



CITY of PERTH

Lord Mayor and Councillors,

NOTICE IS HEREBY GIVEN that the next Ordinary Meeting of the Council of the City of Perth will be held in the Council Chamber, Level 9, Council House, 27 St Georges Terrace, Perth on **Tuesday, 30 August 2016 at 6.00pm.**

Yours faithfully

MARTIN MILEHAM
CHIEF EXECUTIVE OFFICER

25 August 2016

VISION STATEMENT

Perth is renowned as an accessible city. It is alive with urban green networks that are safe and vibrant. As a global city, there is a diverse culture that attracts visitors. It provides city living at its best. Local and global businesses thrive here. Perth honours its past, while creating a sustainable future.



Council Chambers SEATING LAYOUT



Manager Governance
Mark Ridgwell



The Right Honourable
the Lord Mayor
Ms Lisa-M. Scaffidi



Chief
Executive Officer
Martin Mileham



Director Community and
Commercial Services
Rebecca Moore



Cr Judy McEvoy



**Cr Janet Davidson
OAM JP**



Personal Aide to
the Lord Mayor
Paul Anastas



Acting Director Planning
and Development
Erica Barrenger



Cr Reece Harley



Cr Jemma Green



Director Construction
and Maintenance
Paul Crosetta



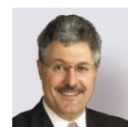
Manager
Development Approvals
Margaret Smith



Cr Keith Yong



Cr Lily Chen



Director
Corporate Services
Robert Mianich



Acting Director Economic
Development and Activation
Annaliese Battista



Deputy Lord Mayor
Cr James Limnios



Cr Jim Adamos



Governance Electoral
Officer - Minutes
Cathryn Clayton

Public Gallery

BUSINESS

1. Prayer
2. Declaration of Opening
3. Apologies
4. Question Time for the Public.
5. Members on Leave of Absence and Applications for Leave of Absence
6. Confirmation of Minutes:
Ordinary Council - 9 August 2016
7. Announcements by the Lord Mayor
8. Disclosure of Members' Interests
9. Questions by Members of which due notice has been given
10. Correspondence
11. Petitions
12. Matters for which the Meeting may be Closed

In accordance with Section 5.23(2) of the *Local Government Act 1995*, the meeting will be required to be closed to the public prior to discussion of the following:

Item No.	Item Title	Reason
Confidential Item 14	Compliance Audits – City of Perth and NSW/Victorian Transport Authority Agreements	s5.23(2)(f)(i)
Confidential Item 15	Class Action For the Recovery of GST	5.23(2)(d)

In accordance with Section 5.23(2) of the *Local Government Act 1995*, should an Elected Member wish to discuss the content of the confidential schedule/s listed below, it is recommended that Council resolve to close the meeting to the public prior to discussion of the following:

Schedule	Item No. and Title	Reason
Confidential Schedule 3	Item 3 – Matched Funding Business Grants – 2016/17 Program	s5.23(2)(e)(iii)
Confidential Schedule 11	Item 10 – Risk Management Update – August 2016	s5.23(2)(e)(iii)
Confidential Schedule 12	Item 11 – Internal Audit 2016/17 – Human Resources Review	s5.23(2)(a)

Schedule	Item No. and Title	Reason
Confidential Schedule 13	Item 13 – Tender 111-15/16 – Appointment of External Auditors	s5.23(2)(e)(iii)

13. Reports (refer to Index of Reports on the following pages)

14. Motions of which previous notice has been given

In accordance with Clause 4.12 of the City of Perth Standing Orders Local Law 2009 the following notices of motion have been received for consideration by Council:

The following notice of motion was received from Cr Green on 24th August 2016

Vacant buildings and buildings in a state of disrepair are growing issue within the City of Perth.

I move a motion that the administration undertake an audit to document all commercial buildings that are vacant or in a state of disrepair. I also move that, giving consideration to the local legal context, what other Australian cities are doing on this issue and what is being done in other parts of the world, the administration prepare a report which details what incentives and interventions to could be taken to encourage the occupancy of vacant buildings or their conversion to then become occupied.

The following notice of motion was received from Deputy Lord Mayor Limnios on 24th August 2016

That Council explore what air and land rights are available that the City of Perth controls for the creation of affordable housing and student accommodation with the intention of leading the way in its creation with the potential for the city to develop these projects.

15. Urgent Business

16. Closure

INFORMATION FOR THE PUBLIC ATTENDING COUNCIL MEETINGS

Welcome to this evening's Council meeting. This information is provided on matters which may affect members of the public. If you have any queries on procedural matters please contact a member of the City's staff in attendance tonight.

Question Time for the Public

- An opportunity is available at Council meetings for members of the public to ask a question about any issue relating to the City. This time is available only for asking questions and not for making statements. Complex questions requiring research should be submitted as early as possible in order to allow the City sufficient time to prepare a response.
- The Presiding Person may nominate a Member or officer to answer the question and may also determine that any complex question requiring research be answered in writing. No debate or discussion is allowed to take place on any question or answer.
- To ask a question please write it on the white Question Sheet provided at the entrance to the Council Chamber and hand it to a staff member before the meeting begins. Alternatively questions can be forwarded to the City of Perth prior to 3.00pm on the day of the meeting, by:-
 - Letter: Addressed to GPO Box C120, Perth, 6839;
 - Email: governance@cityofperth.wa.gov.au.
- Question Sheets are also available on the City's web site: www.perth.wa.gov.au.

Disclaimer

Members of the public should note that in any discussion regarding any planning or other application that any statement or intimation of approval made by any Member or officer of the City during the course of any meeting is not intended to be and is not to be taken as notice of approval from the City. No action should be taken on any item discussed at a Council meeting prior to written advice on the resolution of the Council being received.

Any plans or documents contained in this agenda may be subject to copyright law provisions (*Copyright Act 1968*, as amended) and the express permission of the copyright owner(s) should be sought prior to their reproduction.

EMERGENCY GUIDE

Council House, 27 St Georges Terrace, Perth



CITY of PERTH

The City of Perth values the health and safety of its employees, tenants, contractors and visitors. The guide is designed for all occupants to be aware of the emergency procedures in place to help make an evacuation of the building safe and easy.

BUILDING ALARMS

Alert Alarm and Evacuation Alarm.

ALERT ALARM

beep beep beep

All Wardens to respond.

Other staff and visitors should remain where they are.



EVACUATION ALARM/PROCEDURES

whoop whoop whoop

On hearing the Evacuation Alarm or on being instructed to evacuate:

1. Move to the floor assembly area as directed by your Warden.
2. People with impaired mobility (those who cannot use the stairs unaided) should report to the Floor Warden who will arrange for their safe evacuation.
3. When instructed to evacuate leave by the emergency exits. **Do not use the lifts.**
4. Remain calm. Move quietly and calmly to the assembly area in **Stirling Gardens** as shown on the map below. Visitors must remain in the company of City of Perth staff members at all times.
5. After hours, evacuate by the nearest emergency exit. **Do not use the lifts.**

EVACUATION ASSEMBLY AREA



A Assembly Area

AA Alternate Assembly Area

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PLANNING COMMITTEE REPORTS

ITEM NO: 1

58 (LOT 5) THOMAS STREET, WEST PERTH – PROPOSED DEMOLITION OF ALL BUILDINGS AND STRUCTURES

**PLANNING COMMITTEE
RECOMMENDATION:**

**(APPROVAL AND ADVICE TO
WESTERN AUSTRALIAN
PLANNING COMMISSION)**

That:

- 1. in accordance with the provisions of the City Planning Scheme No. 2, the Council APPROVES BY AN ABSOLUTE MAJORITY the application for the demolition of all buildings and structures at 58 (Lot 5) Thomas Street, West Perth as indicated on the Metropolitan Region Scheme Form One dated 1 February 2016 and as shown on the plans received on 8 March 2016, subject to:***

1.1 the site being:

- a. stabilised and maintained dust free; and***
- b. landscaped and secured with appropriate perimeter bollards or permeable fencing with consideration for providing public access and amenity;***

to the City of Perth's satisfaction within 60 days of the completion of the demolition of the buildings on-site, with details of the above aesthetic treatment and security measures to prevent unauthorised vehicle access being submitted to the City of Perth for approval prior to being installed and maintained thereafter by the landowner;

(Cont'd)

- 1.2 an archive and photographic record of the building proposed to be demolished being submitted to the City of Perth within 60 days of the completion of the demolition of the building on-site, with the record being prepared in accordance with the State Heritage Office's 'Guide to Preparing an Archival Record', to the City's satisfaction;**
- 1.3 all stormwater being contained on-site;**
- 1.4 no vehicle parking being permitted on the site;**
- 2. as the site partially falls within an other Regional Roads reservation under the Metropolitan Region Scheme, the Western Australian Planning Commission be advised that Council supports the application for demolition subject to the above conditions and requirements; and**
- 3. the City seek clarification from the State Government regarding the intended timing for undertaking the road widening of Thomas Street.**

BACKGROUND:

SUBURB/LOCATION:	58 Thomas Street, West Perth
FILE REFERENCE:	DA2016/5013
REPORTING UNIT:	Development Approvals
RESPONSIBLE DIRECTORATE:	Planning and Development
DATE:	10 August 2016
MAP / SCHEDULE:	Schedule 1 – Map and Photos for 58 Thomas Street, West Perth
LANDOWNER:	Western Australian Planning Commission
APPLICANT:	Department of Planning
ZONING:	(MRS Zone) Urban, Other Regional Roads (City Planning Scheme Precinct) West Perth (P10) (City Planning Scheme Use Area) Office/Residential
APPROXIMATE COST:	\$30,000

At the Planning Committee meeting held on 23 August 2016 the Officer Recommendation was amended as follows:

- 1.1 the site being:
 - a. stabilised and maintained dust free; and

- b. landscaped and secured with appropriate perimeter bollards or permeable fencing with consideration for providing public access and amenity; or
- ~~c. aesthetically fenced or screened;~~

to the City of Perth's satisfaction within 60 days of the completion of the demolition of the buildings on-site, with details of the above aesthetic treatment and security measures to prevent unauthorised vehicle access being submitted to the City of Perth for approval prior to being installed and maintained thereafter by the landowner;

and

3. the City seek clarification from the State Government regarding the intended timing for undertaking the road widening of Thomas Street.

Reason: The Planning Committee considered it appropriate to amend part 1.1 in order to provide public access and amenity. The Planning Committee considered it appropriate to include a new part 3 in order to clarify the State Government's timing for the road widening of Thomas Street.

SITE HISTORY:

The site is located on the eastern side of Thomas Street and currently contains a single storey building that is entered into the City of Perth's Heritage List. The building was constructed in 1922 and was originally used for residential purposes before being adapted for use as a commercial premise. It has been disused / vacant for approximately the last 15 years. The building on site was unfortunately subject to fire damage which occurred on 1 June 2016, understood to have been caused by unlawful occupants.

