deemed to comply requirements, a wall may be built up a lot boundary where the wall does not exceed certain dimensions relating to its length and height. Where a wall does not meet these requirements, it is still defined as a boundary wall, being a wall built up to the lot boundary, however this component of the proposal requires an assessment against the design principles of the R-Codes (and Council's Local Planning Policy 2.4) for lot boundary setbacks (P3.2 and P3.1) which relate to building bulk, access to sun light and ventilation, loss of privacy, the effective use of space and the contribution to the prevailing context and streetscape.

Element	Requirement	Proposed	Extent of Variation
Garage and Master (East)	2m	Nil	2m
Ensuite (South/West)	1.2m	Nil	1.2m

It is noted that the Officer's assessment above has been amended to update the required setback of the eastern boundary wall from 1.5m (stated in the original report) to 2m due to a review of the interpretation of the setback requirements for walls with multiple

articulations (figure 4c of the R-Codes), where the setback of the boundary wall is determined from the entire length of the eastern elevation. As the assessment against the design principles of the R-Codes is a qualitative assessment against specific design objectives (the design principles), Officers consider the potential impacts of the proposed nil setback to be the same as originally reported as follows:

The eastern boundary wall is considered to meet the Design principles of the R-Codes and the discretionary criteria of LPP2.4 in the following ways:

- The majority of the high portion of this boundary wall abuts a section of wall to the adjoining property which does not exhibit openings. The wall is also set behind the line of the adjoining verandah, thereby not unduly limiting views out towards the streetscape.
- The remainder of the boundary wall element is set at a similar height to a dividing fence (approximately 1.8m).
- The wall/building will cast shade at midwinter over the street, rather than adjoining properties due to lot orientation.
- Based on the attached heritage assessments, the development as amended is considered to positively contribute to the prevailing development context and streetscape.
- With respect to privacy, the wall is not considered to impose significant privacy impact due to a lack of openings in the wall.

The western/southern boundary wall is considered to meet the Design principles of the R-Codes and the discretionary criteria of LPP2.4 in the following ways:

- The wall is of a minimal dimension along the boundary and is angled perpendicular to the adjoining property, resulting in limited bulk impact.
- The applicant has amended the wall to include 'green wall' elements which contribute to a reduction in building bulk.
- Shade cast by the wall would fall over the extended rear yard and retaining wall areas of the adjoining property.
- Based on the attached heritage assessments, the development as amended is considered to positively contribute to the prevailing development context and streetscape.
- With respect to privacy, the wall is not considered to impose significant privacy impact due to a lack of openings in the wall.

Lot boundary setback

It is noted that the original proposal included a 1.1m setback from the eastern boundary to the upper level stair, ensuite and Bed 2 in lieu of a 1.5m deemed-to-comply requirement. In response to the PC's concerns, the applicant amended the proposal to increase this setback to 1.5m, being compliant with the deemed-to-comply requirement and no longer an individual variation. This amendment is considered to improve access to light and ventilation of the windows of the property located to the east. The windows of this immediately adjacent property are elevated above ground level and noted to be habitable rooms including a bedroom, study and kitchen (referenced from Building Permit Plans in Council Records from 2016). Given the location of the windows, as indicated on the eastern elevation of the amended plans, the increased setback of the proposed upper floor is considered to improve the separation between the portions of the two dwellings containing windows to minimise the impact the overall development may have on the amenity of the adjoining dwelling.

The remaining setbacks are detailed as follows:

Element	Requirement	Proposed	Extent of Variation
Kitchen (GF East)	1.5m	1.1m	0.4m
Garage nib (GF East)	1m	0.8m	0.2m
Verandah (UF East)	3.3m	0.7m	2.6m
Living -Atrium (GF West)	1.5m	1m	0.5m
Void – Verandah (UF West)	1.5m	1.1m (minimum to screen)	0.4m

It is noted that the Officer's assessment above has been amended to update the required setback from the eastern boundary of the proposed verandah from 1m (stated in the original report) to 3.3m due to a review of the interpretation of the setback requirements for raised unenclosed outdoor living areas, which are to be setback as if they included a wall with a major opening to a habitable room. As the assessment against the design principles of the R-Codes is a qualitative assessment, Officers consider the potential impacts of the proposed 0.7m setback to be the same as originally reported as follows:

The reduced setbacks to the eastern boundary are considered to meet the Design principles of the R-Codes in the following ways:

- The walls along this property boundary are appropriately articulated with a variety of openings and materials to appropriately reduce building bulk impacts.
- With respect to privacy, the windows along this boundary are either onto non-habitable spaces or set well below the level of the adjoining property such as the windows onto the kitchen.
- The shade cast by these walls will predominantly fall over the subject site, especially at midwinter due to lot orientation.

The reduced setbacks to the western boundary are considered to meet the Design principles of the R-Codes in the following ways:

- The building utilises varied setbacks and materials in order to assist in ameliorating building bulk, the building facing this boundary is also well articulated with a variety of openings and screens.
- With respect to privacy, the development generally provides non-major openings along this boundary or openings onto habitable rooms are otherwise screened.
- The shade cast by these walls will predominantly fall over the subject site, especially at midwinter due to lot orientation.

Open Space

Element	Requirement	Proposed	Extent of Variation
On site open space	50% (143.5m ²)	41.2% (118m ²)	25.5m ²

The provision of open space for the building is considered to meet the Design principles of the R-Codes in the following ways:

- The building is considered to reflect the existing and desired streetscape character for the immediate area in being designed so as to appropriately reflect the appearance of adjoining dwellings.
- The dwelling is provided with outdoor living area open to northern sunlight in winter at the rear of the building.
- Open space is predominantly provided to the side and rear of the dwelling, as the dwelling has been located close to the street in accordance with the streetscape character.
- External facilities and fixtures are provided for appropriately on site.
- The building is provided with additional outdoor living areas in the form of the balcony and verandah to the front and rear of the dwelling.

Vehicle Sightlines

In response to the PC's concerns with respect to the vehicle sightlines, the applicant has submitted amended plans which remove the 'return' of the front wall (also proposed to be demolished) located along the eastern boundary between the front boundary and the location of the pedestrian gate of property to the east. This section of wall previously encroached into the view of reversing vehicles from the proposed garage as well as the view towards the garage from pedestrians heading west along the existing footpath. Although the amendment does not result in compliant sightlines due to the 1m to 1.3m setback of the garage, the amendment considerably improves views between the footpath and the garage. The technical assessment remains as follows:

Element	Requirement	Proposed	Extent of Variation
Garage sightlines	1.5x1.5m truncation at vehicle access point	1mx1.5m (east) 1.3x1.5m (west)	Per proposed

The amended proposal considerably improves the sightlines for the garage access point and the variation is considered to meet the Design principles of the R-Codes in the following ways:

- The removal of the eastern boundary portion of the front wall is considered to substantially improve the sightlines between the footpath and the garage particularly close to the eastern boundary of the site.
- The proposed sightlines do facilitate views to and from the garage and the footpath and is clear of further obstructions including proposed fencing, utilities and/or planters etc.

In addition to amending the plans to improve the sightlines the applicant also amended the previously proposed width of the crossover to a maximum width of 4.5m consistent with Council policy.

Site works and retaining walls

Element	Requirement	Proposed	Extent of Variation
Site fill and retaining (western boundary)	0.5m (max)	0.9m	0.4m

The fill to the western boundary is considered to meet the Design principles of the R-Codes in the following ways:

- The levels across the site generally provide for the appreciation of the natural slope along Knutsford Street while bringing the western portion of the site level with the remainder of the property.
- With respect to privacy the building itself is provided with an angled privacy screen and the side access of the dwelling is not an active habitable space, being an accessway only but is otherwise screened by a standard dividing fence.

Visual Privacy

In response to the PC's concern regarding how the applicant will intend to screen the rear facing openings of bedrooms 2 and 3 and the balcony, which were considered to overlook the adjoining properties to the west, east and north, the applicant has submitted amended plans modifying the bedroom openings to highlight windows and the inclusion of a planter box located in front of the balcony intended to block views from the balcony down into the property located to the north. The proposed amendments result in bedrooms 2 and 3 being compliant with the deemed to comply visual privacy requirements of the R-Codes, however as the proposed method of screening for the balcony is not consistent with the R-Codes a discretionary assessment is still required. Officers revised assessment is as follows:

Element	Requirement	Proposed	Extent of Variation
Front verandah (west)	7.5m	2.5m	5m
Rear balcony (north/east)	7.5m	3.5m	4m
Atrium/Living (west)	6m	2.1m	3.9m

Overlooking from the front verandah is considered to meet the Design principles of the R-Codes in the following ways:

- Although the verandah partially overlooks the extended rear yard of the neighbouring property to the west, the property's primary outdoor living areas are well set back beyond the cone of vision from the proposed verandah..
- Although the verandah may afford views behind the front setback of the property to the east, the views are towards an unscreened verandah in view of the street, the front portion of the neighbours western elevation that does not feature any windows and a pedestrian walkway between the house and boundary. The verandah does not afford views towards the primary outdoor living areas of the adjoining property which are located behind the dwelling.
- Generally the verandah is oriented towards the streetscape and accordingly any overlooking would be likely to be oblique only, with users of the balcony generally facing south.

With respect to the ground floor atrium/living area, this area is raised greater than 0.5m above natural ground level and therefore subject to visual privacy assessment. This area is considered to satisfy the design principles of the R-Codes for the following reasons:

- The area is considered to be a transitional zone between the dwelling entry and living area and is unlikely to be occupied frequently or for long periods of time.
- Section B submitted by the applicant demonstrates how overlooking towards the rear yard of 24 Ord Street will be limited by existing fencing due to the difference in lot levels and the inclusion of the void screen.
- The below extract from section B submitted by the applicant demonstrates measures to limit overlooking towards the neighbouring property.

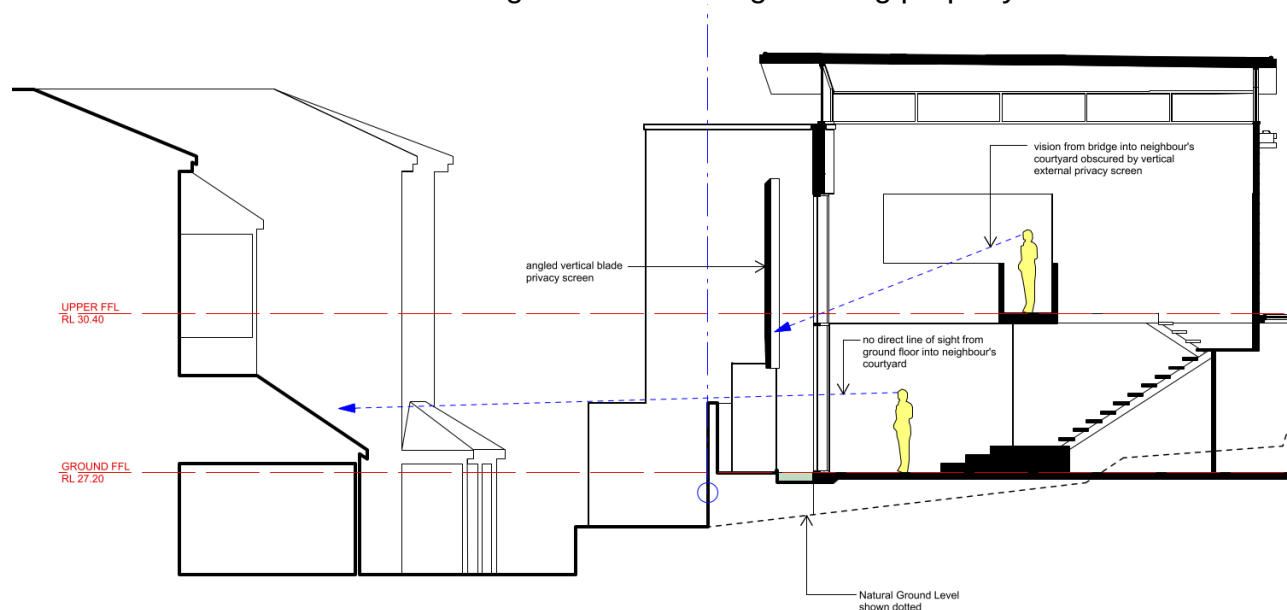


Image 5: Section B, illustrating the view towards 24 Ord Street

Although the amended plans introduce a planter box across the length of the rear balcony, the proposal is still considered to afford views into the outdoor living area of the property to the north. In this regard, the overlooking from the rear balcony is not considered to meet the Design principles of the R-Codes for the following reasons:

- The balcony provides for almost full overlooking of the rear yard of the neighbouring property to the north and partial overlooking to the eastern property.
- The inclusion of a planter box to provide some additional screening and potential vegetative screening to the rear balcony helps to address the design principles of the R-Codes, however it is considered that in accordance with the submitted section below, the balcony will remain with significant view into the adjoining property and should therefore be screened in accordance with the relevant deemed-to-comply criteria of the R-Codes (generally a 1.6m high opaque screen).
- While it is noted that heavy vegetation provides some screening at this time, in the future the mutual privacy of these properties may be unduly impacted.

In accordance with the above consideration, it is considered that screening should be provided to the rear balcony. A condition of development approval is recommended to this effect.

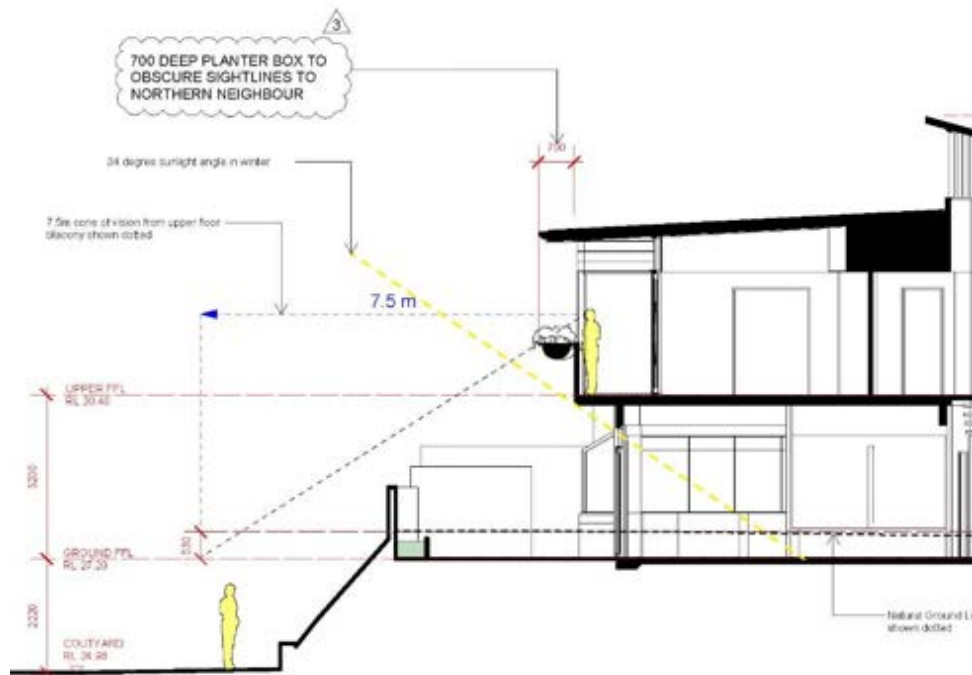


Image 6: Section A, illustrating the view towards the northern property

CONCLUSION

As discussed above, the majority of the development as amended is considered to appropriately satisfy the relevant deemed-to-comply criteria or design principles of the Residential Design Codes and relevant Local Planning Scheme No. 4 and Local Planning Policy Requirements. Some elements such as visual privacy overlooking from the rear of the building to the north is considered to require modification to appropriately protect the privacy of adjoining properties. Conditions of approval are recommended to address this.

Generally, the development is considered to comprise an appropriate addition to the immediate streetscape and is supported by State Heritage Officers and the City's Heritage Officers, utilising design elements which reflect the streetscape while providing for a modern dwelling. Further investigation of the existing limestone wall on site has led the City's Heritage Officers to conclude that the wall most likely dates from the later part of the 20th century and due to its age and condition does not warrant retention on heritage significance grounds.

In accordance with the above considerations, the development is considered to be worthy of support, subject to conditions.