DETAILS:

The application proposes the demolition and clearing of all structures on the subject site to provide for future widening of Thomas Street. Whilst there is no timeframe for future widening works, the demolition is proposed due to the poor condition of the existing structures on site as well as the danger posed due to fire damage to persons illegally accessing the site. It is proposed to leave the land vacant until required for its reserved purpose. Following demolition, it is proposed to install bollards on the property boundaries to discourage illegal vehicle parking on the vacant site.

LEGISLATION / POLICY:

Legislation *Planning and Development Act 2005*
City Planning Scheme No. 2

Policy
Policy No and Name: 4.10 – Heritage

COMPLIANCE WITH PLANNING SCHEME:

Development Requirements

In considering an application for or involving demolition, Council is to have regard to the matters listed in Clause 43(4) and specifically, Clause 48 'Determination of Application for Demolition' of City Planning Scheme No. 2 (CPS2) which states that Council :

- “(a) may defer consideration of the application until -*
- (i) it has granted planning approval for subsequent development of the relevant site;*
 - (ii) it has issued a building licence for that development; and*
 - (iii) it is satisfied that the subsequent development will commence;*
- (b) may approve the application, subject to conditions including -*
- (i) the retention, maintenance, reinstatement or repositioning of any part of the existing building or structure;*
 - (ii) the screening of the site during redevelopment; and*
 - (iii) where the development that has been approved has not been substantially commenced for a total period of more than 6 months, the landscaping of or other treatment of the site to the satisfaction of the Council; or*
- (c) may refuse the application.”*

COMMENTS:

Development Standards

The purpose of Clause 48 of the CPS2 is to avoid situations where buildings are demolished and sites are then left vacant for extended periods, detracting from streetscapes and impacting on local amenity and city vitality. Generally Council has discouraged or refused to approve applications for demolition unless there is a degree of certainty in regard to the timely redevelopment of the site.

Safety and Security

On 25 July 2016, the applicants submitted a property report which was prepared following a fire within the building which occurred approximately one to two weeks earlier. The report stated:

“Challenges faced in the rebuild is the extremely delicate safety issues with much of the building ready to collapse, render/plaster on brick work is too badly heat damaged and would need stripping, many of the wall masonry mortar is heat

damaged, brittle, loose and many walls and the chimney would need to be re-laid brick by brick.

It terms of safety, it would be recommended to carry out immediate demolition due to the high safety risks the building poses – even though a “make safe” has been carried out, site has been fenced, bunted and signage installed – The site is still subject to vagrants jumping the fence and it would take very little wind to complete the collapse of the roof, and trespassers within the building are likely to cause further damage, or further collapse of the building.”

City of Perth Officers have attended the site and concur with the above report findings.

Heritage

The site is listed on the CPS2 Heritage List. City of Perth Officers were originally opposed to any demolition works occurring on site on the basis of the heritage listing and a lack of details regarding proper maintenance arrangements. It was considered that the poor condition of the site was not adequate justification for demolition given at the time of listing in 2008, the site was listed as being in good condition. However, since the occurrence of fire on the site, City of Perth Officers consider that demolition can be considered in accordance with dot point 4 of Section 6.1 of the City's Heritage Policy (4.10) which states:

- *“Where there is significant structural damage to a heritage building, demolition may be approved if there is no practical alternative. Such approval will require the recording for archive of remaining fabric.”*

In accordance with the above, it is recommended that any approval be conditioned to require the submission of a detailed archival record of the place including a thorough history and physical description and supported by historical photographs.

The applicant provided comments from the Heritage Council of Western Australia (HCWA) dated 31 December 2009 who considered the heritage significance of the site under the Government Heritage Property Disposal Process. The HCWA determined that while the place may have some cultural heritage significance, it was unlikely that it would meet the threshold for entry on the State Register of Heritage Places.

Road Widening

It is noted that the existing building is effectively ‘split’ by a Metropolitan Region Scheme (MRS) Other Regional Roads (ORR) reservation which occupies the front third of the site. The reservation was placed on the site to cater for the future widening of Thomas Street. Whilst the commencement of road widening works has not been confirmed, the ultimate retention of the building as part of any road widening would not be possible, despite the current Heritage List status, given the location of the building within the reservation area. Future demolition of the building is therefore considered an inevitable consequence of the ORR reservation.

The applicants have stated that following demolition, the site will be secured via bollards on the site perimeter. Noting the uncertainty over timing for the widening of Thomas Street, it is considered that a consistent approach to the treatment of vacant sites within the City is required. It is recommended therefore that any approval be subject to a condition requiring the site to be either landscaped and the perimeter secured with bollards or appropriate permeable fencing or alternatively the site to be secured with aesthetic (non-permeable) fencing/screening. The securing of the site will assist in preventing any unlawful vehicle access.

Conclusion

In recognition of the current safety and security issues associated with the site, it is recommended that the proposed demolition works be supported subject to appropriate conditions relating to the treatment of the site post demolition and submission of an archival record. Noting that part of the site falls within an Other Regional Roads reservation under the Metropolitan Region Scheme, it is recommended that the Western Australian Planning Commission be advised of the City's conditional support.

ITEM NO: 2

PROPOSED INTERIM HERITAGE REGISTRATION OF P25118 ELECTRICITY SUBSTATIONS IN PERTH IN THE STATE HERITAGE REGISTER

**PLANNING COMMITTEE
RECOMMENDATION:**

**(ADVICE TO THE STATE
HERITAGE OFFICE)**

That Council:

- 1. advises the State Heritage Office that it supports the Interim listing of the Electrical Substations in Perth referenced as P25118, in the Register of Heritage Places maintained under the Heritage of Western Australia Act, 1990 as outlined;***
- 2. in accordance with Part 3 Clause 8 of the Planning and Development (Local Planning Scheme) Regulations 2015, proposes to include 98 Colin Street West Perth (lot 8) in the City Planning Scheme No. 2 Heritage List and gives the affected owner and occupier a description of the place, the reasons for the proposed entry and 21 days to make a submission on the proposal;***
- 3. requests that the outcome of the above consultation in part 2 above be presented to the Council when it considers the proposal to declare the place to be of cultural heritage significance and worthy of conservation.***

BACKGROUND:

FILE REFERENCE:	P1023383-3
REPORTING UNIT:	Arts Culture and Heritage
RESPONSIBLE DIRECTORATE:	Economic Development and Activation
DATE:	3 August 2016
MAP / SCHEDULE:	Schedule 2 – State Heritage Office assessment

The Committee recommendation to the Council for this report was resolved by the Planning Committee at its meeting held on 23 August 2016.

The Committee recommendation to the Council is the same as that recommended by the Officers.

The State Heritage Office (SHO) has written to the City seeking its comments on the proposed interim registration on the State Heritage Register of four electrical substations, three within the City of Perth and one within the City of Vincent.

The Heritage Council has resolved that the subject properties are of cultural heritage significance in terms of the *Heritage of Western Australia Act 1990*, and is seeking a written submission from the City on this proposal given that three of the subject properties fall within the City's boundaries. A copy of the assessment and the location of the buildings have been included in Schedule 2.

At its meeting held on **1 September 2015**, Council resolved that all nominations for properties to be included in the Heritage Council's Register of Heritage Places on an interim level are to be referred to the Council for consideration.

The SHO has also invited Council to nominate a person to attend the meeting at which interim entry on the State Heritage Register will be considered. At its meeting held on **22 October 2015**, Council resolved that Cr Reece Harley be the nominated representative at all Heritage Council Register Committee meetings.

LEGISLATION / STRATEGIC PLAN / POLICY:

Legislation

City Planning Scheme No. 2.

Integrated Planning and Reporting Framework Implications

Corporate Business Plan

S9 Promote and facilitate CBD living.
9.2 Review the City's approach to Conservation of
Heritage Places.

Policy

Council Policy

6.3 – State Register of Heritage Places

DETAILS:

The four electricity substations are two-storey red brick buildings with stucco detailing, in the Federation Warehouse style. As a group they have cultural heritage significance for the following reasons:

- They are a rare example of a complete set of early twentieth century substations relating to the initial development of an electricity network;
- They were constructed by the City of Perth Council to operate as the main line substations in conjunction with the State Government's East Perth Power Station (1916), the first centralised electricity supply in Perth;
- They have high scientific value for the ability to contribute to the understanding of the development of power delivery to the metropolitan region of Perth;
- They are good examples of utilitarian structures designed to fit within the city streetscape which is an approach that is no longer practiced;

- Construction, installation and supervision of the plants were by international company, Merz & McLellan, which advised the City of Perth regarding electricity production. Significantly, Merz & McLellan were influential in the decision to centralise generation and to switch from direct to alternating current; and
- They were designed by prominent Western Australian Architect Jack Learmonth.

The assessment documentation provided by the SHO identified that the places have a number of unique values. These values are outlined below and detailed in Schedule 2:

- Aesthetic;
- Historic;
- Scientific; and
- Social value.

In addition, the group is considered to be a rare example of a complete set of early twentieth century electricity substations, particularly as the main station they were built to support, the East Perth Power Station, also remains.

The table below highlights the current listing status of the three places within the City of Perth.

Property Address	Database	Municipal Heritage Inventory	Scheme List	State Register
Lt 920 Wellington St Perth	Yes	Yes	Yes	Assessment program
Lt 351 Murray St Perth	Yes	Yes	Yes	Yes
98 Colin St (lot 8) West Perth	Yes	No	No	Assessment program
Lt 1 Stuart St City of Vincent		Yes		Assessment program

The heritage registration of these properties and the resultant consultation with owners is a SHO process. The City is not aware if the owners of the buildings support State Heritage Registration.

FINANCIAL IMPLICATIONS:

The owners of 98 Colin Street (lot 8) West Perth would be eligible to apply for rate concession (approximately \$790 per annum based on 2016 assessment) and heritage grants if the property is listed in the City Planning Scheme.

COMMENTS:

The three electrical substations identified within the City of Perth were included in the draft data base prepared for the Municipal Heritage Inventory in 2001.

In addition the electrical substation located at Lot 351 Murray St and 920 Wellington Street are already listed in the City Planning Scheme No. 2 (CPS2) Heritage List.

Based on the documentation presented by the SHO, it is demonstrated that the electrical substations meet the criteria for inclusion on the State Heritage Register.

If the places are registered onto the State Register then in accordance with Clause 30 (5)(c) of the CPS2, all the places will be declared as a place of Cultural Heritage Significance and included onto the City Planning Heritage List.

If the electrical substations are not included onto the State Register, it is recommended that the places meet the threshold for inclusion into the CPS2 as having local heritage significance. Therefore it is recommended that Council, in accordance with Part 3 Clause 8 of the *Planning and Development (Local Planning Scheme) Regulations 2015*, states its intention to declare the place as having cultural heritage significance.

In accordance with the Regulations, owners must be informed of a proposal to enter a property into the Scheme Register and be given 21 days to make a submission. Any submissions will then be presented to the Council for a final decision on the matter.

The SHO assessment documentation for the electricity substations demonstrates that the places have significance at a State level and the City of Perth supports their inclusion onto the interim heritage register.

ITEM NO: 3

MATCHED FUNDING BUSINESS GRANTS – 2016/17 PROGRAM

**PLANNING COMMITTEE
RECOMMENDATION:**

(APPROVAL)

That Council:

- 1. approves the awarding of five Matched Funding Business Grants totalling \$73,000 as follows:***
 - 1.1 \$20,000 to Myall Wellbeing to assist with the business fit-out at Suite 69, City West Centre, 102 Railway Parade, West Perth;***
 - 1.2 \$3,000 to Frank'd Hot Dogs to assist with improving alfresco shop front activation at 2/49 Lake Street, Northbridge;***
 - 1.3 \$20,000 to Grand Lane Fish House (name TBC) to assist with business fit-out, including compliance with building code and access requirements for a new restaurant business fronting Grand Lane at 135 Barrack Street, Perth;***
 - 1.4 \$20,000 to Poppo Korean & Japanese Restaurant to assist with building renovations (customer toilet relocation and widening of back entrance fronting laneway) to accommodate alfresco dining expansion into Grand Lane at 137 Barrack Street, Perth;***
 - 1.5 \$10,000 to What the Bao! to assist with the business fit-out at 7A Shafto Lane, Perth;***
- 2. defers the consideration of part 1.6 of the Officer Recommendation (\$10,000 to Babooshka Bar) to enable Officers to conduct further assessment regarding the application;***
- 3. declines the awarding of Matched Funding Business Grants to the following on the basis that the applications were not eligible in accordance with Policy 6.19 – Matched Funding Grants:***

(Cont'd)

- 3.1 Applicant 7 to assist with liquor licencing and building compliance requirements (emergency exit and ablution facilities) at Basement, 69 King Street, Perth (application for \$20,000);**
- 3.2 Training Alliance Group to assist with the building fit-out and infrastructure set up of a business relocation at Level 1, 14 Ventnor Avenue, West Perth (application for \$20,000); and**
- 3.3 Urban Launchpad to assist with various business start-up costs (platform development, Research, plant/equipment and legal) (application for \$20,000).**

BACKGROUND:

FILE REFERENCE: P1032887
REPORTING UNIT: Economic Development
RESPONSIBLE DIRECTORATE: Economic Development & Activation
DATE: 8 August 2016
MAP / SCHEDULE: Confidential Schedule 3 – 2016/17 Applications Assessment Summary (distributed to Elected Members under separate cover)

At the Planning Committee meeting held on 23 August 2016 the Committee agreed to amend the Officer Recommendation as follows:

OFFICER RECOMMENDATION:

That Council:

1. approves the awarding of five ~~six~~ Matched Funding Business Grants totalling \$73,000 ~~\$83,000~~ as follows:
 - 1.1 \$20,000 to Myall Wellbeing to assist with the business fit-out at Suite 69, City West Centre, 102 Railway Parade, West Perth;
 - 1.2 \$3,000 to Frank'd Hot Dogs to assist with improving alfresco shop front activation at 2/49 Lake Street, Northbridge;
 - 1.3 \$20,000 to Grand Lane Fish House (name TBC) to assist with business fit-out, including compliance with building code and access requirements for a new restaurant business fronting Grand Lane at 135 Barrack Street, Perth;
 - 1.4 \$20,000 to Poppo Korean & Japanese Restaurant to assist with building renovations (customer toilet relocation and widening of back entrance

fronting laneway) to accommodate alfresco dining expansion into Grand Lane at 137 Barrack Street, Perth;

1.5 \$10,000 to What the Bao! to assist with the business fit-out at 7A Shafto Lane, Perth;

~~1.6 \$10,000 to Babooshka Bar to assist with minor works and safety, amenity and security improvements to existing alfresco and undercover area at 189 William Street, Perth;~~

2. defers the consideration of part 1.6 of the Officer Recommendation (\$10,000 to Babooshka Bar) to enable Officers to conduct further assessment regarding the application;

3. declines the awarding of Matched Funding Business Grants to the following on the basis that the applications were not eligible in accordance with Policy 6.19 – Matched Funding Grants:

3.1 Applicant 7 to assist with liquor licencing and building compliance requirements (emergency exit and ablution facilities) at Basement, 69 King Street, Perth (application for \$20,000);

3.2 Training Alliance Group to assist with the building fit-out and infrastructure set up of a business relocation at Level 1, 14 Ventnor Avenue, West Perth (application for \$20,000); and

3.3 Urban Launchpad to assist with various business start-up costs (platform development, research, plant/equipment and legal) (application for \$20,000).

Reason: The Planning Committee considered it appropriate that part 1.6 of the Officer Recommendation be further assessed against the requirements of Council Policy 6.19 – Matched Funding Business Grants.

The Matched Funding Business Grants program has seen the City of Perth establish strong relationships with local businesses dedicated to having an expanded presence in the City, while achieving shared objectives for the benefit of Perth generally.

Previous Funding Rounds

A total of \$596,701 in funding has been approved to City-based businesses since Council Policy 6.19 – Matched Funding Business Grants was adopted by Council in 2009.

At its meetings held on **1 September 2015** and **24 November 2015**, Council awarded Matched Funding Business Grants to ten projects with a total funding allocation of \$126,000 for the 2015/16 financial year.

Of the ten grants awarded, eight businesses undertook their projects and acquitted a total of \$84,272 in grant funding.

These include:

- Kafka Coffee for the establishment of a new café within the existing design studio at 3/62 Fitzgerald Street, Northbridge to service an under activated locality;
- Café Studio for a café fit-out and alfresco dining area at 138 Barrack Street, Perth;
- Eillo for a homeware store and espresso bar fit-out at 218A William Street, Northbridge;
- Makmal Capital to contribute towards the ground floor redevelopment project at 100 Murray Street, Perth for the single largest laneway activation in the history of the Forgotten Spaces Ten Year Strategy;
- My Place Bar and Restaurant for renovations to the alfresco dining area at 70 Pier Street, Perth;
- Henry Saw for the installation of a wall mural on the exterior of the café located in Grand Lane, Perth;
- Young Love Mess Hall for the refurbishment of the building's façade at 175 William Street, Northbridge; and
- Urban Bowl for improvements to their alfresco dining area at 55 St Georges Terrace, Perth.

LEGISLATION / STRATEGIC PLAN / POLICY:

Integrated Planning and Reporting Framework Implications

Strategic Community Plan

Council Four Year Priorities: Perth as a Capital City

S5 Increased place activation and use of under-utilised space

Policy

Policy No and Name: 6.19 – Matched Funding Business Grants

DETAILS:

2016/17 Funding Round

Promotion

The availability of the City's Matched Funding Business Grants was promoted through the following promotional channels:

- The Guardian Express newspaper and on-line;
- The City's website under its 'Business' and 'News' section;
- The City's Facebook, Twitter and LinkedIn social media; and
- Direct liaison with business owners.

The program's social media activity reached 22,961 online audience members. Officers posted twice on LinkedIn, Twitter and Facebook during the three week application period. A breakdown of social media reach is provided below:

	LinkedIn	Twitter	Facebook
First Post	2,463	6,795	420
Second Post	7,931	4,606	746

Application Period and Assessment Panel

The City accepted applications during a three week period from Friday, 1 July 2016 to Friday, 22 July 2016.

A total of nine applications were received at close of application period. Three applications did not meet eligibility criteria and the remaining six applications were assessed against objectives of Council Policy 6.19 by an internal panel.

The internal panel consisted of the following Officers:

- Manager Economic Development;
- Manager Business Support and Sponsorship; and
- Economic Development Principal.

Summary of Recommendations

The below table provides a summary of applications and the panel's recommendations. A detailed summary of the assessments is provided in Confidential Schedule 3.

Applicant	Address	Project	Requested	Recommended
Myall Wellbeing Centre	102 Railway Parade, West Perth	Business fit-out	\$20,000	\$20,000
Frank'd Hot Dogs	2/49 Lake Street, Northbridge	Shop front activation and presence improvements	\$15,000 – \$20,000	\$3,000
Grand Lane Fish House (name TBA)	135 Barrack Street, Perth	Establishment of building compliance requirements and fit-out for a new restaurant business fronting Grand Lane	\$20,000	\$20,000
Poppo Korean & Japanese Restaurant	137 Barrack Street, Perth	Building renovations (customer toilet relocation and widening of back entrance fronting laneway) to accommodate future alfresco dining expansion into Grand Lane	\$15,000 – \$20,000	\$20,000

Applicant	Address	Project	Requested	Recommended
What the Bao!	7A Shafto Lane, Perth	Business fit-out	\$20,000	\$10,000
Babooshka Bar	189 William Street, Perth	Minor works and security improvements to existing alfresco and undercover area	\$15,000 – \$20,000	\$10,000
Applicant 7*	Basement, 69 King Street, Perth;	Compliance with liquor licencing and building code requirements (emergency exit and ablution facilities) for a proposed small bar	\$20,000	Ineligible
Training Alliance Group	Level 1, 14 Ventnor Avenue, West Perth	Building fit-out and infrastructure set up of a business relocation	\$20,000	Ineligible
Urban Launch Pad	N/A	Various business start-up costs (platform development, Research, plant/equipment and legal)	\$20,000	Ineligible

* Applicant 7 specifically requested that new business details remain confidential.

The total value of these business projects represents over \$686,617 of immediate direct investment that will contribute to the ongoing resilience and diversity of the City's economy.

FINANCIAL IMPLICATIONS:

ACCOUNT NO:	CL 93 972 000
BUDGET ITEM:	Business Support and Sponsorship – Donations and Sponsorship
BUDGET PAGE NUMBER:	85
BUDGETED AMOUNT:	\$185,000 (includes all Business Grant Programs)
AMOUNT SPENT TO DATE:	\$120,505
PROPOSED COST:	\$ 83,000
BALANCE:	\$ 64,495

All figures quoted in this report are exclusive of GST.

COMMENTS:

It is recommended that Council approve six applications, totalling \$83,000 (excluding GST) in Matched Funding Business Grants for the 2016/17 financial year.

The six applications recommended for approval align closely with the City's strategic goals and vision, and with the desired outcomes outlined in Policy – 6.19 Matched Funding Business Grants and the City's Economic Development Strategy 2010.

Subsequent to Council approval, Officers will liaise with the successful businesses to agree on payment schedules and timeframes that suit the needs of each business

project and minimise the City of Perth's financial risk. All grant and matched funding must be spent and claimed by 30 June 2017, and each business must provide evidence of spends and before and after photographs of the project undertaken using grant funding, along with a short testimonial that will be used for promotional purposes.