STRATEGIC IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

LEGAL IMPLICATIONS

Nil

OFFICER'S RECOMMENDATION

Moved: Cr Bryn Jones

Seconded: Mayor, Brad Pettitt

Planning committee acting under delegation 1.1:

APPROVE, under the Metropolitan Region Scheme and Local Planning Scheme No. 4, Two storey Single House at No. 6 (Strata Lot 2) Knutsford Street, Fremantle, subject to the following condition(s):

1. This approval relates only to the development as indicated on the approved plans, dated 18 August 2020 and 21 September 2020. It does not relate to any other development on this lot and must substantially commence within four years from the date of this decision letter.
2. All storm water discharge shall be contained and disposed of on-site unless otherwise approved by the City of Fremantle.
3. Prior to the occupation of the development hereby approved, vehicle crossovers shall be constructed to the City's specification and thereafter maintained to the satisfaction of the City of Fremantle.
4. All works indicated on the approved plans, including any footings, shall be wholly located within the cadastral boundaries of the subject site.
5. The pedestrian access and / or vehicle gate, as indicated on the approved plans, shall swing into the subject site only when open or closed and shall not impede the adjoining road reservation of the subject site.
6. Prior to the issue of a Building Permit for the development hereby approved, final details of the external materials, colours and finishes of the proposed development, is to be submitted and approved to the satisfaction of the City of Fremantle, on the advice of the Department of Planning, Lands and Heritage (Heritage Services).

7. Prior to the issue of a Building Permit for the development hereby approved, a detailed drawing showing how the Balcony located on the northern elevation, are to be screened in accordance with Clause 5.4.1 C1.1 of the Residential Design Codes by either:
 - a) fixed obscured or fixed translucent glass to a minimum height of 1.60 metres above internal floor level, or
 - b) fixed screening, with openings not wider than 5cm and with a maximum of 25% perforated surface area, to a minimum height of 1.60 metres above the internal floor level, or
 - c) a minimum sill height of 1.60 metres above the internal floor level.Prior to occupation of the development hereby approved, the approved screening method shall be installed and maintained to the satisfaction of the City of Fremantle.
8. Prior to the issue of a Building Permit for the development hereby approved, a detailed drawing showing how the screen to the upper floor master bedroom window to the western elevation is to satisfy the deemed-to-comply requirements of Clause 5.4.1 C1.1 of the Residential Design Codes is to be submitted to the satisfaction of the City of Fremantle. Prior to occupation of the development hereby approved, the approved screening method shall be installed and maintained to the satisfaction of the City of Fremantle.
9. Prior to occupation/ use of the development hereby approved, the boundary walls located on the eastern southern boundaries shall be of a clean finish in any of the following materials:
 - coloured sand render,
 - face brick,
 - painted surface,and be thereafter maintained to the satisfaction of the City of Fremantle.
10. Prior to the issue of a Building Permit for the development hereby approved, the design and materials of the development shall adhere to the requirements set out within City of Fremantle policy L.P.P2.3 - Fremantle Port Buffer Area Development Guidelines for properties contained within Area 2. Specifically, the development shall provide the following:
 - a) Glazing to windows and other openings shall be laminated safety glass of minimum thickness of 6mm or “double glazed” utilising laminated or toughened safety glass of a minimum thickness of 3mm.
 - b) Air conditioners shall provide internal centrally located ‘shut down’ points and associated procedures for emergency use.
 - c) Roof insulation in accordance with the requirements of the Building Codes of Australia.
11. Where any of the preceding conditions has a time limitation for compliance, if any condition is not met by the time requirement within that condition, then the obligation to comply with the requirements of any such condition (other than the time limitation for compliance specified in that condition), continues whilst the approved development continues

Advice Notes

- i) A building permit is required to be obtained for the proposed building work. The building permit must be issued prior to commencing any works on site.
- ii) Fire separation for the proposed building works must comply with Part 3.7.1 of the Building Code of Australia.
- iii) The owner is advised that an obstruction permit may be required from the City for any future obstruction of the Knutsford Street road reserve. An application for obstruction permit can be found via www.fremantle.wa.gov.au
- iv) The applicant is advised that a crossover permit must be obtained from the City's Engineering Department. New/modified crossover(s) shall comply with the City's standard for crossovers, which are available on the City of Fremantle's web site.
- v) Levels as per existing footpath and/or ROW
 - a) Levels at the property boundary including any driveways and pedestrian access points shall match existing footpath and/or right of way levels;
 - b) Any adjustment in levels is to be achieved within the property boundaries;
 - c) Details of all existing and proposed levels to be shown in the submitted working drawings for a building permit, to show that existing footpath levels are maintained.

Minimum floor level to be road reduced level plus kerb height (150 mm) plus 2% slope towards to the property boundary. All levels are to be in AHD.

The floor level of any new structure capable of being occupied is to be a minimum of above 150 mm plus 2% slope towards to the property boundary. Basement car parks and similar areas may be permitted below this level if the structure and any access to the structure is tanked to a level of above. Please contact the Infrastructure Business Services department via info@fremantle.wa.gov.au or 9432 9999.

Lost: 0/7

Mayor Brad Pettitt, Cr Bryn Jones, Cr Geoff Graham, Cr Andrew Sullivan,
Cr Su Groome, Cr Rachel Pemberton, Cr Sam Wainwright

PROCEDURAL MOTION

At 6.35 the following procedural motion was moved:

COMMITTEE DECISION

Moved: Cr Rachel Pemberton

Seconded: Cr Bryn Jones

That the item be referred to the Ordinary Council meeting on 28 October 2020 with a request for officers to prepare a recommendation for refusal based on the adverse amenity impacts of the eastern boundary setback variations, the potential for overlooking to the north from the first floor balcony and the detailing of the front elevation.

Carried: 7/0

**Mayor Brad Pettitt, Cr Bryn Jones, Cr Geoff Graham, Cr Andrew Sullivan,
Cr Su Groome, Cr Rachel Pemberton, Cr Sam Wainwright**

ADDITIONAL OFFICER COMMENT

At its meeting held on 7 October 2020, the Planning Committee referred the item to the Ordinary Meeting of Council and requested officers prepare a recommendation for refusal.

As such, the following recommendation for refusal is provided:

ALTERNATIVE COMMITTEE RECOMMENDATION

Council:

REFUSE, under the Metropolitan Region Scheme and Local Planning Scheme No. 4, Two storey Single house at No. 6 (Strata Lot 2) Knutsford Street, Fremantle, as detailed on plans dated 18 August 2020 and 21 September 2021, for the following reasons:

1. The boundary wall to the eastern boundary does not satisfy the discretionary criteria of Local Planning Policy 2.4 and the design principles of State Planning Policy 7.3 (Residential Design Codes of WA) as the boundary wall will result in undue building bulk and adverse access to light and ventilation impacts onto the neighbouring property.
2. The design of the front elevation, in particular the width, proportions and materials of the garage door and the limited setback of the garage from the street boundary, has a detrimental impact on the streetscape character of the part of the Ord Street Precinct Heritage Area within which the site is located, having regard to matters to be considered under clauses 67(l) and (n) of the Deemed provisions of the Planning and Development (Local Planning Schemes) Regulations 2015.
3. The design of the north facing (rear) balcony does not satisfy the deemed to comply or discretionary criteria of State Planning Policy 7.3 (Residential Design Codes of WA) as the balcony does not include satisfactory screening to mitigate overlooking of the neighbouring property to the north.

PROCEDURAL MOTION

Moved: Mayor, Brad Pettitt

Seconded: Cr Bryn Jones

The item be referred to the next appropriate Planning Committee to allow the applicant to amend the plans to address the Planning Committee's concerns in relation to the amenity impacts resulting from the eastern boundary setback variations, overlooking to the north from the first floor balcony and the detailing of the front elevation.

AMENDMENT 1

Moved: Cr Hannah Fitzhardinge

Seconded: Cr Geoff Graham

To include the words shown in green text below:

The item be referred to the next appropriate Planning Committee meeting to allow the applicant to amend the plans to address the Planning Committee's concerns in relation to the amenity impacts resulting from the eastern boundary setback variations, overlooking to the north from the first floor balcony and the detailing of the front elevation, **and request staff to endeavour to facilitate face to face discussions between the applicant and neighbours regarding amendments to the plans.**

Amendment carried: 8/4

For

Mayor Brad Pettitt, Cr Geoff Graham, Cr Hannah Fitzhardinge,
Cr Bryn Jones, Cr Marija Vujcic, Cr Andrew Sullivan,
Cr Rachel Pemberton, Cr Adin Lang

Against

Cr Su Groome, Cr Jenny Archibald,
Cr Frank Mofflin, Cr Doug Thompson

AMENDMENT 2

Moved: Mayor, Brad Pettitt

Seconded: Cr Bryn Jones

To include the words shown in green text:

The item be referred to the next appropriate Planning Committee meeting **(with delegated authority to determine the application)** to allow the applicant to amend the plans to address the Planning Committee's concerns in relation to the amenity impacts resulting from the eastern boundary setback variations, overlooking to the north from the first floor balcony and the detailing of the front elevation, *and request staff to endeavour to facilitate face to face discussions between the applicant and neighbours regarding amendments to the plans.*

Amendment carried: 11/1

For

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

Against

Cr Marija Vujcic,

COUNCIL DECISION PC2010-1

Moved: Mayor, Brad Pettitt

Seconded: Cr Bryn Jones

The item be referred to the next appropriate Planning Committee meeting (*with delegated authority to determine the application*) to allow the applicant to amend the plans to address the Planning Committee's concerns in relation to the amenity impacts resulting from the eastern boundary setback variations, overlooking to the north from the first floor balcony and the detailing of the front elevation, *and request staff to endeavour to facilitate face to face discussions between the applicant and neighbours regarding amendments to the plans.*

Carried: 11/1

For

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

Against

Cr Marija Vujcic,

11.2 Finance, Policy, Operations and Legislation Committee 14 October 2020

Cr Bryn Jones and Cr Andrew Sullivan left the meeting at 8.00 and were absent during discussion and voting of this item.

FPOL2010-9 RESERVE 37822 – 11-15 GROSVENOR STREET, BEACONSFIELD – FORMER CHALLENGER INSTITUTE OF TECHNOLOGY

Meeting date: 14 October 2020
Responsible officer: Director City Business
Decision making authority: Committee
Agenda attachments: Nil
Additional information: Nil

SUMMARY

The Department of Planning, Lands and Heritage (DPLH) have written to the City seeking comment on a proposal to divest the former Beaconsfield TAFE site from them to the Department of Communities (DoC) or Development WA.

DPLH advise that an informal proposal is being discussed which will allow for the delivery of an “urban development” outcome on this land in accordance with the Beaconsfield Redevelopment project area.

DPLH are seeking comment from the City on this intention as part of the consideration.

This report recommends that Council support the proposed divestment of this land to DoC or Development WA.

BACKGROUND

DPLH have advised of the proposal to dispose of the former Beaconsfield TAFE site direct to the Department of Communities or Development WA. The intended outcome from this would result in either Communities or Development WA, delivering ‘Urban Development’ opportunities on the land, considered the land’s highest and best use outcome in accordance with the vision of the Beaconsfield Redevelopment project area.

This site falls within the ‘Heart of Beaconsfield’ precinct. The City in collaboration with other stakeholders including DoC and Development WA has been progressing the preparation of a non-statutory masterplan for this precinct to guide future redevelopment and use of key land holdings including the former TAFE site. This is intended to ensure that the redevelopment meets Council’s preferred outcomes.

FINANCIAL IMPLICATIONS

Nil

LEGAL IMPLICATIONS

Nil

CONSULTATION

Nil

OFFICER COMMENT

In 2017 the City commenced a community consultation process about what could be included in a masterplan for the Heart of Beaconsfield area. The City and state government stakeholders worked with the community to create a draft masterplan, which included alternative land use options for some land parcels within the area.

Development feasibility work subsequently needed to be undertaken to test the viability of these options and identify an optimum outcome. This feasibility study has delayed finalising the masterplan for release for community comment; however, officers now anticipate presenting the final draft plan to Council before the end of 2020 for approval for community engagement.

A local structure plan to guide the redevelopment of the Davis Park Precinct in Beaconsfield was endorsed by Council in May 2020 and is currently awaiting final determination by the Western Australian Planning Commission. The Department of Communities is the proponent of this structure plan.

The purpose of this plan is to guide the future redevelopment of the precinct to support new residential and commercial development. The precinct is bounded by South Street (north), Fifth Avenue (east), Lefroy Road (south) and Caesar Street (west) and also falls within the draft Heart of Beaconsfield masterplan area. The part of the structure plan area east of Caesar Street directly adjoins the former TAFE site which is on the west side of Caesar Street.

Transferring the former TAFE property to either the DoC or Development WA to facilitate its redevelopment is further commitment to the delivery of the Heart of Beaconsfield project. The officer's recommendation includes a suggested resolution that Council encourages DoC/Development WA to expedite planning processes for the former TAFE site following transfer of the property.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required

COMMITTEE RECOMMENDATION ITEM FPOL2010-9
(Officer's recommendation)

Moved: Cr Hannah Fitzhardinge

Seconded: Cr Jenny Archibald

Council:

- 1. Advise the Department of Planning, Lands and Heritage that the City of Fremantle has no objection to the proposed transfer of the former Challenger TAFE site on Reserve 37822, 11-15 Grosvenor Street, Beaconsfield, to either the Department of Communities or Development WA.**
- 2. Encourage the Department of Communities and/or Development WA, as soon as transfer of the former Challenger TAFE site has occurred, to expedite rezoning and structure planning processes for the site in a manner consistent with the emerging Heart of Beaconsfield masterplan.**

Carried: 7/0

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

Cr Andrew Sullivan requested the item be referred to the Ordinary Meeting of Council. Seconded by Mayor, Brad Pettitt.

ADDITIONAL OFFICER COMMENT

Officers have assessed the existing road stormwater drainage infrastructure and catchment area that is currently discharging into the above drainage sump and estimate that it includes approximately 400m of Lefroy Road, as well as both 50% of Seaview Street and all of Badham Close (side streets from Lefroy Road).

Should the City no longer retain access to discharge the road stormwater into this sump while the site stays in its current state, we would be required to invest in a Capital upgrade to the road stormwater drainage system to divert this catchment area to the nearest alternative outlet. However, the anticipated planning process to follow the transfer of the land to Department of Communities and/or Development WA would be a rezoning of the site to development zone and preparation of a local structure plan to guide future redevelopment – the same process as used for the Davis Park precinct as described in the main Officer Comment section of this report above, and as referred to in part 2 of the recommendation. Assuming current discharge arrangements into the sump continue until that time, the City could through its involvement in the structure plan process require that the plan includes satisfactory arrangements to accept stormwater from the abovementioned local roads as part of the new development and open space layout on the site.

COUNCIL DECISION ITEM FPOL2010-9

(Recommended officer amendment to committee recommendation))

Moved: Mayor, Brad Pettitt

Seconded: Cr Su Groome

Council:

- 1. Advise the Department of Planning, Lands and Heritage that the City of Fremantle has no objection to the proposed transfer of the former Challenger TAFE site on Reserve 37822, 11-15 Grosvenor Street, Beaconsfield, to either the Department of Communities or Development WA, *subject to the City's continued use of existing road stormwater drainage infrastructure which discharges into a drainage sump in the south-west corner of the site adjacent to Lefroy Road.***
- 2. Encourage the Department of Communities and/or Development WA, as soon as transfer of the former Challenger TAFE site has occurred, to expedite rezoning and structure planning processes for the site in a manner consistent with the emerging Heart of Beaconsfield masterplan.**

Carried: 10/0

**Mayor Brad Pettitt, Cr Jenny Archibald, Cr Su Groome, Cr Geoff Graham,
Cr Hannah Fitzhardinge, Cr Frank Mofflin, Cr Doug Thompson,
Cr Marija Vujcic, Cr Rachel Pemberton, Cr Adin Lang**

Cr Bryn Jones and Cr Andrew Sullivan returned to the meeting at 8.02.

FPOL2010-10 TENDER – WALYALUP CIVIC CENTRE HOSPITALITY SPACE

Meeting date: 14 October 2020
Responsible officer: Manager Economic Development & Marketing
Decision making authority: Committee
Agenda attachments: Nil
Additional information: Nil

SUMMARY

The purpose of this report is to consider the recent tendering process for the Walyalup Civic Centre hospitality space.

This report recommends that Committee note that the Chief Executive Officer (CEO) will commence lease negotiations with the non-conforming and only tenderer and return to Council, if a suitable leasing outcome for the hospitality space can be achieved, for further consideration.

BACKGROUND

At Ordinary Council dated 7 August 2017 Council adopted the criteria for use for the hospitality space within the City's new administration building.