MARKETING, SPONSORSHIP AND INTERNATIONAL ENGAGEMENT COMMITTEE REPORTS

ITEM NO: 4

CORPORATE SPONSORSHIP – WEST TECH FEST 2016

**MARKETING, SPONSORSHIP (APPROVAL)
AND INTERNATIONAL
ENGAGEMENT COMMITTEE
RECOMMENDATION:**

That Council:

- 1. approves cash Corporate Sponsorship of \$20,000 (excluding GST) to 32 Degrees South Group to present West Tech Fest 2016, including the 2016 OzApp Awards and associated events, from Monday, 5 December to Friday, 9 December 2016;***
- 2. approves additional in-kind sponsorship, up to the value of \$15,500 (excluding GST) being for:***
 - 2.1 waiver of hire fees associated with three days use of the Perth Town Hall;***
 - 2.2 a City of Perth hosted reception for the OzApp Awards closing event and awards ceremony;***
- 3. notes that the event organisers will provide the following sponsorship benefits to the City of Perth:***
 - 3.1 recognition as Premium Sponsor in promotions and advertising relating to West Tech Fest events including but not limited to posters, flyers, banners, event programs and OzApp Awards promotional material;***
 - 3.2 recognition as Premium Sponsor in electronic promotions and advertising relating to West Tech Fest events;***

(Cont'd)

- 3.3** *co-branded signage to feature at the OzApp Awards venue;*
- 3.4** *inclusion of the City of Perth crest and active weblink on the sponsor page of West Tech Fest website;*
- 3.5** *inclusion of the City of Perth crest on the banner and footer of the OzApp Awards homepage;*
- 3.6** *display of the City of Perth crest on display screens at West Tech Fest events;*
- 3.7** *one full page advertisement featured in OzApp Awards Program;*
- 3.8** *opportunity to display up to five City of Perth pull-up banners at event venues;*
- 3.9** *City of Perth crest featured in post-event footage and presentations;*
- 3.10** *naming rights to a West Tech Fest panel discussion and social event or networking lunch;*
- 3.11** *opportunity for the Lord Mayor to open an official West Tech Fest event;*
- 3.12** *verbal recognition of the City of Perth support and of Elected Member attendance at West Tech Fest events;*
- 3.13** *opportunity to distribute City of Perth collateral at West Tech Fest events;*
- 3.14** *provision of reports, data and associated information to the City of Perth for research purposes;*
- 3.15** *opportunity for two City of Perth representatives (either Elected Members or Officers) to participate as part of the first round judging panel for the OzApp Awards;*

(Cont'd)

- 3.16 opportunity for an appropriately qualified City of Perth representative to participate in the final OzApp Awards Judging Panel;**
- 3.17 exhibition space at the West Tech Fest to promote the City of Perth and its related services;**
- 4. a detailed acquittal report, including all media coverage obtained, by 28 February 2017.**

BACKGROUND:

FILE REFERENCE:	P1033034
REPORTING UNIT:	Business Support and Sponsorship Unit
RESPONSIBLE DIRECTORATE:	Economic Development and Activation Directorate
DATE:	15 July 2016
MAP / SCHEDULE:	N/A

The Committee recommendation to the Council for this report was resolved by the Marketing, Sponsorship and International Engagement Committee at its meeting held on 16 August 2016.

The Committee recommendation to the Council is the same as that recommended by the Officers.

Commencing in 2011, West Tech Fest is a conference series attracting approximately 350 participants. The five day program combines entrepreneurship, investment and technology with high level networking events bringing together business, education and community.

West Tech Fest delivers approximately ten events over the duration of the program including the OzApp Awards judging, Tech Board, Blue Chilli Hackathon, Springboard, a female founders event and a student event expected to attract over 20 schools, planned in conjunction with Just Startit, CCI, Landgate and Datacom.

The OzApp Awards provide a forum for mobile, web and cloud startups from across the Asia Pacific region to present their ideas to, and network with, investors and entrepreneurs from organisations such as Samsung, Google, Twitter and Facebook.

Initiated by Curtin University and Bill Tai (leading venture capitalist and regular startup investor in Australia), the OzApp Awards app competition aims to foster dialogue and collaboration between innovators, researchers, investors and industry, and to further stimulate innovative business culture around Australia. The potential impact of the disruptive digital and internet technologies on WA's economy could be substantial as a percentage of Gross State Product in future years.

The OzApp Awards have been held in Perth for four years and are open to all residents of the Asia Pacific region, both individuals and companies.

West Tech Fest and OzApp Awards are presented by Fremantle based communications and public relations company 32 Degrees South Group Pty Ltd. 32 Degrees South Group Innovation Director and Co-Founder Paula Taylor is Executive Producer of OzApp Awards and West Tech Fest and has successfully built and delivered the event over the last four years.

Summary of Event:

The West Tech Fest will run for five days from Monday, 5 December until Friday, 9 December 2016. Events will be held in venues around the city including several at the Perth Town Hall.

The festival program will feature inspiring keynote speakers, interactive workshops, networking events, mentoring sessions, educational workshops and community events.

The OzApp Awards are open to all residents (individual or businesses) of the Asia Pacific region. Applicants to the competition are judged on what their app offers the market, the need for the product and its revenue potential.

Finalists pitch their app concept to OzApp Awards' audience and an international judging panel. Winners are awarded cash, in-kind resources and mentoring advice to build and launch their apps.

The final judging will be held in Perth, Western Australia as part of West Tech Fest. The top five finalists of the OzApp Awards will be invited to pitch to leading venture capitalists, tech judges and industry experts from across the globe in Perth as part of the festival.

Past Support

The City of Perth has sponsored the West Tech Fest/OzApp Awards since 2014. Sponsorship amounts are listed in the table below.

Financial Year	Sponsored Component	Cash Sponsorship	In-Kind Sponsorship
2014/15	OzApp Awards	\$10,000	
2015/16	West Tech Fest & OzApp Awards	\$29,000	\$7,000
2016/17 requested	West Tech Fest & OzApp Awards	\$20,000	\$30,000
2016/17 recommended	West Tech Fest & OzApp Awards	\$20,000	Up to \$15,500

An acquittal report for the 2015 event has been received by the City of Perth and is available on the Elected Member Portal (TRIM 8033/16). Key highlights from the acquittal report include:

- Approximately 350 attendees at the OzApp awards and further attendances at other events held as part of the 2015 West Tech Fest;
- Speakers included five international guests including Ambassador of the United States of America, John Berry;
- Website attracted 121,963 page views from 7 July 2015 to 31 December 2015; and
- OzApp awards received 202 entries from five countries in South East Asia including 183 Australian entrants, of which 71 were Western Australian.

The acquittal report is considered to demonstrate a satisfactory acquittal of the City of Perth's previous funding.

Success Stories

Anvitha Vijay, a nine year old student from Melbourne, attended the February 2015 West Tech Fest and won a Commendation Prize in the OzApp Awards. She had created an app that helps teach children about different species of animals. In early 2016, Anvitha was specifically invited to attend Apple's Worldwide Developer Conference and received a shout out from Apple CEO Tim Cook as representing the future of app/software development.

Hamish Finlayson, an 11 year old student from Queensland, living with Autism Spectrum Disorder has created four different apps. Hamish was flown over from Queensland by the West Tech Fest organisers to participate in the December 2015 West Tech Fest program. Hamish was awarded with a special encouragement award from US Ambassador John Berry and later went to the US through an invitation to attend President Obama's Global Entrepreneurship Summit (GES) which was held in Silicon Valley.

LEGISLATION / STRATEGIC PLAN / POLICY:

Integrated Planning and Reporting Framework Implications

Strategic Community Plan

Council Four Year Priorities: Perth as a Capital City
S6 Maintain a strong profile for Perth as a city that is attractive for investment

Policy

Policy No and Name: 18.8 – Provision of Sponsorship and Donations

DETAILS:

Eligibility for Sponsorship:

Criterion	Satisfied
Awards, presentations, acknowledgement for excellence in relevant professional fields	Yes
Support for activities which award endeavour in community service	Yes
Support for the activities of organisations or individual which provide positive positioning for the City of Perth	Yes

Markets/audiences who will be exposed to sponsorship information:

The festival audience is expected to comprise of creative industries professionals, aspiring entrepreneurs and venture capitalists in the Asia Pacific region, key local and international sponsors, local, national and Asia Pacific media, local universities including Curtin University, Murdoch University, Edith Cowan University and the University of Western Australia and investor, industry and government representatives.

Promotion of City of Perth to markets/audiences:

The City of Perth will be promoted to markets/audiences as per the recommendation section of this report.

Assessment of Application (Corporate):

1. The opportunity the sponsorship provides to enhance the image of the City of Perth.

The City of Perth's support for West Tech Fest will contribute to the growing recognition of Perth as a destination for pioneering the development of innovative technology.

The City of Perth will receive significant international exposure through promotion of the event in key markets such as Singapore, Hong Kong, South Korea and Taiwan.

In 2015, entrants from Australia, Indonesia, New Zealand, Singapore and Hong Kong were represented in the OzApp Awards, demonstrating the awards growing international profile and recognition of Perth as an attractive technology and innovation centre.

2. The value of the increased good will from markets/audiences exposed to the sponsorship by the City of Perth.

The City of Perth's role in supporting the development of Perth's growing creative industries sector and in attracting innovative businesses to the city will be promoted locally and internationally to key target groups. Technology based startups are recognised as integral to the development of a modern knowledge economy and sponsorship of this event will help to strengthen industry networks, inward investment and attract innovative industries to the city.

The City of Perth will benefit from the promotion of this event in international markets and networks and will also benefit from the media coverage of the event.

3. Contributes towards the achievement of one or more of the City of Perth's economic development objectives.

To position the City of Perth as a city of regional and international significance

- Interstate and international markets will have access to marketing material and media for this event;
- The City of Perth will be recognised as a supporter of innovation, entrepreneurship and startups;
- The event will enhance Perth's growing reputation as a developing knowledge industries hub of global significance; and
- The City of Perth will be promoted as an attractive investment opportunity in the innovation and knowledge economy field.

To increase visitation to the City of Perth

- Over 2,000 (expected) attendees will visit Perth for the event, with interstate and international attendees totalling 500. These visitors are expected to stay in Perth an estimated five nights; and
- A future outcome of this project will be to encourage the creation or investment in innovative new businesses in the city that will in turn increase business visitation to the city and to assist in business occupation of vacant premises.

To increase economic investment in the city

- The West Tech Fest and OzApp Awards will connect Perth-based entrepreneurs with potential investors from around the world.

4. Benefits to be provided to the City of Perth

The benefits provided to the City of Perth are detailed in the recommendation section of this report.

FINANCIAL IMPLICATIONS:

ACCOUNT NO:	937930007901
BUDGET ITEM:	Recreation and Culture – Other Culture – Other Cultural Activities
BUDGET PAGE NUMBER:	
	BUDGET ITEM
BUDGETED AMOUNT:	\$198,000
AMOUNT SPENT TO DATE:	\$25,000
PROPOSED COST:	\$20,000
BALANCE:	\$153,000

All figures quoted in this report are exclusive of GST.

COMMENTS:

It is recommended that Council approves sponsorship of the West Tech Fest.

The objective of the City of Perth Policy 18.8 - Provision of Sponsorship and Donations is to exploit opportunities to enhance the corporate image of the City of Perth and generate goodwill from significant stakeholders.

Premier sponsorship of West Tech Fest will deliver positive outcomes for the City of Perth by demonstrating its firm commitment to supporting startups and entrepreneurial activity within the creative industries. Creative industries has been identified as a key service area of the City of Perth's Economic Development Unit and one to develop and support, specifically to encourage entrepreneurs, new ideas and innovative businesses and is a key sector that can address vacancy rates within the city.

The event aims to build Western Australia as a rival to the eastern states as a destination for pioneering the development of innovative technology, therefore contributing to Perth's growing reputation as a creative hub. The recent Startup Ecosystem Report 2015/16 co funded by the City of Perth noted the importance of this event recommending that the West Tech Fest should be supported to expand its scale and exposure for the local ecosystem under the aim of building a strong, supportive entrepreneurial "startup" culture.

Additionally, the City of Perth will benefit from the inbound visitation associated with the event REMPLAN the City of Perth's economic impact modelling tool estimates that the event will contribute over \$900,000 to the local economy through the value of hotel accommodation and associated visitor expenditure. This equates to a return on investment of 1:25.

There is also resulting flow on economic benefit from supporting the local ecosystem in networking amongst potential capital funding pools and opportunities.

ITEM NO: 5

ARTS AND CULTURAL SPONSORSHIP 2016/17 – CIVIC PARTNERSHIP – WEST AUSTRALIAN OPERA

**MARKETING, SPONSORSHIP (APPROVAL)
AND INTERNATIONAL
ENGAGEMENT COMMITTEE
RECOMMENDATION:**

That Council:

- 1. approves cash Arts and Cultural Sponsorship – Civic Partnership, of \$160,000 (excluding GST) to the West Australian Opera;***
- 2. notes that West Australian Opera will provide the following event and sponsorship benefits to the City of Perth:***
 - 2.1 a free outdoor opera concert at Supreme Court Gardens on Saturday, 4 February 2017;***
 - 2.2 naming rights to the event to be cited as ‘West Australian Opera presents City of Perth’s Opera in the Park’;***
 - 2.3 inclusion of the City of Perth crest and acknowledgement as ‘Civic Partner’ on the sponsors page of all West Australian Opera programs for the 2017 Annual Season;***
 - 2.4 display of City of Perth banners (supplied by the City of Perth) at Supreme Court Gardens for the duration of the event;***
 - 2.5 inclusion of the City of Perth crest on all advertising print and promotional material related to ‘Opera in the Park’;***
 - 2.6 acknowledgement of the City of Perth in all electronic marketing and promotional material related to ‘Opera In The Park’;***

(Cont’d)

- 2.7** *inclusion of a City of Perth Television Commercial (provided by the City of Perth) or crest displayed on the screens prior to and post event;*
- 2.8** *dedicated full page acknowledgement of partnership in the 'Opera in the Park' programme;*
- 2.9** *invitation for the Lord Mayor, or representative, to speak and officially welcome the audience at the 'Opera in the Park' event;*
- 2.10** *opportunity for the Lord Mayor to contribute a foreword in the 'Opera in the Park' programme;*
- 2.11** *dedicated full page acknowledgement of sponsorship in West Australian Opera's annual season brochure (circulation 15,000);*
- 2.12** *two performances, at a time and place agreed by the City of Perth, featuring WA Opera Young Artist and accompanist at no charge to the City of Perth (New Benefit);*
- 2.13** *opportunity to use the Puccini Room on Level 3 at His Majesty's Theatre for City of Perth functions and events (New Benefit);*
- 3.** *notes that on completion of the project West Australian Opera is required to provide to the City of Perth:*
 - 3.1** *an event acquittal report within three months of project completion;*
 - 3.2** *an audited financial report of West Australian Opera at the end of the relevant financial year.*

BACKGROUND:

FILE REFERENCE:	P1032432-03
RESPONSIBLE DIRECTORATE:	Economic Development & Activation
RESPONSIBLE UNIT:	Business Support and Sponsorship
DATE:	1 August 2016
MAP / SCHEDULE:	N/A

The Committee recommendation to the Council for this report was resolved by the Marketing, Sponsorship and International Engagement Committee at its meeting held on 16 August 2016.

The Committee recommendation to the Council is the same as that recommended by the Officers.

The West Australian Opera (WAO) has requested Arts and Cultural Sponsorship of \$175,000 (exc. GST) to support the presentation of *City of Perth's Opera in the Park* at Supreme Court Gardens on Saturday, 4 February 2017.

WAO is an incorporated not-for-profit association established in 1967. WAO is Western Australia's only full time, professional Opera Company. WAO is increasingly involved in the commissioning and development of new operatic repertoire.

WAO have identified their vision as:

We will enrich the cultural landscape by presenting high quality opera and be a source of pride for West Australians.

WAO's four key goals are:

1. Sustainability

As custodians of the art form we will present, sustain, develop and ensure the long-term viability of opera.

2. Community Engagement

We will engage and inspire West Australians, develop and retain audiences and ensure relevancy.

3. Artistic Vibrancy

We will present the standard repertoire and develop the art form while increasing artistic vibrancy.

4. Integrity

We will act with integrity and responsibility in all that we do and provide a safe and supportive environment within which each individual can produce their best work.

Past Support

The City of Perth has received naming rights to the event for the past eleven years cited as *West Australian Opera Presents City of Perth's Opera in the Park*.

Year	Sponsorship Amount	Supported Program
2005/06	\$40,000	<i>City of Perth's Opera in the Park</i>
2006/07	\$41,000	<i>City of Perth's Opera in the Park</i>
2007/08	\$80,000	<i>City of Perth's Opera in the Park</i>
2008/09	\$140,000	<i>City of Perth's Opera in the Park</i>
2009/10	\$142,800	<i>City of Perth's Opera in the Park</i>
2010/11	\$146,370	<i>City of Perth's Opera in the Park</i>
2011/12	\$150,176	<i>City of Perth's Opera in the Park</i>
2012/13	\$153,930	<i>City of Perth's Opera in the Park</i>
2013/14	\$157,778	<i>City of Perth's Opera in the Park</i>
2014/15	\$161,722	<i>City of Perth's Opera in the Park</i>
2015/16	\$155,000	<i>City of Perth's Opera in the Park</i>
<i>Requested 2016/17</i>	<i>\$175,000</i>	<i>City of Perth's Opera in the Park</i>
<i>Proposed 2016/17</i>	<i>\$160,000</i>	<i>City of Perth's Opera in the Park</i>

An acquittal report for the 2015/16 event has been received by the City of Perth and is available on the Elected Member Portal (TRIM 85016/16). The 2015 Annual Report with audited financial reports has been received. This information has been reviewed and demonstrates a satisfactory acquittal of the City's previous funding.

LEGISLATION / STRATEGIC PLAN / POLICY:

Integrated Planning and Reporting Framework Implications

Strategic Community Plan

Council Four Year Priorities: Healthy and Active in Perth
S15 – Reflect and celebrate the diversity of Perth

Policy

Policy No and Name: 18.1 – Arts and Culture
18.8 – Provision of Sponsorship and Donations

Eligibility:

Policy 18.1 establishes the principles for the City of Perth supporting Arts and Culture and these principles are used to determine the level of consistency with the program or event proposed for sponsorship funding.

Policy 18.8 establishes the criteria for the City's assessment of sponsorship applications requiring the applicant to demonstrate alignment with the policy's objectives and selection criteria as follows:

Category of Sponsorship: Major Partnership	
Applicant Eligibility Criteria	
<i>The applicant must:</i>	
Have formally identified arts and/or culture as its primary purpose.	Criteria Met
Be a formally constituted not for profit, benevolent or charitable organisation.	Criteria Met
Be an Australian legally constituted entity.	Criteria Met
Project Eligibility Criteria	
<i>The project must:</i>	
Provide a public outcome within the City of Perth boundaries.	Criteria met
Occur with the specified timeframe.	Criteria met
<i>The project must not be:</i>	
For profit or commercial purposes.	Criteria met
For fundraising.	Criteria met
An award ceremony or industry specific presentation.	Criteria met
Training, workshops, research or professional development.	Criteria met

DETAILS:

Project Summary

City of Perth's Opera in the Park is a free outdoor opera concert featuring the West Australian Opera Chorus, West Australian Symphony Orchestra, acclaimed Principal Artists, Conductor and Director and is intended to extend the experience of high quality opera to the people of Western Australia.

City of Perth's Opera in the Park has been presented since 1991 and is a highlight of Perth's cultural calendar. This annual performance is a highly anticipated event for residents and visitors to Perth. In recent years the event has been simulcast across the State to regional centres with additional funding from Lotterywest. These retransmission activities are also branded *City of Perth's Opera in the Park*, strengthening Perth's status as a Capital City and contributing towards making the art form accessible to thousands of Western Australians.

City of Perth's Opera in the Park offers a unique outdoor summer experience that contributes to the vibrancy of the City's public spaces. The event enriches the cultural landscape by presenting high quality opera in an accessible and entertaining format for all Western Australians.

In 2017, West Australian Opera (WAO) will celebrate its 50th anniversary. In recognition of this milestone WAO will deliver a landmark event by presenting an iconic *Opera in the Park* at Supreme Court Gardens. WAO will deliver a showcase event featuring innovative staging, pyrotechnics and a repertoire of much loved arias and chorus pieces.

WAO is recognised nationally for its high quality artistic program. *Opera in the Park* engages a wide audience of opera enthusiasts who regularly attend main stage productions, in addition to introducing new audiences to the art form. The event is suitable for all ages and is well attended by a diverse audience including families, young adults and seniors. WAO encourage patrons to arrive early and bring a picnic or access on-site catering. Supplementary family activities are offered to attract families to the event. WAO is currently negotiating with Channel 7 to secure children's' entertainer Fat Cat to the 2017 *Opera in the Park* event.

The company has provided information relating to its proposed program for the 2017 *Opera in the Park* event, however, the artistic program is currently embargoed until the official 2017 Annual Season Launch in October 2016. It is likely that WAO will deliver a showcase event, contributing to vibrancy in the City's public spaces.

Venue

Supreme Court Gardens

Times and Dates

Saturday, 4 February 2017

Ticket Prices

The event is free for the general public to attend.

ASSESSMENT:

The application was measured against the objectives and criteria outlined in the Arts and Cultural Sponsorship Guidelines and in accordance with Policy 18.1 – Arts and Culture and Policy 18.8 – Provision of Sponsorship and Donations.

The identified objective of an *Arts and Cultural Major/Civic Partnership* is to support arts and cultural activities that:

- Facilitate the dynamic celebration of the city through major arts and cultural festivals and activities;
- Enhance social well-being and encourage community;
- Provide support for the City's key arts and cultural organisations to provide high quality arts and cultural experiences; and
- Contribute to the economy of the city.

The project must demonstrate shared objectives as a Major Partner

In recent years *Opera in the Park* has consistently achieved full capacity attendances. Its popularity remains strong with many people choosing to return each year. Styled as a Gala Concert, the 2017 *Opera in the Park* is likely to be a celebration of artistic achievement and elevate the cultural standing of the City of Perth.