The City commenced advertisement of an EOI and received one submission which was brought to Council for consideration. At Ordinary Council dated 29 January 2020 Council approved the terms and conditions of a Lease. The applicant then declined the lease offer 3 March 2020.

Officers returned to Committee dated 11 March 2020 to approve reviewed criteria for use for the hospitality space.

The following is Committee's resolution, including approved selection criteria included in the tender for the hospitality premises:

1. Call for public tenders for the lease of the ground floor commercial hospitality space adjacent to the new Walyalup Civic Centre in accordance with section 3.58 of the Local Government Act 1995 and part 2 below;
2. Approve the following assessment criteria for the City's ground floor commercial hospitality space tender in part 1 above being:

The City of Fremantle is seeking proposals for the development of a distinctive food and beverage venue that enhances community activity and attracts residents, workers and visitors to spend time in our new civic precinct.

It is envisaged the venue will operate every day, including morning and into the evenings. The venue shall be designed to integrate with and activate its surrounds. The menu, operating hours and business model shall be structured to offer affordable, accessible and appealing food options throughout the day for a range of customers,

including but not limited to families using the playground and the Civic Centre, community members who regularly access the library and other Council activities, and those who live, work in and visit Fremantle.

It is recognised that a liquor license may be required to improve sustainability of the business, particularly those operating in to the evening, however Council seeks a venue with a focus on the sale of food and a family-friendly environment, rather than a venue that is predominately a bar. Take-away alcohol sales will not be accepted.

The tenancy is offered as a commercial lease, with financial terms and incentives may be negotiated with the proponents. Such negotiations may reflect the extent to which the tenancy delivers the mentioned outcomes envisaged by the City.

The following information is required to assist the City in determining the most suitable proponent:

Suitability of contractual terms;

The tenancy forms part of the City's commercial property portfolio and as such is seeking to achieve an outcome that is commercial in nature and in line with current market expectations. Please provide details on the following:

- Proposed rent payable
- The duration of lease being requested
- Any proposed financial incentives being requested
- Level of contribution from the tenant for fitout

Suitability of business;

The tenancy is located in the Kings Square precinct directly adjacent to the newly constructed Walyalup Civic Centre. Due to the prominence of this location it is the City's preference that the tenancy is family friendly in nature and remains activated for as long as possible, which in addition to during the day may include into the evenings and throughout the weekend. Please provide details on the following:

- Days of trade
- Operating hours per day
- Proposed look and feel of the concept including brand values and any visuals
- Customer demographics and strategies around how you will engage each demographic in this new location, both in terms of marketing and activating the tenancy
- If a liquor license is being sought provide details on the type of license and type of beverages being offered
- Any initiatives or intentions to align with and/or add value to the existing business mix in the immediate area
- How the business will embrace or align with the brand values of Fremantle's destination brand 'This is Fremantle'
- Outline your approach to the design and fit-out of the space including the fit-out concept and floor plan. Where possible, include a design brief

Management experience;

The City is seeking an highly experienced operator who has delivered similar successful businesses in the past. Please provide details on the following:

- Information on hospitality locations which you have been and/or are currently involved
- Provide information on your role and length of time at each location
- Detail your experience in applying for Liquor Licenses including its outcome and/or in operating a licensed venue
- Provide an overview on how you intend to staff the offering
- Specify whether you are an investor, independent operator, or franchisee
- Provide information (business plan/financials) that demonstrates the financial and operational sustainability and capacity of the business

Environmental objectives;

Please provide details on proposed approaches to the following with regard to achieving environmental sustainability outcomes:

- Waste management
- Water consumption
- Energy consumption
- Materials utilised in plant operation, cleaning and general operations
- Management, assessment and implementation of environmental initiatives

The City released a tender for the hospitality space on 12 August 2020 which closed at 2.00pm 23 September 2020.

The City received one tender application for the ground and first floor within the hospitality space. The tender was deemed non-compliant as the tender did not cover all required criteria in the tender application.

The tender received was from Joseph and Matthew Fisher and Stephen Power. All three are the current directors of the four Clancy's Fish Pubs in Western Australia (Clancy's Fish Pub Group).

While the tender received was non-compliant the tenderer did meet most Council's approved criteria making them a desirable candidate for negotiation of a suitable leasing outcome for the property.

FINANCIAL IMPLICATIONS

The tender proposed the following;

- A rent of \$425m2 which equates to \$227,000 per annum + GST.
- Rent review annually by Consumer Price Index and market rent reviews to occur every 5 years.
- The rent will be reduced to nil for the period required to fully amortise the cost of the fit-out, plus interest, over the first lease term. Worked estimates will be provided in the negotiations of the lease.
- Outgoings to be paid from commencement of the lease term.

Outgoings for the property have been estimated at \$155,048 + GST for the first year. This equates to approx. \$289m2 and includes an estimate of Council rates at \$51,800 and contribution towards facility management staffing.

Below is the Tenderer's financial offer in terms of incentive percentage and comparable evidence.

Walyalup Civic Centre Hospitality Space	
Area	536m2
Net Rent	\$425m2
Outgoings	\$289.27m2
Lease Term	10 + 10 years
Fitout Contribution	\$0.00
Rent Free Period	10 years rent free
Incentive %	66.6%
NOTE	City is leasing a cold shell. Tenants fit out contribution will be \$2,200,000 to \$2,500,000

Comparable Evidence

Perth CBD	
Area	311.3m2
Net Rent	\$436.18m2
Outgoings	\$23.86m2
Lease Term	10 + 5 years
Fitout Contribution	\$950,000
Rent Free Period	12 months' rent free
Incentive %	75.82%
Date	September 2019
Hotel, CBD	
Area	750m2
Gross Rent	\$500m2 (inclusive of outgoings)
Lease Term	15 + 10 years
Fitout Contribution	\$2,2812,500
Rent Free Period	8 months' rent free
Incentive %	54.44%
Date	September 2018
Tavern, CBD	
Area	317.2m2
Gross Rent	\$803.90m2 (includes outgoings)
Lease Term	10 + 5 + 5 years
Fitout Contribution	\$430,000
Landlord Works	\$160,000
Rent Free Period	2 months' rent free
Incentive %	24.8 %
Date	2017
NOTE	The relatively low incentive % is due to the high Gross Rent rate.

Tavern, Karrinyup	
Area	630m2 + 248m2 alfresco
Gross Rent	\$512.5m2 (outgoings included)
Lease Term	10 + 10 years
Fitout Contribution	\$575,000 + Landlord Works \$100,000
Rent Free Period	25% discount in year 1, 15% discount in year 2.
Incentive %	19.35%
Date	September 2021(estimated)
Tavern, Cannington	
Area	750m2
Gross Rent	\$653.33m2
Lease Term	10 + 10 years
Fitout Contribution	\$1,400,000
Rent Free Period	Nil
Incentive %	28.57%
Date	October 2018

Each of the comparable evidence agreements vary in their terms and incentives with the inclusions of landlord fit out contribution, rent free periods and discounts. The last three are buildings with existing fit outs rather than 'cold shell' like the City is offering within the Walyalup Civic Centre hospitality space.

The tender offer requests an incentive that is higher than acceptable by the City. While bearing in mind that the landscape of lease negotiations will change post COVID-19 and the initial investment proposed in the tender represents a considerable level of risk, the expectation of 100% plus interest in recovering that financial outlay is not considered to be a viable outcome for the City.

LEGAL IMPLICATIONS

The City advertised a public Tender to lease the Walyalup Civic Building hospitality space in line with *Local Government Act 1995* s.3.58(1)

The advertisement of a public tender also complies with the City's Leasing of City property in a competitive manner policy.

By not providing information to cover all criteria required for assessment the tenderer was not accepted as a compliant tender. The tenderer also acknowledges in their tender application that it is a non-compliant tender. Whilst the tender fulfilled much of the tender requirements, commitment requirements were not provided.

The tender is non-conforming in line with the Local Government (Functions and General) Regulations 1996 (WA) - A tender that is submitted at a place, and within the time, specified in the invitation for tenders but that fails to comply with any other requirement specified in the invitation may be rejected without considering the merits of the tender.

As the tender received does not adequately address all of Council's criteria, and the inflexible nature of the process prevents negotiation on proposed terms, officers propose that the CEO commence negotiations with the applicant to determine if a position more aligned with Council's criteria can be reached.

Under the Local Government Act 1995 the City may negotiate a lease with a third party outside a recent tender process, if no suitable tender was received. If an acceptable lease can be negotiated the essential terms of this lease would still need to be advertised in a public notice. The notice invites submissions regarding the lease transactions to be made in writing within 14 days. Any submissions/objections are then brought to Council for consideration.

The City's current Delegated Authority Register provides for the CEO to directly negotiate with a tenant in accordance with the Local Government Act 1995 and receive and consider submissions from public advertisement.

CONSULTATION

The tender was marketed via standard real estate channels online as well as advertising in the West Australia Real Estate section and West Australian Business News.

City social media channels and website were also used to advertise the property as well as direct approach by City officers to a selected database of targeted operators.

The tender was opened 12 August 2020 and closed at 2.00pm 23 September 2020.

Then tender was downloaded by fifteen people, seven of which were legitimately interested parties. The City received one tender submission.

Officers liaised with multiple parties, including the tenderer, regarding the site which included onsite viewings and providing information for applicant's due diligence to occur. Feedback received was similar amongst interested parties;

- Proponent was interested however timing did not suit.
- They were established operators elsewhere considering expansion
- Tentative about the risk of commencing a new venue given the recent industry impacts from COVID-19 and future unknowns.
- Tender process was too restrictive and didn't allow for any negotiation.

Three parties showed interest in offerings to a similar size as the tender received however did not progress due to reasoning stated above. The remainder were smaller offerings for the ground floor only, servicing breakfast and lunch.

OFFICER COMMENT

The following matrix shows the Council's approved selection criteria against the tender received:

Financials The tenancy forms part of the City's commercial property portfolio and as such is seeking to achieve an outcome that is commercial in nature and in line with current market expectations.		
Council Criteria	Tender Submission	Officer Comment
1. Proposed rent per annum exclusive of GST .	\$425m2	Market rate.
2. Any proposed incentive requests if applicable (Incentives included in a Tender are to be for the premises fit out or rent relief periods. Cash incentives won't be considered. The Tender must include a preliminary list of any requested incentives, and their value. The Lessor will confirm if the financial value of any incentives requested are in line with market rate at the time of assessing the Tender).	Rent will be reduced to nil for the period required to fully amortise the cost of the fit out, plus interest, over the first term of the lease. Worked estimates will be provided in the negotiations of the lease. Outgoings to be paid from the commencement of the lease term.	This above the City's expectation for a lease incentive.
1. Requested Lease term	10-year term with a 10 year option.	Expected requested term.
2. Financial investment in tenant fit out.	Estimated \$2.2 – 2.5 million.	Above expectation for fit out by tenant.
Suitability of Business The tenancy is located in the Kings Square precinct directly adjacent to the newly constructed Walyalup Civic Centre. Due to the prominence of this location it is the City's preference that the tenancy is family friendly in nature and remains activated for as long as possible, which in addition to during the day may include into the evenings and throughout the weekend.		
Council Criteria	Tender Submission	Officer Comment
1. Days of trade.	Seven (7) days a week.	In line with Council criteria.
2. Operating hours per day.	6.00am until late evening.	In line with Council criteria

3. Proposed look and feel of the concept including brand values and any visuals.	The ground floor level will be a casual eating and drinks venue, with well-priced family friendly food available all day and into the evening. It will operate as a café from early in the morning providing a sit-down breakfast offer as well as a takeaway coffee, food and beverage option. Morning trade will give way to a casual, accessible, all-day menu offering with a compact wine and beverage list for seated customers. The take-away food and beverage (non- alcoholic) offering will feature strongly throughout the middle of the day. In the late afternoon and evenings, the business will continue to provide a full restaurant service through until closing time	In line with Council criteria.
4. Customer demographics and strategies around how you will engage each demographic in this new location, both in terms of marketing and activating the tenancy.	The first-floor level will cater to an older demographic with more of a small bar feel to the offer. Opening from around 5 in the evening, the customer will be offered a compact share food menu, well priced, and a modern small bar offer of alcoholic and non-alcoholic beverages. It is envisaged that this venue would trade into late evening. The food offer for both levels will be accessible, price conscious, value for money,	In line with Council criteria.

	and modern. Healthy options will be a prime focus. Potential customer base for the proposed business will come from a wide demographic including but not defined by: • Council workers housed in the new premise adjacent to the premises • Employees of the new Department of Human Services • Visitors to the new library, council and civic centre • Visitors to the existing hospitality outlets neighbouring the square • Tourists and day trippers of all ages • Families using the adjacent children's play space; • Youth and young adults from nearby schools and universities;	
5. If a liquor license is being sought provide details on the type of license and type of beverages being offered.	The liquor license required needs to be flexible enough to cater for the diverse opening hours and potential customer base. At this stage, either a restaurant license or a limited Tavern License is being considered	In line with Council criteria.

6. Any initiatives or intentions to align with and/or add value to the existing business mix in the immediate area. How the business will embrace or align with the brand values of Fremantle's destination brand 'This is Fremantle'.	It is vital for any hospitality business to work closely with other retail or hospitality businesses in close proximity to ensure a first-class experience to locals, workers, day-trippers and tourists alike. We will be committed to this as we do in our other venues.	Minimal information provided.
7. Outline your approach to the design and fit-out of the space including the fit-out concept and floor plan. Where possible, include a design brief.	Please see attached drawings for a potential layout for site covering two floors. This is not a final layout. It is a concept drawing to examine how to fit all the services required to run a busy hospitality outlet that caters to the requirements of the landlord.	In line with Council criteria.
Management Experience The City is seeking a highly experienced operator who has delivered similar successful businesses in the past.		
Council Criteria	Tender Submission	Officer Comment
1. Information on hospitality locations which you have been and/or are currently involved.	The operators have extensive, long term experience in running family friendly, community spirited venues for 38 years. John and Joe Fisher began a business partnership in 1981, owning and running the Seaview Tavern in South Fremantle, an iconic music and local identity for 8 years.	In line with Council criteria.
2. Provide information on your role and length of time at each location	In 1988, they sold the Seaview Tavern and moved into what was known as Clancy's Tavern, subsequently to become the Clancy's Fish Pub in 1993. In 2001 they purchased (along with business partner	In line with Council criteria.

	Stephen Power) Clancy's Fish Pub Canning Bridge. In 2011 and 2012, they purchased Clancy's Fish Pub Dunsborough and Clancy's Fish Pub City Beach respectively. They have since renewed the Clancy's Dunsborough lease, and all venues have leases in place which stretch out to 2030 and beyond.	
3. Detail your experience in applying for Liquor Licenses including its outcome and/or in operating a licensed venue.	The licensed capacity of the venues varies from 175 people at Clancy's Fish Pub Canning Bridge to 500 at City Beach. The venues employ collectively up to 200 people in busy times and can serve up to 15000 meals per week in the peak season.	In line with Council criteria.
4. Provide an overview on how you intend to staff the offering. Specify whether you are an investor, independent operator, or franchisee.	The overall management and direction of the operation will be by Fish Sauce, which manages the Clancy' Fish Pub Group. Fish Sauce will be responsible for the concept, employment of all personnel, HR, marketing, branding, wages, profit and loss, budgeting, purchasing, staff training and community engagement. The venue will be run by a manager and head chef who, under guidance from Fish Sauce will be responsible for the daily operations of the venue.	In line with Council criteria.
5. Provide information (business plan/financials) that demonstrates the financial and operational	Details were not provided in the tender.	Lack of information is non-compliant.

sustainability and capacity of the business.		
6. Full names of all proposed owners of the business.	Detailed information has been provided but has not been included in this Item for privacy reasons.	In line with Council criteria.
Environmental Considerations Please provide details on proposed approaches to the following with regard to achieving environmental sustainability outcomes.		
Council Criteria	Tender Submission	Officer Comment
(1) Waste Management • Water consumption • Energy consumption • Materials utilised in plant operation, cleaning and general operations. • Management, assessment and implementation of environmental initiatives.	Details were not provided in the tender.	Lack of information is non-compliant.

Clancy's Fish Pub Fremantle is located at 51 Cantonment Street, Fremantle which is part of the City's commercial property portfolio. Alba Pty Ltd T/A Clancy's Fish Pub Fremantle, under the directors Joseph and Matthew Fisher and Stephen Power have been tenants of the City for a period of 27 years.

During that time, they have placed large financial investment into the premises and work with the City and other parties on multiple activations such as school holidays, Fringe and arts festivals on Princess May Park and surrounding areas.

During their tenure at 51 Cantonment Street the City has never had any financial issues regarding rent, rates and outgoings, or any operational breaches against the lease.

The proposal would not be a relocation of the existing Clancy's Fish Pub Fremantle which would continue to operate as normal at its current location. The directors focus is on family friendly venues which they have achieved with their current venues. While aligning with the ethos of their current venues it is not envisioned that the Walyalup Civic Centre hospitality space be another Clancy's Fish Pub but rather a standalone venue.

As outlined under Consultation in this item, discussions with parties interested in the hospitality space were risk adverse given the recent impact of COVID-19. They were reluctant to make any commitment that required up front financial outlay. There were also minimal parties interested in a larger all day, seven day a week venue, rather focusing on the breakfast and lunch market.

While the tender received is not compliant the tenderer does meet a large amount of council's criteria making them a desirable candidate for lease negotiations. Should CEO negotiations with the Clancy's Fish Pub Group result in an offer that covers Council criteria, officers will return to council with a more detailed lease proposal for consideration.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required

OFFICER'S RECOMMENDATION

Moved: Cr Hannah Fitzhardinge

Seconded: Mayor, Brad Pettitt

Council:

1. Authorise the Chief Executive Officer (CEO) to commence lease negotiations with the non-conforming and only tenderer for the Walyalup Civic Building hospitality space.
2. Note, if the negotiated lease terms are acceptable to the CEO, details of the proposed terms will be advertised in accordance with the Local Government Act 1995 inviting submission/objections. This will be undertaken prior to Council consideration of the proposed lease. Should any submissions/ objections be received during the advertising process, they will also be brought to Council with the proposed lease for consideration.

AMENDMENT 1

Moved: Cr Adin Lang

Seconded: Mayor, Brad Pettitt

To add an additional part 3, to read as follows:

3. ***Note, the City of Fremantle remains open to receiving any serious proposal to lease the Walyalup Civic Centre hospitality space, should any new proponents come forward during the negotiation period with Clancy's Fish Pub Group.***

Amendment carried: 7/0

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

AMENDMENT 2

Moved: Mayor, Brad Pettitt

Seconded: Cr Andrew Sullivan

Amend part 1 to add the words shown in green italics as follows:

- 1. Authorise the Chief Executive Officer (CEO) to commence lease negotiations with the non-conforming and only tenderer for the Walyalup Civic Building hospitality space, *to improve the terms of the current proposal.***

Amendment carried: 7/0

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

COMMITTEE RECOMMENDATION ITEM FPOL2010-10
(Officer's recommendation, as amended)

Moved: Mayor, Brad Pettitt

Seconded: Cr Hannah Fitzhardinge

Council:

- 1. Authorise the Chief Executive Officer (CEO) to commence lease negotiations with the non-conforming and only tenderer for the Walyalup Civic Building hospitality space, *to improve the terms of the current proposal.***
- 2. Note, if the negotiated lease terms are acceptable to the CEO, details of the proposed terms will be advertised in accordance with the Local Government Act 1995 inviting submission/objections. This will be undertaken prior to Council consideration of the proposed lease. Should any submissions/ objections be received during the advertising process, they will also be brought to Council with the proposed lease for consideration.**
- 3. *Note, the City of Fremantle remains open to receiving any serious proposal to lease the Walyalup Civic Centre hospitality space, should any new proponents come forward during the negotiation period with Clancy's Fish Pub Group.***

AMENDMENT

Moved: Cr Rachel Pemberton

Seconded: Mayor, Brad Pettitt

To amend part 1 of the Committee Recommendation to include the wording shown in green text below:

1. Authorise the Chief Executive Officer (CEO) to commence lease negotiations with the non-conforming and only tenderer for the Walyalup Civic Building hospitality space, to improve the terms of the current proposal **with emphasis on the following;**
 - a) **The City only contribute to reasonable fitout costs needed to provide a general fitout standard,**
 - b) **Rent to be stepped-in on reasonable terms which reflect market expectations and any contribution by the tenant towards reasonable fitout costs, and**
 - c) **Progression of the “Suitability of Business” elements of the advertised tender.**

Amendment carried: 8/4

For

Mayor Brad Pettitt, Cr Su Groome Cr Hannah Fitzhardinge, Cr Doug Thompson, Cr Bryn Jones, Cr Andrew Sullivan, Cr Rachel Pemberton, Cr Adin Lang

Against

Cr Jenny Archibald, Cr Geoff Graham, Cr Marija Vujcic, Cr Frank Mofflin

COUNCIL DECISION ITEM FPOL2010-10

(Committee recommendation, as amended)

Moved: Mayor, Brad Pettitt

Seconded: Cr Hannah Fitzhardinge

Council:

1. Authorise the Chief Executive Officer (CEO) to commence lease negotiations with the non-conforming and only tenderer for the Walyalup Civic Building hospitality space, to improve the terms of the current proposal *with emphasis on the following;*
 - a) *The City only contribute to reasonable fitout costs needed to provide a general fitout standard,*
 - b) *Rent to be stepped-in on reasonable terms which reflect market expectations and any contribution by the tenant towards reasonable fitout costs, and*
 - c) *Progression of the “Suitability of Business” elements of the advertised tender.*
2. Note, if the negotiated lease terms are acceptable to the CEO, details of the proposed terms will be advertised in accordance with the Local Government Act 1995 inviting submission/objections. This will be undertaken prior to Council consideration of the proposed lease. Should any submissions/ objections be received during the advertising process,

they will also be brought to Council with the proposed lease for consideration.

3. *Note, the City of Fremantle remains open to receiving any serious proposal to lease the Walyalup Civic Centre hospitality space, should any new proponents come forward during the negotiation period with Clancy's Fish Pub Group.*

Carried: 11/1

For

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

Against

Cr Marija Vujcic

FPOL2010-11 HILTON UNDERGROUNDING POWER PROJECT

Meeting date:	14 October 2020
Responsible officer:	Manager Infrastructure Engineering
Decision making authority:	Council
Agenda attachments:	Nil
Additional information:	1. Western Power Presentation – Undergrounding Opportunity in Hilton, City of Fremantle

SUMMARY

Western Power is required to renew its overhead power network for a significant portion of Hilton in Fremantle; this includes the overhead infrastructure that supplies power to five hundred and five properties. The existing overhead infrastructure requires renewal because it is close to reaching its end of life.

Western Power is proposing to replace the existing overhead lines with underground infrastructure through a new NRRUP (Network Renewal Underground Program Pilot) scheme. The NRUPP scheme also includes three other Perth Metropolitan region suburbs; Scarborough (Stirling), Eden Hill (Morley), and St. James (Cannington).

Overhead power networks are typically upgraded every forty to fifty years and should the City of Fremantle not support the NRUPP scheme, Western Power will replace the asset with similar overhead infrastructure and the area will not be considered for underground power until the next upgrade is required in another forty to fifty years.

This report considers the cost benefit of taking the opportunity to underground the power infrastructure now versus supporting replacement like with like. It recommends that Council pursue this option and grant approval for the City to enter a contractual agreement with Western Power, with financial contributions from the City recouped from each property via a property service charge under the Local Government Act 1995.

BACKGROUND

The City was approached by Western Power in June 2019 to discuss the renewal of its overhead power supply network within the Hilton suburb. Western Power has identified Hilton and three other suburbs within the Metropolitan region which have a significant concentration of these end of life assets and to make replacement more cost-effective, Western Power is proposing that the network in these four areas is renewed with an underground power network and dedicated replacement overhead street lighting scheme. To pursue this option, Western Power requires some financial support by the respective local government.

A project summary, information package and estimate of costings were presented informally to Elected Members on 17 February 2020 with positive feedback provided. The City signed a memorandum of understanding (MoU) with Western Power to progress investigation of the scheme and has been providing information to support

further detailed design, planning and costing analysis by Western Power (see Figure 1 below project boundary within Hilton).



Figure 1 – Underground power project boundary area

Officers have also investigated the possibility of expanding the project boundary area within Fremantle, but Western Power's response concluded that this was not possible under the criteria for the underground pilot program.

Western Power has now finalised the preliminary design planning and project costings completed under the MoU and is seeking the Council's commitment to proceed and contribute to the delivery of the project, by way of a contractual agreement.

Western Power are proposing to commence with their construction works for this project early in 2021.

FINANCIAL IMPLICATIONS

Funding

The project is funded by Western Power and the local government. Western Power will fund the majority of the project cost, covering the Capital expenditure (CapEx) portion of the undergrounding works including all WP infrastructure and new LED street lighting. This is estimated to cost \$7,391,000.

The City of Fremantle is required to fund the Operational expenditure (OpEx) portion which includes the residential consumer mains connection. The City's OpEx funding contribution is estimated to cost \$1,112,515 +/- 10% and is made up of three separate cash calls, at specific times, as detailed below.

City of Fremantle			
Hilton			
E10 OPEX ESTIMATE AND CASH CALLS			
		CUSA Qty	Consumer Mains \$
		505	\$ 2,203
			\$ 1,112,515
			Budget (\$)
LGA Contribution	100%		\$ 1,112,515
Cash Call 1	Due:	28/03/2022	\$ 395,000
Cash Call 2	Due:	28/08/2022	\$ 395,000
Cash Call 3	Due:	28/01/2023	\$ 322,515
Total Cash Call Value			\$ 1,112,515

Cost per property connection for this project under the Network Renewal Underground Program Pilot (NRUPP) is approximately \$2,203. Cost per property connection under the original State Underground Power Program (SUPP) is approximately \$3,000-9,000. General customer funded underground requests from Local Government's or private property's is approximately \$4,000-10,000.

Following the impacts of Covid-19, Western Power has offered a 12-month payment deferral scheme to the City of Fremantle and commencement of the proposed payments has now been pushed back from 28/3/21 to 28/3/22 with subsequent payments deferred accordingly.

Risks

Western Power's project timeframes are critical to the project feasibility. Construction works are proposed to commence early in 2021 and the City is required to commit to the co-funding agreement for the project to commence. Should the project approval and co-agreement be delayed, there is a potential risk that Western Power will remove the City from the NRUPP scheme and revert to an overhead power supply upgrade.

Western Power's cost estimate is qualified as +/-10% in terms of estimate accuracy and there is therefore a risk of +10% additional cost through variations due to unforeseen conditions.

Risk Management

A person will be appointed as responsible for the overall management and implementation of the Project (Project Manager) who will be a person nominated and employed by Western Power.

The Project Manager must provide direction to and seek advice from a project team and the team must meet at least monthly and report on any variations to the design and or budget.

None of the terms of this Agreement can be varied, waived, discharged or released, except by the express written agreement of all Parties.

Savings

The project will have a financial benefit to the City through the replacement of the existing lighting infrastructure to dedicated street lighting poles and more energy-efficient light fittings. The cost-saving to the City through a reduction in energy usage and tariff savings is estimated to be approximately \$24,759 per annum. These savings are detailed below.

Bulb Type	Current (W)	Count	LED Equivalent (W)	Energy savings (kWh/yr)	Carbon Savings (t CO ₂ -e/yr)	Tariff savings (c per day per fitting)	Cost savings (\$/yr)
Compact Fluorescent	42	63	20	6,071	4.4	22.9	\$5,263
High Pressure Sodium	250	33	160	13,009	9.5	36.9	\$4,440
High Pressure Sodium	400	1	320	350	0.3	36.9	\$135
Mercury Vapour/Universal	80	115	20	30,222	22.1	26.0	\$10,905
Mercury Vapour/Universal	125	31	53	9,776	7.1	32.8	\$3,707
Mercury Vapour/Universal	250	1	170	350	0.3	42.4	\$155
Metal Halide	400	1	320	350	0.3	42.4	\$155
		245		60,129	43.9		\$24,759

Cost recovery

A service charge can be applied to each property under section 6.38 of the Local Government Act 1995. This provision allows for the recovery of costs for underground power. It is recommended that a service charge be applied for a period of 7 years to ensure the annual burden of repayment is kept to a minimum.

LEGAL IMPLICATIONS

The City will be required to enter into a contractual agreement with Western Power for the delivery of the project and the requisite City funding contribution(s) outlined above (financial implications).

CONSULTATION

The Project Manager (Western Power) will lead the consultation for the Project. Western Power will be informing all affected properties of the works and the Project scope. Once the detailed design is finalised and Construction timelines have been confirmed, Western Power will again notify all affected Property owners of the extent and timeframe for works in their specific area within the project boundary. The City will supplement this consultation with information sent to all property owners of the works and the costs to be payable. The final details of the consultation process will be outlined once approval has been given to enter into the agreement and proceed to the next stage.

OFFICER COMMENT

The Project will provide benefit by;

- Improved public safety
- Improved reliability and security of the power network
- Improved streetscape aesthetics
- Reduction of approximately 60,129 kWh/yr in energy usage
- Carbon savings of approximately 43.9 tonnes per annum.

These outcomes contribute to various goals and objectives of the Strategic Community Plan including the Environmental Responsibility objectives to improve energy efficiency of assets (including street lighting), reduce dependence on carbon off-sets and increase tree canopy. The increased potential for street tree growth and more attractive streetscapes also contributes to Places for People and active Transport objectives whilst the reduced running costs of LED lighting will reduce operating costs.

Whilst overhead power lines were a feature of the Hilton Garden Suburb (much of which is designated a heritage area under the local planning scheme) because of the era in which it was developed, the City's heritage staff advise that the powerlines themselves are not a significant feature of the suburb and indeed their undergrounding could assist in emphasising the relationship between private garden, verge and street trees which is a significant feature.

VOTING AND OTHER SPECIAL REQUIREMENTS

Absolute majority required

COMMITTEE RECOMMENDATION ITEM FPOL2010-11
(Officer's recommendation)

Moved: Cr Hannah Fitzhardinge

Seconded: Cr Sam Wainwright

Council:

- 1. Support the delivery of the underground power project in Hilton within the project boundary area and authorise the Chief Executive Officer to sign a co-funding agreement with Western Power.**
- 2. Note the following contributions will be included in the annual budget for the required financial year, as outlined below:**

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

- 3. Agree to apply an annual service charge to properties within the project boundary area, for recovery of the residential consumer mains connection costs, for consideration as part of the annual budget process.**

Carried: 7/0

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

ADDITIONAL OFFICER COMMENT

The following additional information is provided in response to the comments and questions made by Elected Members at the Finance, Policy, Operations and Legislation Committee meeting held on 14 October 2020:

- 1. Western Power has confirmed that only properties that do not already have underground power connections in the project boundary (505 properties) have been included in the estimated fees for the overall scheme. Properties with an existing underground connection will not be required to contribute towards the property service charge.**
- 2. Western Power has confirmed that the underground infrastructure is being future-proofed for sustainable technologies, eg community battery storage technology, but this infrastructure will not be getting installed yet as part of this project scheme.**
- 3. The City has been working with Western Power to specify the lighting category applicable to our Hilton suburban streets. Any requests over and above Western Power's standard lighting poles and LED luminaires would be at the City's own cost.**

COMMITTEE RECOMMENDATION ITEM FPOL2010-11
(Officer's recommendation)

Moved: Mayor, Brad Pettitt

Seconded: Cr Hannah Fitzhardinge

Council:

1. Support the delivery of the underground power project in Hilton within the project boundary area and authorise the Chief Executive Officer to sign a co-funding agreement with Western Power.
2. Note the following contributions will be included in the annual budget for the required financial year, as outlined below:

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

3. Agree to apply an annual service charge to properties within the project boundary area, for recovery of the residential consumer mains connection costs, for consideration as part of the annual budget process.

AMENDMENT

Moved: Cr Frank Mofflin

Seconded: Cr Hannah Fitzhardinge

To amend part 3 of the committee recommendation to include the wording shown in green text below:

3. Agree to apply an annual service charge **over a period of no less than 7 years** to properties within the project boundary area **which receive a new underground service**, for recovery of the residential consumer mains connection costs, for consideration as part of the annual budget process.