In 2017, WAO expects to attract 15,000 people to Supreme Court Gardens for the performance. 3,000 people are expected to view the performance via live simulcast throughout the State.

WAO is the State's flagship professional opera company and produces an annual season of main stage productions at His Majesty's Theatre, a regional program, an education program and auxiliary activities including concerts and community events. WAO's offices and a significant proportion of the company's annual program, including their largest event, *Opera in the Park*, is located within the City of Perth local government boundaries.

It is anticipated local businesses will benefit from increased patronage at restaurants and bars within close proximity to Supreme Court Gardens, particularly in Barrack Square and Elizabeth Quay and city train stations and bus ports. WAO works closely with the City of Perth to encourage city businesses to undertake mobile trading at the event. It is anticipated that there will be substantial use of the City's parking facilities on the evening of the event and patrons will be encouraged to use public transport services. Economic benefits to the City of Perth are expected to extend throughout the weekend as some audience members elect to book city based accommodation.

WAO employs approximately 200 part time staff to deliver the event and 15,000 people are expected to attend the event at Supreme Court Gardens. The City's economic impact tool, REMPLAN Economic Modelling and Planning System, indicates the minimum total economic benefit to the local economy is estimated to be \$2,306,000.

The project must be of high artistic quality/cultural relevance

WAO is Western Australia's only full-time, professional Opera Company. The company has a national reputation for delivering high quality productions. WAO has partnered with international opera companies and artists and is increasingly involved in the commissioning and development of new repertoire.

Opera in the Park is presented at a consistently high standard and will feature the West Australian Opera Chorus, West Australian Symphony Orchestra, acclaimed Principal Artists, Conductor and Director. An international Principal Baritone will be accompanied by other WAO principal singers, the WASO Chorus and Orchestra.

In 2016, approximately 20,000 people experienced *Opera in the Park* either in person or via a regional telecast.

The organisation must have an established relationship with the City of Perth and has demonstrated a high standard of service and program delivery

WAO is a not-for-profit association and has a professional management and creative team. Key personnel have many years of experience in managing large scale events.

WAO has successfully delivered this event since 1991. WAO annually conducts a review of the production to ensure that it continues to achieve a high presentation

standard. Big screens will be erected on site for access to subtitles and a better viewing experience.

As a gala event, specialist lighting and effects together with costume and props will complement the performance rather than elaborate sets which appear in the company's main stage productions.

WAO has submitted an audited annual report with its application for arts and cultural sponsorship and over many years as a partner to the City of Perth has delivered all projects, benefits, reporting and acquittal documentation to a satisfactory standard.

Applicants must demonstrate a financial contribution to the project derived from other sources

As a major sponsor of *Opera in the Park* and the regional broadcast, WAO have estimated Lotterywest's contribution to the 2017 *Opera in the Park* as approximately 29% of the total project cost, however, this funding is yet to be confirmed.

The City of Perth has been requested to provide \$175,000 cash (excluding GST) in arts and cultural sponsorship towards the event.

The recommended City of Perth contribution (\$160,000) represents approximately 20% of the cost of the project.

The event must be accessible to the public and a significant component of the supported program should be free or low cost.

Opera in the Park is a high profile cultural event that enhances social vibrancy by contributing to the increased availability of diverse art forms accessible for the residents and visitors of the city. As a free performance set against the backdrop of the Swan River and the Perth city skyline, this event highlights the natural and built landscape of the city, increasing recognition of the city as a Capital City and encouraging people of all ages and backgrounds to enjoy opera.

Acknowledgement

For \$160,000 (exc. GST) the applicant will be required to provide the benefits as outlined in items 2.1 to 2.13.

FINANCIAL IMPLICATIONS:

ACCOUNT NO:	9372 5000 7901
BUDGET ITEM:	Recreation and Culture – Other Culture – Donations and Sponsorship
BUDGET PAGE NUMBER:	TBA
	BUDGET ITEM
BUDGETED AMOUNT:	\$155,000
AMOUNT SPENT TO DATE:	\$0
PROPOSED COST:	\$155,000
BALANCE:	\$0

The \$5,000 (exc. GST) deficit from within the allocated budget item can be met from an alternative Business Support and Sponsorship Unit line item. All figures quoted in this report are exclusive of GST.

COMMENTS:

WAO has requested \$175,000 in arts and cultural sponsorship to support the event. The recommended sponsorship of \$160,000 represents a 3% increase from 2015/16, and is recommended in consideration of the increased production costs associated with a gala anniversary event.

In 2015/16 WAO paid \$12,145.30 in site fees to stage *Opera in the Park* at Langley Park. A refundable bond of \$5,000 is included in this amount. An additional \$2,475 was paid in off-street parking and approximately \$1,600 was paid to the City for the advertisement of road closures relating to the event. In total, \$11,220 in out-of-pocket expenses was paid to the City of Perth for site hire and associated costs, it is anticipated the City will receive a similar amount in fees and charges in 2017.

The City of Perth has negotiated the removal of all ticketing and hospitality and replaced this with access to artists for performances at key City of Perth sites to leverage marketing, artistic and cultural objectives (Recommendations 2.12 & 2.13).

FINANCE AND ADMINISTRATION COMMITTEE REPORTS

ITEM NO: 6

PAYMENTS FROM MUNICIPAL AND TRUST FUNDS – JULY 2016

**FINANCE AND ADMINISTRATION (APPROVAL)
COMMITTEE
RECOMMENDATION:**

That in accordance with Regulation 13(1) of the Local Government (Financial Management) Regulations 1996, the list of payments made under delegated authority for the month ended 31 July 2016, be received and recorded in the Minutes of the Council, the summary of which is as follows:

FUND	PAID
Municipal Fund	\$ 36,786,620.68
Trust Fund	\$ 0.00
TOTAL:	\$36,786,620.68

BACKGROUND:

FILE REFERENCE: P1032265-46
REPORTING UNIT: Finance
RESPONSIBLE DIRECTORATE: Corporate Services
DATE: 2 August 2016
MAP / SCHEDULE: TRIM 138062/16 (A summary of the payments is available on the Elected Members Portal)

The Committee recommendation to the Council for this report was resolved by the Finance and Administration Committee at its meeting held on 23 August 2016.

The Committee recommendation to the Council is the same as that recommended by the Officers.

LEGISLATION / STRATEGIC PLAN / POLICY:

Legislation	Regulation 13(1) of the <i>Local Government (Financial Management) Regulations 1996</i>
Integrated Planning and Reporting Framework Implications	Strategic Community Plan Council Four Year Priorities: Capable and Responsive Organisation S18 Strengthen the capacity of the organisation

COMMENTS:

Payments for the month of July 2016 included the following significant items:

- \$17,278,906.10 to the Commissioner of State Revenue for the 2016/17 Perth Parking Licence Fees in relation to the City of Perth's off-street and on-street parking facilities.
- \$1,459,243.48 to LGIS WA for the first instalment of the City of Perth's insurance renewals for 2016/17.
- \$1,404,409.28 to the Western Australian Treasury Corporation for loan payments of \$711,834.69 for the City of Perth Library and Public Plaza Project; \$560,574.81 for the Elder Street Carpark; and \$131,999.78 for the Government Guarantee fee on all loan payments made in the six months ended 30 June 2016.

ITEM NO: 7

FINANCIAL STATEMENTS AND FINANCIAL ACTIVITY STATEMENT FOR THE PERIOD ENDED 31 JULY 2016

**FINANCE AND ADMINISTRATION (APPROVAL)
COMMITTEE
RECOMMENDATION:**

***That Council approves the Financial Statements and the
Financial Activity Statement for the period ended 31 July 2016
as detailed in Schedule 4.***

BACKGROUND:

FILE REFERENCE: P1014149-25
REPORTING UNIT: Finance
RESPONSIBLE DIRECTORATE: Corporate Services
DATE: 11 August 2016
MAP / SCHEDULE: Schedule 4 – Financial Statements and Financial
Activity Statement for the period ended 31 July 2016

The Committee recommendation to the Council for this report was resolved by the Finance and Administration Committee at its meeting held on 23 August 2016.

The Committee recommendation to the Council is the same as that recommended by the Officers.

LEGISLATION / STRATEGIC PLAN / POLICY:

Legislation Section 6.4(1) and (2) of the *Local Government Act 1995*
Regulation 34(1) of the *Local Government (Financial
Management) Regulations 1996*

Integrated Planning and Reporting Framework Implications **Strategic Community Plan**
Council Four Year Priorities: Capable and Responsive Organisation
S18 Strengthen the capacity of the organisation

DETAILS:

The Financial Activity Statement is presented together with a commentary on variances from the revised budget.

FINANCIAL IMPLICATIONS:

There are no direct financial implications arising from this report.

COMMENTS:

The Financial Activity Statement commentary compares the actual results for the one month to 31 July 2016 with the original budget approved by Council at its meeting held on **28 June 2016**.

ITEM NO: 8

ANNUAL BUDGET 2016/17 - REVISED CAPITAL BUDGET

**FINANCE AND ADMINISTRATION (APPROVAL)
COMMITTEE
RECOMMENDATION:**

That Council:

- 1. APPROVES BY AN ABSOLUTE MAJORITY the additional \$3,230,122 revised carry forward of unspent capital expenditure for 2015/16 totalling \$17,138,048 being incorporated into the 2016/17 Annual Budget and detailed in Schedules 5 and 6;***
- 2. approves an increase of \$341,852 in the amount being funded through transfers from the appropriate reserve accounts detailed in the 2016/17 Annual Budget; and***
- 3. notes the increase of \$26,700 for external contributions for Perth Concert Hall projects.***

BACKGROUND:

FILE REFERENCE:	P1031135
REPORTING UNIT:	Finance
RESPONSIBLE DIRECTORATE:	Corporate Services
DATE:	11 August 2016
MAP / SCHEDULE:	Schedule 5 – Finalisation of carry forward amounts into 2016/17 Schedule 6 – Capital Works Projects 2016/17 – Request for Adjustments

The Committee recommendation to the Council for this report was resolved by the Finance and Administration Committee at its meeting held on 23 August 2016.

The Committee recommendation to the Council is the same as that recommended by the Officers.

LEGISLATION / STRATEGIC PLAN / POLICY:

Legislation	Section 6.2 and 6.8 of the <i>Local Government Act 1995</i>
Integrated Planning and Reporting Framework Implications	Strategic Community Plan Council Four Year Priorities: Capable and Responsive Organisation S18 Strengthen the capacity of the organisation

Policy

Policy No and Name: 9.6 – Budget Variations

DETAILS:

The City of Perth 2016/17 Annual Budget was approved by Council at its meeting held on **28 June 2016**. The estimate of \$13.9 million for capital works to be carried forward was computed and updated during April and May 2016.