Amendment carried: 12/0

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

COUNCIL DECISION ITEM FPOL2010-11
(Committee recommendation, as amended)

Moved: Mayor, Brad Pettitt

Seconded: Cr Hannah Fitzhardinge

Council:

- 1. Support the delivery of the underground power project in Hilton within the project boundary area and authorise the Chief Executive Officer to sign a co-funding agreement with Western Power.**
- 2. Note the following contributions will be included in the annual budget for the required financial year, as outlined below:**

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

- 3. Agree to apply an annual service charge *over a period of no less than 7 years* to properties within the project boundary area *which receive a new underground service*, for recovery of the residential consumer mains connection costs, for consideration as part of the annual budget process.**

Carried by absolute majority: 12/0

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

FPOL2010-12 BUDGET AMENDMENTS - SEPTEMBER 2020

Meeting date: 14 October 2020
Responsible officer: Manager Finance
Decision making authority: Council
Agenda attachments: Nil
Additional information: Nil

SUMMARY

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

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

BACKGROUND

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

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

FINANCIAL IMPLICATIONS

The financial implications are detailed in this report.

LEGAL IMPLICATIONS

Local Government Act 1995:

Section 6.2 (1)

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

Section 6.8 (1) and (2)

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

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

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

Where expenditure has been incurred;

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

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

Local Government (Financial Management) Regulations 1996:

Regulation 33A

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

CONSULTATION

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

OFFICER COMMENT

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

1. Budget amendments for proposed expenditure for an additional purpose

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

Item	Account #	Account Details	2020/21 Adopted Budget	Revenue Increase/ (Decrease)	Expenditure (Increase)/ Decrease	2020/21 Amended Budget
1.1	Budget of \$7,000 requested for P -11954 Building Digital Skills for Older Australians, funded from grant funding received from Be Connected Program and cost savings from Curious Program and Senior programs.					
	200491.4318	P -11954 Building Digital Skills for Older Australians	0	2,500		2,500
	200491.6823	P -11954 Building Digital Skills for Older Australians	0		(4,000)	(4,000)
	200491.6868	P -11954 Building Digital Skills for Older Australians	0		(3,000)	(3,000)
	100740.6868	Operate Curious Program	(18,850)		3,000	(15,850)
	100459.6823	Conduct Seniors' programs and activities	(20,500)		1,500	(19,000)

1.2	Budget of \$7,560 requested for P-11836 Design and construct-Signal Station, funded by additional grant contribution by Searescue for <i>lightning</i> protection.					
	300116.1606	P-11836 Design and construct-Signal Station	(50,000)		(7,560)	(57,560)
	300116.4214	P-11836 Design and construct-Signal Station	0	7,560		7,560
1.3	Budget of \$21,874 requested for additional admin staff for Provide Legal Aid - Family + Domestic Violence, funded by additional Grant funding received for equal remuneration.					
	100553.4321	Provide Legal Aid - Family + Domestic Violence - Commonwealth	235,917	731		236,648
	100447.4320	Provide domestic violence legal aid - State	139,968	21,143		161,111
	100553.71xx	Provide Legal Aid - Family + Domestic Violence - Commonwealth- Salaries	(890,779)		(21,874)	(912,653)
1.4	Budget of \$17,000 requested for reinstatement of Queen St - Pedestrian Crossing, funded by contribution from Sirona Capital Management.					
	300171.1606	P-11932 Design and construct - Queen Street - Pedestrian Crossing	0		(17,000)	(17,000)
	300171.4214	P-11932 Design and construct - Queen Street - Pedestrian Crossing	0	17,000		17,000
1.5	Grant funding of \$805 received to run an information morning for parents to raise awareness of <i>Perinatal Anxiety and Depression</i> .					
	200492.6823	P-11956 2020 Perinatal & Infant Mental Health Promotion	-		(805)	(805)
	200492.4314	P-11956 2020 Perinatal & Infant Mental Health Promotion	-	805		805

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

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

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

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

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

3. Carried forward projects estimate budget amendments

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

Item	Account #	Account Details	2020/21 Adopted Budget	Revenue Increase/ (Decrease)	Expenditure (Increase)/ Decrease	2020/21 Amended Budget						
3.1	<u>Grant/Unspent Grant Funded Carried Forward Projects</u> Adjustments are proposed to be made for the following projects due a variance in the amount estimated as being available to carry forward for the budget and the actual amount at the year end. Carry forward projects with further grant funds to be received in 20-21 are: P-11882 -Design and construct - Fremantle Golf Course											
	300157.1606 300157.4299	P-11882 -Design and construct - Fremantle Golf Course <table><tr><td>Grant 20/21</td><td>\$1,040,925</td></tr><tr><td>Unspent grant</td><td>\$5,607,696</td></tr><tr><td>Total</td><td>\$6,648,621</td></tr></table>	Grant 20/21	\$1,040,925	Unspent grant	\$5,607,696	Total	\$6,648,621	(6,656,550)		7,929	(6,648,621)
Grant 20/21	\$1,040,925											
Unspent grant	\$5,607,696											
Total	\$6,648,621											
3.2	<u>Multiyear Projects – Kings Square</u> Adjustment to the budgets for Kings Square carried forward projects due to the variance between the estimated carried forward budget and the final position at the year end. Carry forward Kings Square projects with an adjustment made for 20-21 are: P-11598 Building development - Project Management fees - (KS)											
	300087.1606 300087.3923	P-11598 Building development - Project Management fees - (KS) <table><tr><td>Investment Reserve</td><td>\$174,966</td></tr><tr><td>Total</td><td>\$174,966</td></tr></table>	Investment Reserve	\$174,966	Total	\$174,966	(210,569)		35,603	(174,966)		
Investment Reserve	\$174,966											
Total	\$174,966											
3.3	<u>Reserve Funds Adjustment Projects</u> Carry forward projects with an adjustment to reserve funds for 20-21 are: P-11863 Sale-Waste Trucks - Proceeds on Disposal - Plant & Equipment Carry forward of disposal of the Side Loader International Acco 2350G (FHT – 72143). The estimated value is reduced from \$25k to \$20k due to struggling to sell it at multiple auctions.											
	300145.1226	P-11863 Sale-Waste Trucks - Proceeds on Disposal	0	20,000		20,000						
	300145.3919	P-11863 Sale-Waste Trucks - AccumSurp - Transfer to Reserve (Capital)	0		(20,000)	(20,000)						

Item	Account #	Account Details	2020/21 Adopted Budget	Revenue Increase/ (Decrease)	Expenditure (Increase)/ Decrease	2020/21 Amended Budget
	100678.4106	P-11863 Sale-Waste Trucks - Profit on disposal (Non-Cash)	0	20,000		20,000

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

4. Budget amendment to release quarantined funds

Through the budgetary process it was requested that \$20,000 be quarantined and further information be brought back to Council on the contribution towards the Freo Street Doctor mobile service.

Black Swan health has been delivering the Freo Street Doctor mobile health service for more than 15 years however funding from the Department of Health's South Metropolitan Health Service ceased in June 2019. To date the City has not been successful advocating for the state government to resume their responsibility for funding the service. The GP costs are covered by the federal government through Medicare, but financial support is required to cover operational costs.

The \$20,000 contribution from the City would support towards the indirect costs like the running costs of the two Freo Street Doctor vehicles, the salaries of outreach workers, clinical consumables and IT costs.

Item	Account #	Account Details	2020/21 Adopted Budget	Revenue Increase/ (Decrease)	Expenditure (Increase)/ Decrease	2020/21 Amended Budget
4.1	Release quarantined funds of \$20,000 for P -11870 Contribution-Fremantle Street Doctor to support towards the indirect costs like the running costs of the two Freo Street Doctor vehicles, the salaries of outreach workers, clinical consumables and IT costs.					
	200489.6888	P-11870 Contribution-Fremantle Street Doctor	(20,000)		20,000	0
	200489.5961	P-11870 Contribution-Fremantle Street Doctor	0		(20,000)	(20,000)

Through the budgetary process it was requested that \$20,000 of the *Heritage Festival* budget (\$28,500), be quarantined in the 2020/21 budget and further information be brought back to Council on the value of the festival.

The *Heritage Festival* is part of the suite of festivals presented by the City and is very popular in the community. The festival is run via an open call for entry process, through the Australian Heritage Festival, and attracts approximately 2000 people in visitation to Fremantle during a six-week period. There are over 30 events that provide engagement

through installations, presentations, tours, walks, performances, hospitality, workshops, screenings and celebrations. The program is peppered with contemporary City initiatives that introduce and shine a light on the living history of Fremantle and works with established artists, cultural leaders, community presenters and organisations.

Due to the increasing popularity of this event and its contribution to raising the profile of Fremantle and its rich history, it is recommended that the quarantined budget of \$20,000 for Conduct Heritage Festival be released, to enable the programming of this event, proposed to take place in May/June 2021.

4.2	Release quarantined funds of \$20,000 for 'Conduct Heritage Festival', to enable the programming of this event, proposed to take place in May/June 2021.					
	100398.6888	Conduct heritage festival	(20,000)		20,000	0
	100398.6823	Conduct heritage festival	0		(20,000)	(20,000)

VOTING AND OTHER SPECIAL REQUIREMENTS

Absolute majority required

COUNCIL DECISION ITEM FPOL2010-12 (Committee recommendation)

Moved: Mayor, Brad Pettitt

Seconded: Cr Hannah Fitzhardinge

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

Item	Account #	Account Details	2020/21 Adopted Budget	Revenue Increase/ (Decrease)	Expenditure (Increase)/ Decrease	2020/21 Amended Budget
1.1	Budget of \$7,000 requested for P -11954 Building Digital Skills for Older Australians, funded from grant funding received from Be Connected Program and cost savings from Curious Program and Senior programs.					
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	100740.6868	Operate Curious Program	(18,850)		3,000	(15,850)
	100459.6823	Conduct seniors programs and activities	(20,500)		1,500	(19,000)

Item	Account #	Account Details	2020/21 Adopted Budget	Revenue Increase/ (Decrease)	Expenditure (Increase)/ Decrease	2020/21 Amended Budget
1.2	Budget of \$7,560 requested for P-11836 Design and construct-Signal Station, funded by additional grant contribution by Searescue for <i>lightning</i> protection.					
	300116.1606	P-11836 Design and construct-Signal Station	(50,000)		(7,560)	(57,560)
	300116.4214	P-11836 Design and construct-Signal Station	0	7,560		7,560
1.3	Budget of \$21,874 requested for additional admin staff for Provide Legal Aid - Family + Domestic Violence, funded by additional Grant funding received for equal remuneration.					
	100553.4321	Provide Legal Aid - Family + Domestic Violence - Commonwealth	235,917	731		236,648
	100447.4320	Provide domestic violence legal aid - State	139,968	21,143		161,111
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	300157.1606	P-11882 -Design and construct - Fremantle Golf Course	(6,656,550)		7,929	(6,648,621)
	300157.4299	Grant 20/21				
		Unspent grant				
		Total				

Item	Account #	Account Details		2020/21 Adopted Budget	Revenue Increase/ (Decrease)	Expenditure (Increase)/ Decrease	2020/21 Amended Budget
3.2	<u>Multiyear Projects – Kings Square</u> Adjustment to the budgets for Kings Square carried forward projects due to the variance between the estimated carried forward budget and the final position at the year end. Carry forward Kings Square projects with an adjustment made for 20-21 are: P-11598 Building development - Project Management fees - (KS)						
	300087.1606 300087.3923	P-11598 Building development - Project Management fees - (KS)		(210,569)		35,603	(174,966)
		Investment Reserve	\$174,966				
		Total	\$174,966				
3.3	<u>Reserve Funds Adjustment Projects</u> Carry forward projects with an adjustment to reserve funds for 20-21 are: P-11863 Sale-Waste Trucks - Proceeds on Disposal - Plant & Equipment Carry forward of disposal of the Side Loader International Acco 2350G (FHT – 72143). The estimated value is reduced from \$25k to \$20k due to struggling to sell it at multiple auctions.						
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	300145.3919	P-11863 Sale-Waste Trucks - AccumSurp - Transfer to Reserve (Capital)		0		(20,000)	(20,000)
	100678.4106	P-11863 Sale-Waste Trucks -Profit on disposal (Non-Cash)		0	20,000		20,000
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	200489.6888	P-11870 Contribution-Fremantle Street Doctor		(20,000)		20,000	0
	200489.5961	P-11870 Contribution-Fremantle Street Doctor		0		(20,000)	(20,000)
4.2	Release quarantined funds of \$20,000 for 'Conduct Heritage Festival', to enable the programming of this event, proposed to take place in May/June 2021.						
	100398.6888	Conduct Heritage Festival		(20,000)		20,000	0
	100398.6823	Conduct Heritage Festival		0		(20,000)	(20,000)

Carried by absolute majority: 12/0

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

11.3 Strategic Planning and Transport Committee 21 October 2020

ITEMS APPROVED “EN BLOC”

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

COUNCIL DECISION

Moved: Mayor, Brad Pettitt

Seconded: Cr Doug Thompson

The following items be adopted en bloc as recommended:

**SPT2010-3 Local Planning Policy Revocation – Environmental Health Policies
DF1 and DF2**

SPT2010-4 Water Conservation Strategy Review and New Action Plan

Carried en bloc: 12/0

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

SPT2010-3 LOCAL PLANNING POLICY REVOCATION – ENVIRONMENTAL HEALTH POLICIES DF1 AND DF 2

Meeting date:	21 October 2020
Responsible officer:	Manager Strategic Planning
Decision making authority:	Council
Agenda attachments:	- DF 1 – Environmental Health Management Objectives - DF 2 – Use of Dangerous Chemicals
Additional information:	Nil

SUMMARY

As part of the ongoing review of the City's local planning policy manual, two further policies have been identified as superfluous. These policies relate to:

- Environmental Health Management Objectives
- Use of Dangerous Chemicals

Both policies are outdated and provide no practical function in the assessment of planning proposals. Both are superseded to a large degree by more recently adopted policies, practices and processes.

This report recommends that Council revokes both policies.

BACKGROUND

On 26 February 2020, Council considered a report on the status of the City's local planning scheme. This identified (amongst other things) that the City currently has close to 100 local planning policies which cover numerous matters relating to planning and development of land within the Fremantle municipality. A number are quite dated. The scheme review report concluded that the City's planning scheme is satisfactory in its existing form but should be maintained based on an agreed program of projects including "*periodic / recurrent / ongoing ... policy review for the purpose of rationalising the policy framework*" (SPT2002-4). In addition to maintaining a robust and up to date policy framework, this recommendation responds to the State Government's planning reform agenda which promotes a planning system that is more contemporary and easier to navigate, and more streamlined and consistent.

As part of a staged review of local planning policies, officers have identified two further policies which serve little current purpose and so are recommended for revocation.

Maintenance of the local planning framework supports the Capability objectives of the Strategic Community Plan relating to governance. Revocation of superfluous policies reduces unnecessary administrative burden and strengthens the City's efficiency, effectiveness and credibility in review.

OFFICER COMMENT

Local Planning Policy *DF 1 – Environmental Health Management Objectives* (Attachment 1) was prepared in 1991. It outlines the objectives of environmental health management and provides an indication of the services and priorities of the environmental health unit. Whilst many of the objectives remain current, the policy is outdated (referring to superseded legislation and issues) and provides little to no practical function under the planning scheme (under which local planning policies operate). The priorities and functions of the City's environmental health team are better outlined in corporate planning documents such as the Corporate Business Plan and communicated via the website.

Local Planning Policy *DF 2 – Use of Dangerous Chemicals* (Attachment 2) was prepared in 1988. It relates to the use of chemicals on City controlled land which is more effectively controlled operationally rather than through the local planning scheme. Since preparation of the policy the State has introduced the Health (Pesticides) Regulations 2011 and the hazardous chemicals management framework has evolved considerably, further supporting its revocation.

Assuming support for revocation of these policies, 46 local planning policies and a similar number of design guidelines will remain subject to review. Further stages are being progressed based on a combination of urgency, opportunity and capacity.

FINANCIAL IMPLICATIONS

Nil

LEGAL IMPLICATIONS

The *Planning & Development (Local Planning Schemes) Regulations 2015* include 'deemed provisions' which relate to preparing and revoking local planning policies. In order to revoke the above-mentioned policies, the City is required to publish a notice in the local newspaper. A recommendation is included to this effect.

CONSULTATION

Aside from giving notice as above, there is no requirement to consult on the revocation of a local planning policy under the *Planning & Development (Local Planning Schemes) Regulations 2015* or the City's *Local Planning Policy 1.3: Public Notice of Planning Proposals*.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple Majority

COUNCIL DECISION ITEM SPT2010-3
(Committee recommendation)

Moved: Mayor, Brad Pettitt

Seconded: Cr Doug Thompson

Council:

In accordance with Schedule 2, Part 2, Clause 6 of the *Planning & Development (Local Planning Schemes) Regulations 2015*:

- a. Revoke *Local Planning Policy DF 1 – Environmental Health Management Objectives* as provided in Attachment 1;**
- b. Revoke *Local Planning Policy DF 2 – Use of Dangerous Chemicals* as provided in Attachment 2; and**
- c. Place a notice in the local newspaper advising of the revocations.**

Carried en bloc: 12/0

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

SPT2010-4 WATER CONSERVATION STRATEGY REVIEW AND NEW ACTION PLAN

Meeting date:	21 October 2020
Responsible officer:	Manager Strategic Planning
Decision making authority:	Council
Agenda attachments:	1. Water Conservation and Efficiency Plan 2020-2025 (draft)
Additional information:	1. Water Conservation Strategy (Aug 2013) 2. Water Conservation Strategy (Aug 2013) Action List - Summary

SUMMARY

The Water Conservation Strategy (Strategy) and associated action plan were adopted by Council in May 2014. The Strategy describes the issues and challenges around water supply, sources and use, and was developed using the International Council of Local Environmental Initiatives (ICLEI) water conservation framework. The documents set a series of actions with a target to reduce corporate (City) and community scheme and groundwater use as well as stormwater/pollution management and community education and promotion.

Since adoption of the Strategy, the City has:

- adopted the Bioregional One Planet sustainability framework and achieved international accreditation;
- achieved Gold Waterwise Council status;
- achieved Waterwise Aquatic Centre status;
- implemented water efficiency measures across City assets which have reduced corporate scheme water use by around 20% (exceeding the 10% by 2022 strategy target).

The purpose of this report is to review the strategy and progress made under it and to propose a replacement to guide further activity in this area over the next 5 years.

This report recommends that Council adopt a new Water Conservation and Efficiency Plan 2020-2025 to replace the Strategy and current action plan.

BACKGROUND

Environmental Responsibility is one of the 7 key focus areas of the City's Strategic Community Plan. "*Manag(ing) water usage through minimisation and reuse strategies*" is listed as a specific objective of the Plan, to advance a water and energy efficiency outcome sought for City facilities.

The current Water Conservation Strategy (refer Additional Information attachment 1) was completed in August 2013 and adopted by Council on 28 May 2014. The Strategy set targets for corporate and community scheme and groundwater use reductions, using 2010 and 2013 water use baseline in kilolitres (kL).

Corporate Scheme Water			
2010 Baseline kL	10% reduction kL	Target	
122,578	12,257	110,321	
Community Scheme Water			
2010 Baseline kL	10% reduction	Target	kL Per Capita target
4,100,000	41,000	4,059,000	138.6 per person per year
Corporate Ground Water			
2010 Baseline kL	10% reduction	Target	
708,500	70,800	637,200	

The One Planet Strategy and sustainability framework approach was adopted in July 2014 and included a similar set of water reduction targets as the Strategy, except proposing a 50% reduction of corporate scheme water use.

The Greening Fremantle Strategy 2020 was adopted in December 2015 and includes a key focus area around water security with three actions relating to alternative 'fit for purpose' water supply assessment and feasibility and future water demand modelling.

OFFICER COMMENT

The 2013 Strategy takes a comprehensive approach to water conservation and proposed actions under the headings of:

- Water Management
- Corporate Groundwater Conservation
- Corporate Scheme Water Conservation
- Community Water Conservation
- Corporate Water Quality
- Community Water Quality
- Drought Resilience

Whilst excellent progress has been made in many areas, some of the actions such as the development of a community water conservation campaign and 5 yearly attitudes surveys have been overtaken by events (namely the launch of a similar state-wide campaign by Water Corporation) whilst others (such as the installation of water monitoring sensors with irrigation systems and the development of a stormwater management plan) have progressed but are not complete due to the budget requirements entailed.

Key Achievements

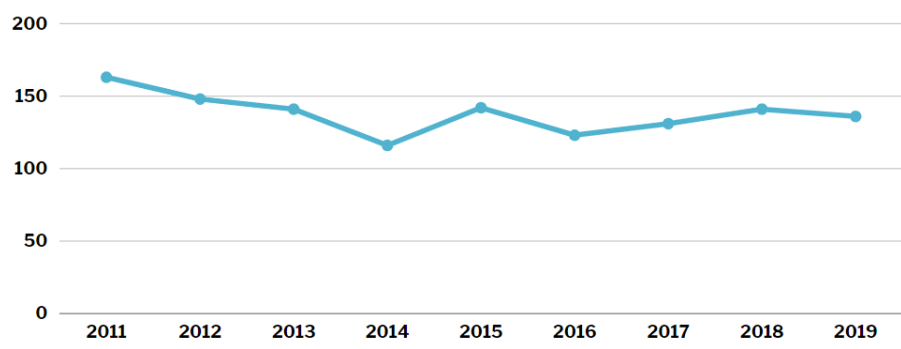
Key achievements since adoption of the Strategy include:

- Fremantle Leisure Centre achieving Waterwise Aquatic Centre status.
- The City being recognised as a 'Gold' Waterwise Council: this in turn has enabled access to Water Corporation grant funding for initiatives such as the annual Waterwise Verge program (which has seen increased community take up of 8 verges in 2018 to 38 verges in 2019), and 'real time' water use monitors to use at facilities, which allows early leak detection resulting in water and infrastructure damage savings.

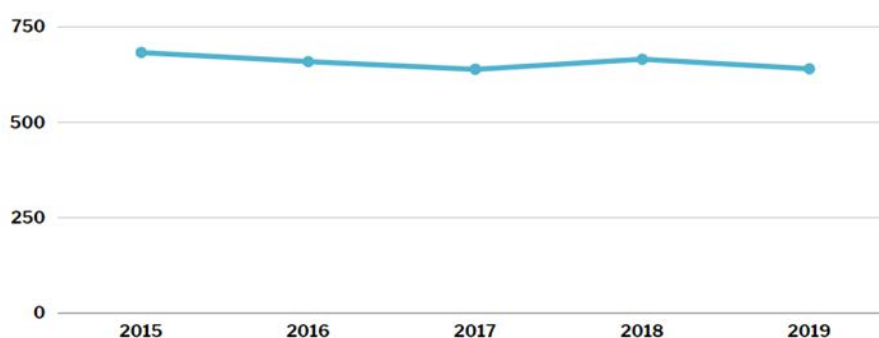
- Best practice water saving and efficiency measures such as hydro zoning of City Public Open Space (POS) adopted as 'business as usual'
- Progressive roll out of irrigation upgrades, improving groundwater use efficiency.
- Turf renovation program including of scarifying, coring and deep slicing, and applications of wetting agent to improve groundwater use efficiency.
- Installation of soil moisture sensors in turf areas.
- Water efficient maintenance practices adopted.
- Water efficient fixtures in new facilities such as Fremantle Park and in the new Walyalup Civic Centre building.
- Working with the Fremantle Public Golf Course to redesign the irrigation system to reduce groundwater use (as part of the High Street upgrade works).

Corporate and Community Scheme Water Reductions

These key achievements along with operational improvements have led to the reduction in corporate scheme and groundwater use of around 20% (well ahead of the 10% 2022 target) and 2.6% respectively based on the 2010 baseline data.

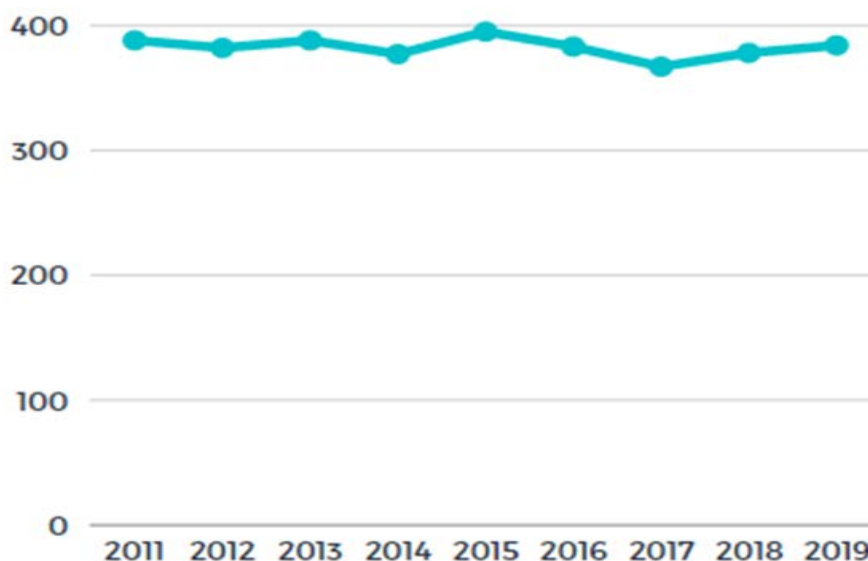


Corporate Scheme Water Use



Corporate Groundwater Use

There has also been a 5.21% reduction in community scheme water (2010 baseline).



Community Scheme Water use

Community ground water use is not monitored by the City or Department of Water and Environmental Regulations (DWER) unless there is a commercial licence in place with DWER.

Water Conservation Strategy Completed, Operational and Outstanding Actions

The Strategy included a series of action items around corporate and community scheme and ground water use, education, promotion, stormwater management and water quality management (noting some of these actions are policy/operational positions). 19 actions have been completed. A further 25 have been incorporated into ongoing operations or included in new actions as part of One Planet framework and Waterwise best practice water management.

Outstanding and incomplete actions relate primarily to stormwater management, water quality, community education/promotion. Many are undertaken by other agencies (e.g. Water Corporation, DWER and Department of Health) with the City playing a supporting role. Others have since been included in other City strategies and action plans and / or are being progressively pursued. Outstanding / incomplete actions have been consolidated and provided in Additional Information attachment 2.

Overall, City and state water conservation and efficiency projects and programs have changed/improved since the Strategy adoption in 2014 with the introduction of the Water Corporation Waterwise program, advancement of policies, guidelines and awareness across the state, and the development of improved technologies.

These advancements and the age and format of the Strategy prompted comprehensive review rather than simple update. The opportunity has also been taken to develop a revised document which fits into the Strategic Planning Framework adopted by Council in 2018.

Water Conservation and Efficiency Plan 2020-2025

The proposed new Water Conservation and Efficiency Plan (Attachment 1) sets out 26 actions taking into account changes and improvements in water management and community education/promotion since the adoption of the Strategy in 2014. These build on the direction established in the previous strategy with the majority extending outstanding, incomplete and / or ongoing actions.

In summary, the main changes from the current Strategy include:

- Updated corporate and community scheme and groundwater usage.
 - o Corporate Scheme Water baseline – 136,877kL
 - o Community Scheme Water baseline – 3,847,047kL
- Setting a corporate scheme water reduction target of a further 10%: the 50% target included in the One Planet document is proposed to be adjusted for consistency.
- The groundwater reduction target of 10% is proposed to be removed in favour of a more open-ended reduction objective. For environmental, social and health and wellbeing factors it is important to maintain the health and amenity of our green space, with responsible use of groundwater necessary for this. With increasing pressure associated with population growth and water reduction, prioritisation of public green spaces over private use is recommended. Groundwater allocation is controlled and monitored by DWER with the City operating well within its allocation. However, it is important to use this resource as efficiently as possible and not to exceed the licence amount: actions to achieve this have been continued in the new Plan e.g. water efficient irrigation systems, management practices and continuing consideration of 'fit for purpose' alternative water supply. Definition of a fixed groundwater reduction target is challenging at this time because of the uncertainty regarding budget availability for major reticulation infrastructure upgrades and the potential for additional demand for recreational space to off-set improvements in water use efficiency.
- Updated community scheme water reduction targets included using baseline water use from 2019 (for a ten-year period) and acknowledging the primary role of Water Corporation in pursuing this.
- Consolidated community education, engagement and promotion of the benefits of water conservation into programs and promotions under the One Planet framework/activities and Waterwise program.
- Includes outstanding actions for corporate water quality.
- Drought contingency measures have been condensed for clarity and will formalise drought-relevant activities largely covered through existing operations.

FINANCIAL IMPLICATIONS

A number of actions in the Water Conservation and Efficiency Plan will require a budget to implement. These will be considered as part of the Project Identification, annual budget and long-term financial planning processes. To note, as a Gold accredited Waterwise Council, the City has access to annual Water Corporation grants.

LEGAL IMPLICATIONS

The City is required to adhere to the groundwater licencing and allocation requirements (administered by the DWER).

CONSULTATION

The draft Water Conservation and Efficiency Plan represents an update of the existing Water Conservation Strategy. Consultation is consequently considered unnecessary in its adoption, but engagement will be necessary in its delivery.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required

OFFICER'S RECOMMENDATION

Moved: Cr Sam Wainwright

Seconded: Cr Bryn Jones

Council:

1. Note the progress made by the City in the area of water conservation over the past six years since adoption of the Water Conservation Strategy.
2. Rescind the Water Conservation Strategy as a current document on the basis that it has expired.
3. Adopt the Water Conservation and Efficiency Plan 2020-2025 as provided in Attachment 1.

AMENDMENT

Moved: Cr Su Groome

Seconded: Cr Sam Wainwright

To amend the Officer's recommendation to read as follows:

1. Note the progress made by the City **and the residents of the City of Fremantle** in the area of water conservation over the past six years since adoption of the Water Conservation Strategy.
2. Rescind the Water Conservation Strategy as a current document on the basis that it has expired.
3. Adopt the Water Conservation and Efficiency Plan 2020-2025 as provided in Attachment 1.
4. **Recognise the need to comprehensively review water management and conservation strategies prior to preparing an updated Plan for 2025-2030, taking into account alternative water sources, new technologies and the impact of climate change on environmental water uses.**

Carried: 6/0

Cr Sam Wainwright, Cr Geoff Graham,
Cr Bryn Jones, Cr Adin Lang, Cr Marija Vujcic, Cr Su Groome

COUNCIL DECISION ITEM SPT2010-4
(Committee recommendation)

Moved: Mayor, Brad Pettitt

Seconded: Cr Doug Thompson

Council:

- 1. Note the progress made by the City *and the residents of the City of Fremantle* in the area of water conservation over the past six years since adoption of the Water Conservation Strategy.**
- 2. Rescind the Water Conservation Strategy as a current document on the basis that it has expired.**
- 3. Adopt the Water Conservation and Efficiency Plan 2020-2025 as provided in Attachment 1.**
- 4. *Recognise the need to comprehensively review water management and conservation strategies prior to preparing an updated Plan for 2025-2030, taking into account alternative water sources, new technologies and the impact of climate change on environmental water uses.***

Carried en bloc: 12/0

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

SPT2010-5 ONE PLANET STRATEGY – REVIEW & REVISED ACTION PLAN

Meeting date:	21 October 2020
Responsible officer:	Manager Strategic Planning
Decision making authority:	Council
Agenda attachments:	1. One Planet Fremantle Framework 2020 2. One Planet Action Plan 2020-2025
Additional information:	1. One Planet Fremantle Strategy 2014/15-2019/20 2. Strategic Planning Framework

SUMMARY

Council adopted the One Planet Fremantle Strategy 2014/15 – 2019/20 in 2014 and has pursued its implementation via annual action plans and corresponding progress reports. Given the expiry of the Strategy, it has been reviewed, and a new One Planet Fremantle Framework is proposed in its place. The new Framework seeks to better integrate into the Strategic Planning Framework, and comprises of an explanatory document, and an initial five-year One Planet Action Plan. The review notes the City’s sustainability progress to date and identifies opportunities to further embed One Planet principles in the mainstream corporate planning and reporting processes.

This report recommends that Council:

1. Acknowledge the progress made by the City in the area of sustainability over the past five years
2. Endorse the new One Planet Fremantle Framework 2020 to redefine City’s sustainability goals and explain the relationship between One Planet and the City’s Strategic Community Plan and other strategic documents.
3. Adopt the One Planet Action Plan 2020-2025 to guide the City’s activities and priorities in pursuing sustainability goals.

BACKGROUND

One Planet Living is a framework developed and overseen by not-for-profit organisation Bioregional, which seeks to promote sustainable living (living “happily within the Earth’s resources”). It is based on pursuit of targets for each of the ten One Planet principles.