Subsequently, and as the time for finalising the annual accounts approached, carry forward estimates became much firmer requiring resolution to adjust the 2016/17 Annual Budget. The accuracy of the original estimates are subject to change due to a number of factors including construction time delays, such as contractors performing at a slower rate than anticipated, equipment not being delivered when expected, plus external factors including other civil projects within the City of Perth and inclement weather. In a small number of cases, work was accelerated beyond anticipation, resulting in reduced carry forwards. Savings also emerged on some jobs reducing the amounts carried forward.

Data is also presented regarding funding adjustments where sourcing of funds from reserves and grants and contributions will be increased for 2016/17. Total funding will increase by \$3,230,122.

The following summarises the detailed information in the accompanying schedule.

Capital Works Carried Forward	Approved Carry Forward \$	Required Carry Forward \$	Adjustment Required \$
Projects funded from Municipal Account	8,839,330	11,700,900	2,861,570
Projects funded from reserves	3,716,938	4,058,790	341,852
Projects funded from grants and contributions	1,265,658	1,292,358	26,700
Projects funded from proceeds of Asset Sales	86,000	86,000	0
TOTAL	13,907,926	17,138,048	3,230,122

Since the budget was adopted by Council at its meeting held on **28 June 2016**, Officers have identified budgets that require adjustment. The recommended alteration to the 2016/17 Capital Budget for 2016/17 is detailed in Schedule 6. The projects listed have a nil effect on the overall capital budget; projects are being combined with related projects to manage the financial aspects of these projects more effectively.

FINANCIAL IMPLICATIONS:

The adjustments represent timing differences where budgeted funds were not spent as expected in the estimates for 2015/16 that form part of the budget formulated previously. The increased carry forward will lift the capital budget for 2016/17 to \$65,961,257

COMMENTS:

Ideally capital expenditure projected in the budget should be fully expended. There are valid reasons for changes to project timetables that emerge during the year. There has been a reduction of \$4.5 million on the amount carried forward compared to last year. The completion of the capital program in 2016/17 will be a challenge and require considerable effort and monitoring during the year.

WORKS AND URBAN DEVELOPMENT COMMITTEE REPORTS

ITEM NO: 9

MOUNTS BAY ROAD – PETITION FOR CROSS WALK OUTSIDE THE MOUNT HOSPITAL

**WORKS AND URBAN
DEVELOPMENT COMMITTEE
RECOMMENDATION:**

(APPROVAL)

That Council:

- 1. notes the petition on behalf of pedestrians experiencing accessibility difficulties to the Mount Hospital;***
- 2. notes a signalised pedestrian crossing at the site was investigated in 2009 with early cost estimates in the order of \$500,000;***
- 3. notes that pedestrian crossing movements are likely to have increased following the removal of the Mount Hospital stop from the Blue CAT bus route;***
- 4. considers that the Public Transport Authority rerouting a service from the Elizabeth Quay Busport provides the best solution for accessibility for the Mount Hospital;***
- 5. requests the Chief Executive Officer to write to the Director General Transport requesting that the Public Transport Authority reconsider its position not to reroute a bus service to provide the necessary accessibility.***

BACKGROUND:

FILE REFERENCE:	P1013781-2
REPORTING UNIT:	Transport
RESPONSIBLE DIRECTORATE:	Planning and Development
DATE:	5 August 2016
MAP / SCHEDULE:	Schedule 7 – Plan of Area Schedule 8 – View Looking South Schedule 9 – View Looking North Schedule 10 – Previous Route of Blue CAT and Potential Route for Bus No. 35

The Committee recommendation to the Council for this report was resolved by the Works and Urban Development Committee at its meeting held on 16 August 2016.

The Committee recommendation to the Council is the same as that recommended by the Officers.

At its meeting of **7 June 2016**, Council received a petition from Ms C. Warrener on behalf of pedestrians experiencing accessibility difficulties to the Mount Hospital. The petition, containing 161 signatures, aims to seek assistance in obtaining a cross walk on Mounts Bay Road from the bus stop to the hospital.

The area is contained within the Mounts Bay Road Masterplan; the plan was approved by Council at its meeting of **17 September 2013**. A section of the Masterplan between William Street and Mill Street was implemented in 2014. The remainder is subject to a decision being made by the Public Transport Authority (PTA) in respect of the Mounts Bay Road Bus Lane Project.

In 2009, a pedestrian crossing was designed as part of the Mounts Bay Road Bus Priority Project following a report for the Department of Planning and Infrastructure by the consultants Aecom. This report was presented to Council on **25 August 2009**. It was estimated that a traffic signal controlled pedestrian crossing, was likely to cost in the order of \$500,000. The City currently has no budget provision for this.

LEGISLATION / STRATEGIC PLAN / POLICY:

Integrated Planning and Reporting Framework Implications	Strategic Community Plan Council Four Year Priorities: Getting Around Perth S4 Enhance accessibility in and around the City including parking.
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DETAILS:

On **17 September 2013**, Council received a report detailing the outcomes of a public consultation exercise into the draft Mounts Bay Road Masterplan. The report identified:

- The main issue of concern from residents and businesses was the future of the Blue CAT bus with many people querying if the service would be discontinued along Mounts Bay Road;
- That further consideration would be needed during detailed design to bus stops and pedestrian crossing facilities which meet the service needs of the hospital, business and residents along Mounts Bay Road;
- The City of Perth needed to continue liaison with PTA regarding bus requirements along Mounts Bay Road, in particular the concerns raised by stakeholders regarding the future of the Blue CAT bus service; and
- Further plans and cost options for the physical works will be presented to the Works and Urban Development Committee and Council in the future for further consideration.

On 27 January 2014, the PTA curtailed the Blue CAT bus service at the Esplanade Busport (now Elizabeth Quay Busport) and the new 950 bus service commenced to service the University of Western Australia and Queen Elizabeth II Medical Centre from the busport via Mounts Bay Road. The previous Blue CAT route is shown on Schedule 10.

Users of the Mount Hospital who previously used the Blue CAT to arrive at the hospital near the entrance could no longer do so and have had to use other services, including Route 950, to arrive at a bus stop opposite the hospital and cross Mounts Bay Road. The majority of users of this stop are likely to be those wishing to cross to access the hospital.

The crossing distance for pedestrians amounts to about 35 metres, comprising 12 metres of road, followed by 9 metres of sloping median strip, followed by a further 14 metres of road. The speed limit of Mounts Bay Road in the locality is 60kph.

In 2013, the 85 percentile traffic speeds were 61.2kph northbound; and 64.4kph southbound.

A Main Roads Western Australia (MRWA) traffic count undertaken in November 2014 identifies an average weekday traffic flow of 20,503 vehicles northbound and 10,130 vehicles southbound at this point on Mounts Bay Road. Peak hourly flows were 2,017 vehicles northbound in the morning peak and 867 vehicles southbound in the evening peak hours.

An analysis of the crashes in the vicinity of the Mount Hospital reveals that for the 5 year period 2011 to 2015, there were 20 crashes. One of these involved personal injury; the remainder being damage only. None of the 20 crashes involved pedestrians.

Since the curtailment of the Blue CAT service, several complaints have been received regarding public transport accessibility to the Mount Hospital; the most recent being the 161 signature petition.

City of Perth Officers have been in discussion with the Department of Transport (DoT) and PTA regarding the provision of a service for the Mount Hospital. This was to be included in State Government's Central Area Transport Plan (CATP) and PTA had identified that Route 35, which currently runs between The Old Mill, South Perth and Elizabeth Quay Busport, could be extended to service the Mount Hospital. This service currently runs from 6.05am through to 6.43pm on a weekday with a frequency of every 30 minutes off peak and every 15 minutes during the peak period. The CATP is not currently adopted by State Government and funding has not been allocated for such projects as the Route 35 extension.

FINANCIAL IMPLICATIONS:

There are no financial implications associated with this report.

COMMENTS:

City of Perth Officers understand that PTA no longer wish to pursue the Mounts Bay Road Bus Lanes project, and have considered bus priority measures using the link road between William Street and the Point Lewis Rotary. However, PTA has not formally written to the City of Perth with their intentions.

The City of Perth is concerned about the delay in extending a Transperth bus route to the Mount Hospital and considers that this provides a major contribution to reducing the pedestrian crossing demand at the Mount Hospital. However, PTA notified the City of Perth on 2 August 2016 that it is "not actively planning anything in regard to services to the Mount Hospital." It also indicated that "while the Route 950 operates along Mounts Bay Road past the hospital, it is difficult to justify extending another bus route to the hospital, acknowledging for some people with limited mobility, at some times of the day, it is difficult to cross the road to access the hospital in one direction. Were another service to be extended, we would consider the Route 60 in lieu of Route 35."

The provision of a pedestrian crossing is an expensive solution which would require the approval of MRWA, noting that in the two years since the Blue CAT was diverted, no crashes involving pedestrians have occurred. The locality does not feature in the City of Perth's Black Spot priority list. A provision for a pedestrian crossing facility of any form has not been recently explored with MRWA, however the provision has been considered viewing the recommendations of the State Government publication "Planning and Designing for Pedestrians: Guidelines", March 2012; particularly Section 9, Pedestrian Crossing Facilities. This indicates that traffic signal controlled crossings are preferred at locations where there are high pedestrian volumes and high traffic volumes. The alternative Zebra crossings are not preferred on multi-lane roads such as Mounts Bay Road.

A pedestrian crossing would need to be separated into two crossings (and therefore two sets of traffic signals); one for the northbound lanes, and one for the southbound lanes; with a waiting area in the median. The steep gradient in the median would require ramps to achieve disability access compliance. Should an instruction to proceed with a crossing be given, it is considered that the earliest commissioning date would be towards the end of the 2016/17 financial year, subject to Main Roads

approval and funding. The City of Perth would need to request funding through the Perth Parking Levy Fund, however this would not guarantee State funding becoming available.

AUDIT AND RISK COMMITTEE REPORTS

ITEM NO: 10

RISK MANAGEMENT UPDATE – AUGUST 2016

**AUDIT AND RISK COMMITTEE (INFORMATION)
RECOMMENDATION:**

***That Council receives the report titled Risk Management Update
– August 2016***

BACKGROUND:

FILE REFERENCE: P1013822-3
REPORTING UNIT: Governance
RESPONSIBLE DIRECTORATE: Corporate Services
DATE: 22 July 2016
MAP / SCHEDULE: Confidential Schedule 11 – LGIS Report –
Organisational Risk Management Maturity Assessment
(distributed to Elected Members under separate cover)

The Committee recommendation to the Council for this report was resolved by the Audit and Risk Committee at its meeting held on 8 August 2016.

The Committee recommendation to the Council is the same as that recommended by the Officers.

LEGISLATION / STRATEGIC PLAN / POLICY:

Legislation *Local Government Act 1995*
Regulation 17 of the Local Government (Audit) Regulations 1996

Integrated Planning and Reporting Framework Implications **Strategic Community Plan**
Council Four Year Priorities: Capable and Responsive Organisation
S18 Strengthen the capacity of the organisation.