	Health and happiness	Encouraging active, social, meaningful lives to promote good health and wellbeing
	Equity and local economy	Creating safe, equitable places to live and work which support local prosperity and international fair trade
	Culture and community	Nurturing local identity and heritage, empowering communities and promoting a culture of sustainable living
	Land and nature	Protecting and restoring land for the benefit of people and wildlife
	Sustainable water	Using water efficiently, protecting local water resources and reducing flooding and drought
	Local and sustainable food	Promoting sustainable humane farming and healthy diets high in local, seasonal organic food and vegetable protein
	Travel and transport	Reducing the need to travel, encouraging walking, cycling and low carbon transport
	Materials and products	Using materials from sustainable sources and promoting products which help people reduce consumption.
	Zero waste	Reducing consumption, re-using and recycling to achieve zero waste and zero pollution
	Zero carbon energy	Making buildings and manufacturing energy efficient and supplying all energy with renewables

City of Fremantle adopted the One Planet Living sustainability framework on 27 August 2014 with the development of the One Planet Fremantle Strategy 2014/15-2019/20 (refer Additional Information attachment 1 and item SGS1408-11). The Fremantle One Planet Strategy achieved national One Planet Living certification in 2014 and international certification in 2015. The City of Fremantle is recognised by Bioregional as a global leader in sustainability.

The current strategy outlines a broad target against each of the 10 principles, then a series of specific targets (or actions) by which to pursue the overarching target. Many of these had a short term (1-2 year) horizon with subsequent annual action plans then used to refine targets and outline further actions to advance towards them. Annual reporting to Bioregional is required to maintain certification and ensure the City continues to demonstrate best practice.

Since development of the original strategy, Council has endorsed a Strategic Planning Framework (refer Additional Information attachment 2) which seeks to provide a clearer and more coherent approach to strategic planning and documentation, and to align with the Integrated Planning and Reporting approach advocated by the Department of Local Government. Integration of One Planet into the Planning Framework to resolve overlap and conflict is recommended, as outlined below.

The One Planet principles align strongly with many of the City's strategic goals around environmental responsibility, economic sustainability, inclusivity and healthy happy lives. The overlap and duplication is, however, somewhat problematic from a clarity and reporting perspective, and the areas of divergence can create confusion. For this reason, rationalisation of the approach within the Strategic Planning Framework is desirable.

OFFICER COMMENT

Review

The One Planet Fremantle Strategy expired in June 2020. A report on progress towards each of the current targets was circulated to Councillors on 29 April 2020 and this and earlier annual reports are available on the City's website (<https://www.fremantle.wa.gov.au/one-planet/about-one-planet>).

Since adoption of the Strategy, many achievements have been realised with a few highlights outlined below:

1. Health and Happiness
 - a. Annual hosting of 'The Happiness Project' with the Edith Cowan University design school
 - b. Expansion of the Life Long Learning program and library services
 - c. Launch and ongoing activation of the Esplanade Youth Plaza
2. Equity and Local Economy
 - a. Delivery of Economic Development Strategy
 - b. Establishment of indigenous trainee program
 - c. Maintenance of Fair Trade membership and purchasing
3. Culture and Community
 - a. Successful development of One Day event and national conversation
 - b. Development of the Walyalup Reconciliation Action Plan
 - c. State heritage registration of Fremantle's West End
 - d. Conduct of numerous highly successful festivals and events
4. Land and Nature
 - a. Development and staged implementation of Greening Fremantle Strategy and Urban Forest Plan
 - b. Planting of an average of 1000 street trees per year
 - c. Establishment of Significant Tree Protection Register
 - d. Successful development and delivery of the Verge Gardens Program
 - e. Installation of new pocket parks to increase community access to open space
 - f. Introduction of Cat Local Law
5. Sustainable Water
 - a. Achieved Gold Waterwise status
 - b. Achieved Waterwise Aquatic Centre
 - c. Ongoing implementation of hydrozoning and reticulation upgrades in parks and reserves
6. Local and Sustainable Food
 - a. Local catering purchase
 - b. The City of Fremantle now has three thriving community gardens
7. Travel and Transport
 - a. Developed new Fremantle Bike Plan, and ongoing delivery of improved cycling infrastructure (including, most recently, on-road bike lanes on Ord Street)
 - b. CAT bus service maintained (temporary suspension of Red CAT 2020/21) supporting nearly 1million trips/year
 - c. Installation of four free-to-use 22kW EV charging stations in public parking station

- d. Corporate fleet reduction and progressive transition to hybrid / electric, and electric scooters trialled.
- e. Electric garbage truck trial
- 8. Materials and Products
 - a. Establishment of Sustainable Events Policy
 - b. Trial and update of the footpath concrete mix standard specification to include recycled waste material (granulated blast furnace slag) to replace around 60% of the cement content
 - c. Recycled glass trialled in the asphalt for car parks. If successful, the standard specification will be updated.
 - d. All concrete demolition waste and clean fill stored, processed and reused in the construction of car parks and paths
 - e. Reduced City of Fremantle organisational paper use by over 60% since 2017
- 9. Zero Waste
 - a. Total waste collected in the City of Fremantle's kerbside collection reduced by 8%
 - b. FOGO scheme introduced for single residential properties
 - c. Sustainable cafes program established and promoted
- 10. Zero Carbon Energy:
 - a. Adoption and staged implementation of Corporate Energy Plan (towards 100% renewable energy by 2025)
 - b. Carbon Neutrality maintained
 - c. New administration building designed to be net 100% renewable electricity for the City of Fremantle components of the building. This will be achieved through natural ventilation, energy efficient equipment and a 240kW solar array.
 - d. Facilitation of RENEW Nexus shared battery and PV feed in trial at the Knutsford Street East Village development
 - e. Business Plan established for solar energy farm near Hollis Park in South Fremantle.

Community perception of the City's sustainable practice in 2017 indicated that its performance and the importance of this issue were both rated relatively high: It was one of the top 12 items identified by the community in discussing priorities for the future and its performance was rated well above the industry average, but, interestingly, below the industry high (perhaps reflecting the high degree of literacy of the Fremantle community in this area). Satisfaction with the City's performance in this area was rated more lowly in Samson and in the over 55's age cohort, and highest in White Gum Valley and in the 18-25 age cohort and similarly more lowly by the opt-in participants to the survey when compared with the representative random sample.

Challenges experienced with the Strategy since its adoption have included the overlap and slight mismatches it presents with the Strategic Community Plan, and confusion regarding the relative status of the two documents. Reporting has also proven time-consuming and duplicative.

Integration

The Strategic Community Plan adopted in 2016 incorporates many of the One Planet targets (including using renewable electricity for City assets by 2025) and broadly aligns with One Planet objectives (albeit across 6 focus areas rather than 10). Moving forward, to align with the Strategic Planning Framework and resolve the inherent challenges of having two overarching strategies, it is recommended that:

- The primacy of the Strategic Community Plan in the strategic framework be acknowledged (reflective of the Local Government Regulations).
- The One Planet principles, targets, action planning and reporting process and peer review be maintained to provide a 'lens' through which to view the work of the City, understand how it is tracking to become more sustainable, and to provide for external monitoring and moderation, and that this be documented /explained in a 'framework' rather than a strategy.
- The One Planet Action Plan be expanded to 5 years to provide clearer ongoing direction, and action areas integrate and reference other existing action plans and priority areas where appropriate. Annual update of the plan would enable its continued development.
- Targets seek to provide ambitious but achievable goals. Where meaningful quantitative data is not available, pursue qualitative reporting, but align both to corporate reporting where possible.
- Strategic Community Plan targets be updated in future reviews to increase and maintain alignment (and vice versa).

Consideration could also be given to aligning any future iterations of the Strategic Community Plan with the One Planet principles.

A new framework has been developed (refer Attachment 1), supported by an initial five-year action plan 2020-2025.

Action Plan

The new, five-year One Planet Action Plan (Attachment 2) incorporates actions across the ten principle areas. It attempts to capture a fair representation of the breadth of services provided by the City which contribute to One Planet principles, and some specific priorities contributing to each.

The Action Plan has been designed to reinforce and extend the good work of the past 5 years of One Planet (and prior commitment to sustainability). As such, many of the actions and targets relate to existing action plans and strategies. Whilst representative rather than comprehensive, listed actions were decided upon through consultation with the teams responsible for implementation to get the best balance between aspirational and achievable. This approach should also result in a much more streamlined and expedited annual reporting process.

The Action Plan is provided as Attachment 2.

As with other plans adopted by Council, it is noted that implementation of actions will be subject to availability of resourcing (determined through the corporate planning and budgeting processes) but recommended actions are all considered within the City's capacity.

Reporting process

As a One Planet Council, the City reports annually to Bioregional Development Group for their peer review and feedback on the City's progress implementing the framework.

The reporting process has been based on calendar year. The timing is recommended to be changed to financial year, to align with most City data collection and processes, and to allow integration with the corporate reporting process (thereby reducing duplication and 'mainstreaming' sustainability monitoring and reporting).

The annual report for peer review will include an action plan spreadsheet, more detailed data on waste, water and energy and a qualitative summary of the remaining One Planet Living principle areas. This should allow for both clearer and more streamlined monitoring and reporting, but also a more focussed and engaging summary report, thereby addressing previous feedback from both Bioregional and Elected Members

FINANCIAL IMPLICATIONS

One Planet membership and certification costs approximately \$15,000 (ex GST) per year (\$5,000 national, \$10,000 international) and is accommodated within the current operating budget.

All projects identified in the Action Plan which require budget allocation will be subject to the annual budget process, however the majority can be accommodated within existing operating budgets.

LEGAL IMPLICATIONS

Nil

CONSULTATION

The One Planet framework was adopted in partial response to community feedback received during the visioning for Fremantle undertaken in 2012-2013 for the Strategic Community Plan, which process identified a strong desire for Fremantle to become a 'sustainable, liveable and vibrant place'.

Actions identified in the Action Plan respond to a significant degree to feedback received during previous engagement on the various topic areas.

Engagement on climate change is commencing and could potentially inform future review and refinement of the Plan.

Broader review of the strategic direction and priorities of the Council will occur during the next major review of the Strategic Community Plan.

Accordingly, no specific community engagement on the One Planet Framework and Action Plan documents in Attachments 1 and 2 is recommended at this time.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple Majority

COUNCIL DECISION ITEM SPT2010-5 **(Committee recommendation)**

Moved: Mayor, Brad Pettitt

Seconded: Cr Doug Thompson

Council:

- 1. Note the progress made by the City in the area of sustainability over the past five years and the expiry of the One Planet Strategy 2014/15 - 2019/20.**
- 2. Adopt the new One Planet Fremantle Framework provided in Attachment 1 to redefine the City's sustainability goals and explain the relationship between One Planet and the City's Strategic Community Plan and other strategic documents.**
- 3. Adopt the One Planet Action Plan 2020-2025 provided in Attachment 2 to guide the City's activities and priorities in pursuing sustainability goals.**
- 4. Note the intention to continue annual reporting to Bioregional on progress in advancing towards the One Planet targets on a financial year basis to allow better integration with standard corporate reporting processes.**

Carried: 12/0

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

12. Reports and recommendations from officers

ITEMS APPROVED “EN BLOC”

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

COUNCIL DECISION

Moved: Mayor, Brad Pettitt

Seconded: Cr Geoff Graham

The following items be adopted en bloc as recommended:

C2010-3 Statement of Investments – September 2020

C2010-4 Schedule of Payments – September 2020

Carried en bloc: 12/0

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

C2010-3 STATEMENT OF INVESTMENTS – SEPTEMBER 2020

Meeting date: 28 October 2020
Responsible officer: Manager Finance
Decision making authority: Council
Agenda attachments: Nil
Additional information: 1. Investment Report – 30 September 2020 Nil

SUMMARY

This report outlines the investment of surplus funds for the month ending 30 September 2020 and provides information on these investments for Council consideration.

This report recommends that Council receive the Investment Report for the month ended 30 September 2020.

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

- **Portfolio details as at September 2020;**
- **Portfolio counterparty credit framework;**
- **Portfolio liquidity with term to maturity;**
- **Portfolio fossil fuel summary;**
- **Interest income earned for the month;**
- **Investing activities for the month;**

BACKGROUND

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

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

The City has committed to carbon neutrality and will review and manage its investment portfolio to identify financial institutions which support fossil fuel companies (either directly or indirectly) and has limited these investments to the minimum whilst maintaining compliance with the investment policy.

FINANCIAL IMPLICATIONS

To date actual investment interest earned is \$123,982 against a year to date budget of \$126,835 which represents a negative variance of \$2,853.

Future interest earnings will be determined by the cash flows of the City's surplus cash and the movements in interest rates on term deposits. The Reserve Bank of Australia elected to leave the cash rate unchanged at 0.25% at their board meeting on 6 October

2020. The Board views addressing the high rate of unemployment as an important national priority. It will maintain highly accommodative policy settings as long as is required and will not increase the cash rate target until progress is being made towards full employment and it is confident that inflation will be sustainably within the 2–3 per cent target band. The interest earnings will continue to be monitored throughout the year.

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 0.80% for the month of 30 September 2020. The City's actual portfolio return in the last 12 months is 1.29%, which compares favourably to the benchmark Bloomberg AusBond Bill Index reference rate of 0.58% (refer report point 8).

LEGAL IMPLICATIONS

The following legislation is relevant to this report:

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

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

CONSULTATION

Nil

OFFICER COMMENT

A comprehensive Investment Report for the month ending 30 September 2020 can be viewed in Additional information 1 of this agenda item. A summary of the investment report is provided below.

1. Portfolio details as at 30 September 2020

At month end the City's investment portfolio totalled \$66.01m. The market value was \$66.12m; this value takes into account accrued interest.

The investment portfolio is made up:

Cash Investments (<= 3 months)	\$12.53m
Term Deposits (> 3 months)	\$53.48m
TOTAL	\$66.01m

Of which:

Unrestricted cash	\$39.90m
Restricted cash (Reserve Funds)	\$24.78m
Restricted cash (Trust Funds)	\$ 1.33m
TOTAL	\$66.01m

The current amount of \$39.90m held as unrestricted cash represents 56.01% of the total adopted budget for operating revenue (\$71.24m)

2. Portfolio counterparty credit framework (as at 30 September 2020)

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. The adopted counterparty credit framework is as below:

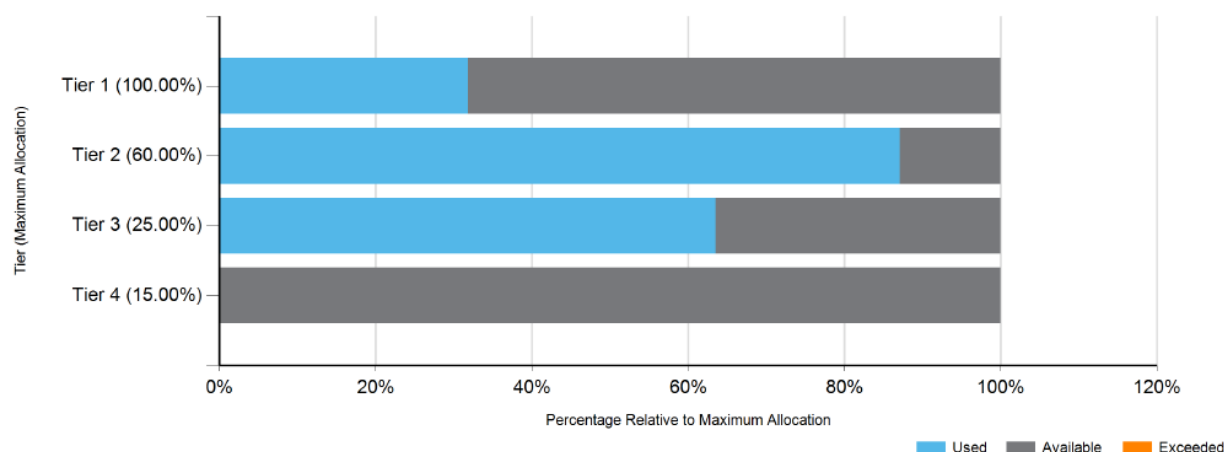
Counterparty credit framework

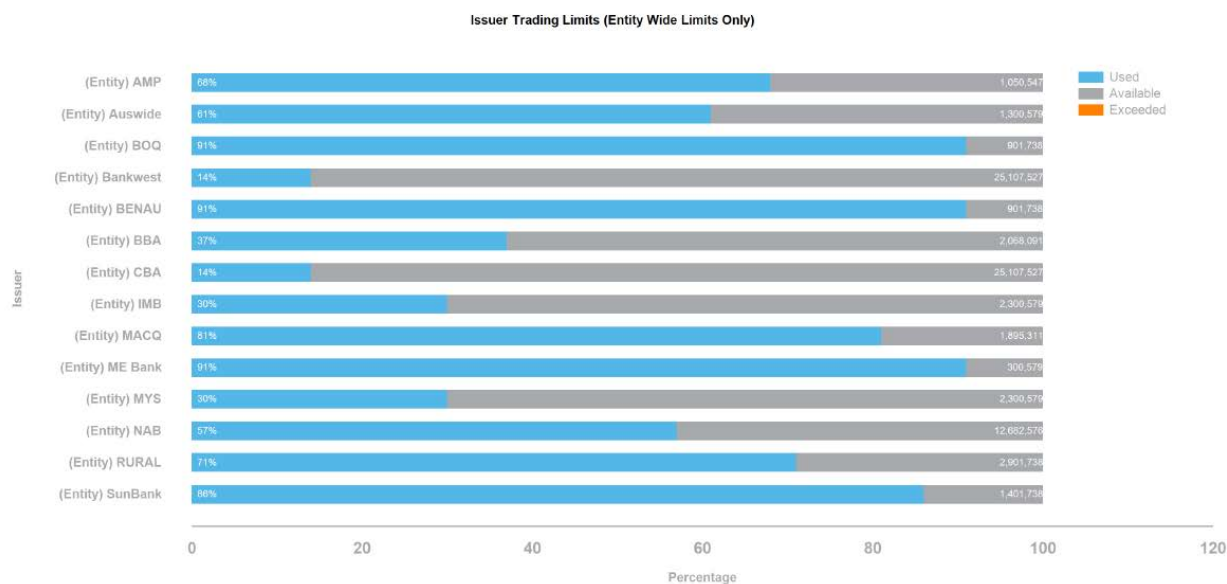
Investments are not to exceed the following percentages of average annual funds invested with any one financial institution or managed fund and consideration should be given to the relationship between credit rating and interest rate.

Credit quality	Maximum % of total investments
Tier 1 (excl. AAA government)	45%
Tier 2	15%
Tier 3	5%
Tier 4	(\$1m)

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

Portfolio Credit Framework Amounts Relative to Maximum Allocations





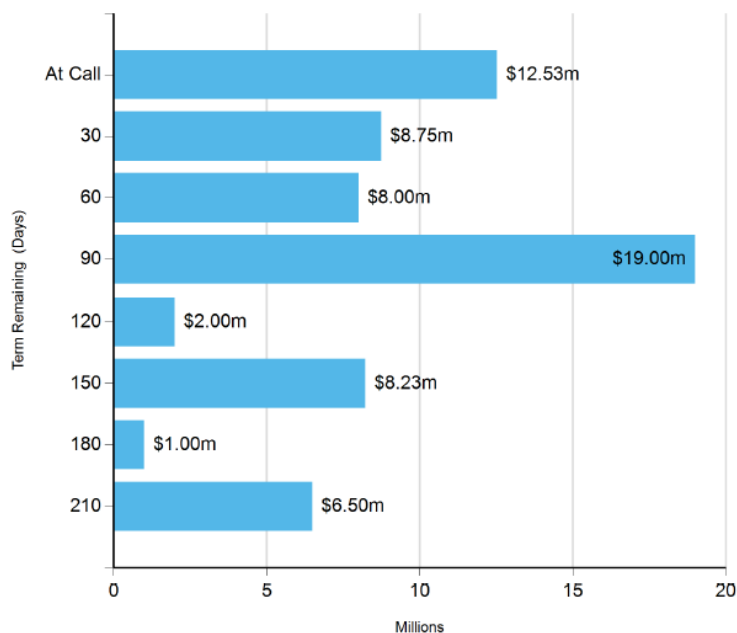
As reported in the above graph at the end of September 2020 all investments of the portfolio were compliant.

3. Portfolio Liquidity Indicator (as at 30 September 2020)

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

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

Face Value by Term Remaining

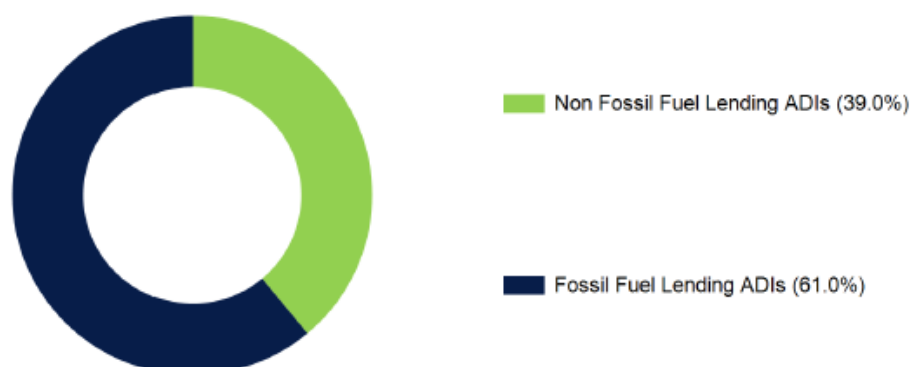


4. Portfolio Summary by Fossil Fuels Lending ADIs (As at 30 September 2020)

At the end of this month \$25.73m (39%) 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).

The current investing conditions and the institution limits in the City’s investment policy are affecting the City’s ability to invest in non-fossil fuel institutions. Presently a large number of banks and in particular the small non-fossil fuel lending banks are not issuing new term deposits given high liquidity. The others are at their maximum limit for investment.

**Fossil Fuel vs
Non Fossil Fuel
Lending ADI**



5. Interest Income for Matured Investments (For 1 September 2020 to 30 September 2020)

During this month \$14,196 in interest was earned from matured investments.

6. Investing Activities (For 1 September 2020 to 30 September 2020)

During this month 6 term investments were acquired with a total value of \$17m.

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

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required

COUNCIL DECISION ITEM C2010-3 (Officer recommendation)

Moved: Mayor, Brad Pettitt

Seconded: Cr Geoff Graham

Council receive the Investment Report for the month ending 30 September 2020.

Carried en bloc: 12/0

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

C2010-4 SCHEDULE OF PAYMENTS SEPTEMBER 2020

Meeting date: 28 October 2020
Responsible officer: Manager Finance
Decision making authority: Council
Agenda attachments: Nil
Additional information: 1. Schedule of payments and listing
 2. Purchase Card Transactions
Additional information viewed electronically

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 September 2020, 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 September 2020, is provided within Additional Information documents 1 and 2.

FINANCIAL IMPLICATIONS

A total of \$11,002,226.47 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 September 2020 by payment type, with full details of the accounts paid contained within Additional Information document 1.

Payment Type	Amount (\$)
Cheque / EFT / Direct Debit	\$8,449,491.81
Purchase card transactions	\$37,353.85
Salary / Wages / Superannuation	\$2,515,380.81
Other payments (as outlined in Additional Information document 1)	\$0.00
Total	\$11,002,226.47

Contained within Additional Information document 2 is a detailed listing of the purchase card transactions for the month ending September 2020.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple Majority Required

COUNCIL DECISION ITEM C2010-4 (Officer recommendation)

Moved: Mayor, Brad Pettitt

Seconded: Cr Geoff Graham

Council:

1. Accept the list of payments made under delegated authority, totalling \$11,002,226.47 for the month ending September 2020, as contained within Additional Information document 1.
2. Accept the detailed transaction listing of credit card expenditure, for the month ending September 2020, as contained within Additional Information document 2.

Carried en bloc: 12/0

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

C2010-2 MONTHLY FINANCIAL REPORT - SEPTEMBER 2020

Meeting date: 28 October 2020
Responsible officer: Manager Finance
Decision making authority: Council
Agenda attachments: Nil
Additional information: 1. Monthly Financial Report – 30 September 2020

SUMMARY

The Monthly Financial Report for the period ending 30 September 2020 has been prepared and tabled in accordance with the Local Government (Financial Management) Regulations 1996.

This report provides an analysis of financial performance for September 2020 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 table provides a high level summary of Council's year to date financial performance as at 30 September 2020.

Description	YTD Budget \$M	YTD Actual \$M	Variance \$M	Variance % %	+/-
Opening Surplus	2.01	3.47	1.46	72.31%	
OPERATING					
Rates Revenue	46.90	46.92	0.02	0.03%	
Revenue (excluding rates)	5.62	7.13	1.51	26.83%	
Expenses	(17.18)	(14.82)	2.36	13.74%	
Non-Cash Adj.	1.76	1.90	0.14		
	(37.10)	(41.13)	(4.02)	10.84%	
CAPITAL					
Revenue	0.01	0.01	0.00	(34.42%)	
Expenses	(2.88)	(4.80)	(1.92)	(66.80)	
Financing	(0.40)	(0.43)	(0.03)	(8.68%)	
Reserve Transfers	1.98	4.44	2.46	124.29%	
	(1.29)	(0.78)	0.51	(39.53%)	
Closing Surplus	37.84	43.82	5.99	15.79%	

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

Income	Variance	
Fees and Charges	1,748,174	
Operating Grants	(175,791)	
Reimbursement Income	(154,934)	
Other Operating Income Items	104,154	
Total Operating Income	1,521,603	
Expenses	Variance	
Employee Costs	866,837	
Materials and Contracts	1,262,251	
Other Expenditure	250,081	
Other Operating Expense Items	(18,734)	
Total Operating Expenses	2,360,435	

Further explanation of material variances are 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 September 2020 resulted in an additional \$5,973,442 surplus being identified in the year to date position than anticipated, which is mainly as a result of :-

Reduction in anticipated year to date position

- Reduction of capital revenue of \$4,818
- Increased capital expenditure of \$1,922,814

Increase in anticipated year to date position

- Increased net transfer to/from reserve of \$2,459,372
- Increased carried forward surplus from 2019/20 of \$1,455,324
- Increased general rates income of \$13,079
- Increased operating revenue (excluding general rates) of \$1,508,524
- Underspensing of operating expenditure to date of \$2,360,435

It should be noted that processing of 30 June 2020 is still occurring as part of finalising end of financial year which will change the end of year surplus for 2019-20 financial year.

Explanation of Material Variances

In accordance with regulation 34(5) of the Local Government (Financial Management) Regulations 1996 and AASB 1031 Materiality, Council adopted the level to be used in statements of financial activity in 2020-2021 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 from the year to date budget materially. The following is an explanation of significant operating and capital variances as identified in the Rate Setting Statement by Nature and Type:

<i>Description</i>	<i>Variance Amount</i>	<i>Comment</i>
Operating Grants, Subsidies and Contributions	(175,791)	(13%)
Major Variances:		
Maintain roads	(97,835)	MRWA road maintenance grant expected to be received in November. Budget phasing will be adjusted to reflect revised timing.
Monitor city insurances (excluding workers compensation)	(77,304)	2nd instalment credit anticipated to be received in October. Budget phasing will be adjusted to reflect revised timing.
Fees and Charges	1,748,174	50%
Major Variances:		
Operate on street paid parking	351,977	Revenue ahead of budget, recovery from Covid-19 earlier than expected. Annual budget to be reviewed at budget review.
Operate car park 11 Esplanade Fremantle	49,845	
Operate car park cappuccino strip	45,789	
Operate car park 31 Fishing Boat Harbour Fremantle	26,323	
Issue parking infringements	257,554	
Operate Fremantle leisure centre health club	103,249	Invoicing for rent continues to occur and is reviewed against the Commercial Tenancies (COVID-19 Response) Act 2020 for the provision of rent relief. Budget phasing assumed minimal income for these tenants resulting in a variance.
Provide arts centre education services	84,904	
Lease Union Store 41-47 High Street Fremantle - Tenant Recoverable	78,370	
Lease Evan Davies Building 13 South Terrace Fremantle – Tenant Recoverable	163,682	
Lease Investment Trust Old Fire Station 20 Phillimore Street	33,333	
Lease Port Beach Restaurant 42 Port Beach Road North Fremantle	33,304	Higher than anticipated income YTD. Increased number of applications due to Australian Government HomeBuilder grant.
Statutory Planning services	36,786	
Issue parking permits	28,408	Revenue from parking permits in surplus. Permits issued for bay closures for exploratory works in relation to the water pipes project.

Reimbursement Income	(154,934)	(73%)	
Major Variances:			
Operate Fremantle library	(145,000)	Contribution yet to be received from East Fremantle.	
Materials and Contracts	1,262,251	31%	
Major Variances:			
Collect waste - domestic	167,137	Delay in receiving invoices from supplier.	
Collect & dispose waste - commercial	93,320		
Maintain & operate public toilets	50,763		
Dispose of MSW at Regional Resource Recovery Centre (RRRC)	63,630		
Refer unpaid fines to fines enforcement	73,665	FER lodgement fee was paid in October.	
Maintain trees - road reserves and carparks	50,518	Year to date programmed maintenance invoicing lower than phased. Budget variance to be utilised throughout the year.	
Maintain natural areas	31,507		
Maintain footpaths	37,373	Commitments for maintenance have been raised and maintenance will increase during second quarter. The tender for Delivery Contract is due to close at the end of October.	
Maintain Road Drainage	28,727	Commitments for maintenance have been raised and maintenance will increase during second quarter.	
Operate car park 31 Fishing Boat Harbour Fremantle	29,017	Lease fee based on percentage of revenue. No variance expected at year end.	
Operate car park 19 Roundhouse Fremantle	27,500	2nd quarter payment to be processed in October (budgeted in September)	
Other Expenditure	250,081	45%	
Major Variances:			
Contribute to the operations of Regional Resource Recovery Centre	178,600	Invoices to be processed in October.	
Support men's shed	30,000		
Purchase Community Land and Buildings	(2,611,248)	130%	
Major Variances:			
P-10297 Construct-Walyalup Civic Centre and Library (KS)	(2,811,677)	Schedule under review due to impact of COVID-19 on project. Budget phasing will be adjusted to reflect revised project schedule.	
Purchase Infrastructure - Parks	675,883	93%	
Major Variances:			
P-11680 Design and construct-Kings Square Playspace	666,617	Project delayed. The playspace construction is in the procurement phase and is scheduled to commence in November/December 2020. Budget to be utilised. Budget phasing will be adjusted to reflect revised project timeframes.	
P-11859 Program-Parks-Irrigation	43,000	Project is under construction with minor delay due to water flow issues.	
Transfer from Reserves (Restricted) - Capital	2,508,527	126%	
Major Variances:			
P-10297 Construct-Walyalup Civic Centre and Library (KS)	2,811,677	Schedule under review due to impact of COVID-19 on project. Budget phasing will be adjusted to reflect revised project schedule.	

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required

COUNCIL DECISION ITEM C2010-2 **(Officer recommendation)**

Moved: Mayor, Brad Pettitt

Seconded: Cr Geoff Graham

Council receive the City of Fremantle Monthly Financial Report 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 September 2020.

Carried: 11/1

For

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

Against

Cr Marija Vujcic,

13. Motions of which previous notice has been given

Nil

14. Urgent business

Nil

15. Late items

Nil

16. Confidential business

COUNCIL DECISION

Moved: Mayor, Brad Pettitt

Seconded: Cr Andrew Sullivan

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

Carried: 12/0

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

At 8.27 the Presiding Member asked that all members of the public and employees except the Director People and Culture leave the meeting.

C2010-5 CEO PERFORMANCE REVIEW COMMITTEE REPORT

Meeting date:	28 October 2020
Responsible officer:	Director People and Culture
Decision making authority:	Council
Agenda attachments:	1. Minutes of the CEO Performance Review Committee meeting 7 October 2020. 2. Assessing CEO Performance
Additional information:	Nil

REASON FOR CONFIDENTIALITY

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

- (a) a matter affecting an employee or employees

COUNCIL DECISION ITEM C2010-5

Moved: Mayor, Brad Pettitt

Seconded: Cr Hannah Fitzhardinge

Council:

- 1. Receive the Minutes of the CEO Performance Review Committee meeting held on 7 October 2020, inclusive of the 19/20 KPI assessment.**
- 2. Adopt the recommended 20/21 Key Performance Outcomes and timelines as outlined in the CEO Performance Review Committee Minutes dated 7 October 2020, and provided in Attachment 2.**
- 3. Request the appointment of an independent 3rd party to develop and facilitate the CEO performance review process for the year beginning July 1, 2021.**
- 4. The minutes of all CEO performance review committee meetings are to be reported to the subsequent ordinary meeting of Council as an information item.**

Carried: 12/0

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

COUNCIL DECISION

Moved: Mayor, Brad Pettitt

Seconded: Cr Andrew Sullivan

That the meeting come out from behind closed doors.

Carried: 12/0

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

17. Closure

The Presiding Member declared the meeting closed at 8.40 pm.