Policy

Policy No and Name: 19.1 – Enterprise Risk Management

DETAILS:

Policy and Framework

The City is committed to a culture of risk management, where risk is considered at 3 levels; strategic, operational and project. Operational and Strategic Risks are currently housed in the City's risk management system (RMSS) and are reviewed on an annual basis as part of the Business Planning Process. Project level risks are managed by relevant staff in the delivery of the projects, and where relevant are documented within specific service areas.

The Enterprise Risk Management Policy 19.1 states the purpose of risk management being:

"To protect the community, the City of Perth and its workers against foreseeable risks through developing a whole of enterprise culture of risk awareness, plans that reduce our risk exposure and systems that provide information to assist in informed decision making, maximising asset potential and enhancing community wellbeing."

Under the framework, the Audit and Risk Committee has the responsibility for the systems and processes for risk management in line with the *Local Government (Audit) Regulations 1996*. The framework states that strategic and high level operational risks will be reported to the Audit and Risk Committee and Council on a six monthly basis.

RISK MANAGEMENT UPDATE

Organisational Risk Maturity Assessment

The consultant from LGIS (Local Government Insurance Scheme) has completed the Organisational Risk Management Maturity Assessment Project (refer to Confidential Schedule 11).

The consultant is scheduled to present the findings and recommendations from the benchmarking exercise to the Audit and Risk Committee scheduled to be held on 8 August 2016.

The previous Organisational Risk Maturity Assessment was conducted in 2012 resulted in the City achieving the following milestones:

- Development of a Risk Management Program comprised of policy, framework documents and handbook – complimented by risk management procedures, guidelines and manuals;
- Development of Operational and Strategic Risk Registers;
- Establishment of the Risk Management Taskforce and supporting working groups;
- Purchase and implementation of RMSS – Risk Monitoring and Reporting System; and
- Development of a Business Continuity Framework.

The main aim of this process is to benchmark the City against other Western Australia Local Governments as well as other Capital Cities in Australia. Adopted recommendations from the maturity assessment will be implemented through a road map of set milestones over an agreed period of time.

Business Continuity Management

The development of the City's Business Continuity Management Program is now complete with the following milestones archived:

- Completion of the City's Business Continuity Framework Document and Policy.
- Completion of seven location-specific Business Continuity Plans (BCPs) for:
 - Council House;
 - Library;
 - Surveillance Centre;
 - Community Centres (Citiplace, Rod Evans, Citiplace Childcare and Rest Centre and Perth Town Hall); and
 - Commercial Parking Outstations (Elder St, Perth Convention and Exhibition Centre and Mayfair).
- Completion of the City's Crisis Management Plan.
- Setup and commissioning of Citiplace Community Centre as the alternate location for Council House.

The BCPs for the Works Depot and Parks – Outstations are currently being drafted and will be finalised shortly.

In the 2016/17 financial year the below initiatives are planned:

- Development of the Crisis Communications Plan.
- Finalisation of the Critical Incident Management Team Procedure.
- Conducting briefing and training with members of both the Crisis Management Team and the Critical Incident Management Team.
- Scheduled scenario testing and exercises to test the plans and capabilities of Citiplace and other alternate locations.

Update on High and Extreme Risks

Under the City's Enterprise Risk Management Framework, the Audit and Risk Committee has the responsibility for the overseeing of the City's systems and processes for risk management in accordance with regulation 17 of the *Local Government (Audit) Regulations 1996*. The framework states that strategic and high level operational risks will be reported to the Audit and Risk Committee and Council on a six monthly basis.

22 strategic risks and 437 operational risks currently sit on the City's risk registers. All risks have been rated using the City's risk matrix and compiled on the City's Risk System RMSS.

As at 22 July 2016, there are:

- 0 extreme risks;
- 6 high risks;
- 283 medium risks; and
- 170 low risks.

Updates on the identified High / Extreme risks are detailed below.

Risk Update: Shifting of costs from other sectors onto the City

Risk Owner: Manager Finance

Risk ID	Risk Statement	Existing Controls	Risk Rating
78	Shifting of costs from other sectors onto the City resulting in financial impacts or affecting service delivery	<ul style="list-style-type: none">• Monitoring of government policy direction.• The City budgeting process takes into account forecasted increases in levies and taxes and in most instances will pass them on to ratepayers.	High (5)

This risk continues to be monitored and reviewed to ensure the impacts are minimised. The biggest cost being the parking levy. In the current financial year the increase was minimal at 1.7% as compared to 20% in 2015/16. There was no increase in the loan guarantee fee, with the increase in the landfill levy (approximately 5 %) passed onto ratepayers.

Risk Update: Insufficient revenue generated from Elizabeth Quay (EQ) for servicing and maintenance.

Risk Owner: Manager Finance

Risk ID	Risk Statement	Existing Controls	Risk Rating
83	Revenue generated from EQ (MRA contribution + Rates) insufficient to cover maintenance and servicing of EQ.	<ul style="list-style-type: none">• Agreement with Metropolitan Redevelopment Authority (MRA).• Monitoring of costs of servicing and maintaining EQ.• Modelling of cash flows for the precinct (rates revenue + funding vs costs of serving and maintenance).	High (5)

There are ongoing negotiations with the MRA regarding the level of service provided by the City for the EQ precinct. The MRA propose the City should provide a level of service to the value of rates collected from the precinct. Other services to maintain the precinct to a suitable level will be procured from other service providers. The risk for the City is that the precinct is not maintained to a standard commensurate with other premium areas maintained by the City. Negotiations with the MRA are ongoing to ensure the best outcome for the precinct.

Risk Update: Non-disclosures of gifts and travel by staff and Elected Members

Risk Owner: Manager Governance

Risk ID	Risk Statement	Existing Controls	Risk Rating
1092	Non-disclosures of gifts and travel by staff and Elected Members leading to investigations or findings against the City resulting in reputational harm.	<ul style="list-style-type: none">• Enhanced Governance practices.• Policies and Procedures around gifts and travel disclosures.• Training and induction for new employees and Elected Members on gift and travel disclosures.• Awareness raising sessions with staff and Elected Members.• Monitoring of legislative amendments to the LG Act and regulations.	High (5)

The City has now established all processes and systems to support the legislative amendments that came into effect in March 2016 related to Travel and Gift Disclosure amendments. Separate Elected member and Officer Procedures have been prepared both for Gifts and Travel.

The City recently introduced a number of transparency measures that are now in effect related to Gift & Travel, these measures are over and above the legislative provisions. Elected Members have also been provided with documented flowcharts for Gifts & Travel to both assist and inform Elected Members of their obligations.

Future risk mitigation measures include an update to the City of Perth Code of Conduct proposed to be updated and reviewed by Council in September 2016.

Risk Update: Reduction in Parking revenue

Risk Owner: Manager Commercial Parking

Risk ID	Risk Statement	Existing Controls	Risk Rating
108	Parking revenue decreases leading to revenue loss for the City	<ul style="list-style-type: none">• Market research done every 2 years.• The Commercial Parking Unit is currently looking at other sources of alternate revenue streams (other local governments, State agencies and private sector).• Annual budgeting based on projected increases in parking levies.• Liaison with officials with regards to parking levies.	High (5)

Strategy - Alternate Revenue Streams and Increased Market Share via Customer Experience

Alternate Revenue Streams

The City is currently awaiting the outcome from a presentation which was done at the City of Vincent with a proposal to provide parking management services.

The Commercial Parking Perth (CPP) unit is currently focussing considerable effort on building internal capability in the areas of Technical services, Systems Management and Reconciliation. The flexibility to work with multiple systems and providers is an essential element to competing in and securing business in a highly competitive and fast paced commercial industry.

With the recent addition of Cale parking machines due to the transition from the now former South Ward from the City of Subiaco, it was a deliberate decision to retain the machines in order to demonstrate CPP's credibility and flexibility in offering services on a commercial playing field. There are arrangements in place to provide parking services to both Turvey Lane and Town of Victoria Park. The CPP Unit will be seeking to develop a mapped approval process with assistance from the Governance Unit, to allow for smooth approval of business opportunities to ensure that the City can be reactive to opportunities in the commercial parking market, which are not necessarily within the City boundaries.

Increased Market Share - Via Improved Customer Experience

At present commercial parking revenue is tracking along with the slowing economy, with office vacancy rates in the CBD currently at 24%. In response the CPP Unit is

also focused on improving customer experience and increasing market share through initiatives such as female friendly parking facilities as well as cosmetic improvements such as recent entry statement maintenance upgrades at the Pier Street Car Park.

Risk Update: Occurrence of a significant OSH incident

Risk Owner: Manager Human Resources

Risk ID	Risk Statement	Existing Controls	Risk Rating
1123	Occurrence of a significant OSH incident	<ul style="list-style-type: none">• OSH induction training for new employees.• OSH policies and procedures.• OSH & Risk Committee.• Directorate OSH & Risk Group meetings.• Workplace safety inspections systematically controlled on RMSS.• Risk assessments on high risk work.• Job Safety Analysis.• Safe work statements.• Personal Protective Equipment procedures.	High (5)

The City acknowledges the importance of health and safety throughout the organisation and is continuously reviewing and monitoring processes to ensure a positive OSH culture. A recent review was undertaken on the services provided to the City's employees and how these services were provided which resulted in the restructure of these services. This new structure is designed to ensure a more robust safety focus on the organisations high risk areas, with a collaborative approach between Human Resources and the Construction and Maintenance Directorate (this directorate has the majority of high risk operations in it).

As a result of this review a Senior Safety Officer will be recruited to lead this safety focus and develop the OSH Strategic Plan to assist in encouraging a positive OSH cultural. In conjunction with OSH Strategic Plan development a review of the OSH Management Plan and Systems will be undertaken to ensure they align with best practice. The organisation will also be undertaking an OSH Audit upon commencement of the Senior Safety Officer to measure the City's current performance against the appropriate standards. This risk will remain high, as the uncertainty of human behaviour is factored into the risk rating. This risk will continue to be monitored and reviewed as appropriate controls are put in place.

Risk Update: Inadequate Condition Rating of City Assets

Risk Owner: Manager Properties

Risk ID	Risk Statement	Existing Controls	Risk Rating
1053	Inadequate Condition Rating of City Building Assets to enable appropriate asset renewal and maintenance.	<ul style="list-style-type: none">• Adhoc inspections.• Property maintenance helpdesk system (Hansen).• The City is currently engaging potential surveyors to undertake a portfolio wide condition assessment of building assets.• The IT Business Unit is conducting a business analysis to obtain specifications for the procurement of a property management system.• Feedback from occupants of City buildings.	High (5)

Comment: The scope and specification for undertaking a comprehensive condition assessment of the City's properties portfolio is currently nearing completion with input from the Asset Management Unit. There are current known risks around both the Perth Concert Hall (PCH) and the Perth Convention and Exhibition Centre (PCEC) in terms of its aging and infrastructure and structural issues. These are being managed by the City through the Properties Unit. PCEC is recognised as a considerable High Risk with the ongoing subsidence which the City is exploring avenues to remedy.

Once data from the condition assessment has been obtained the City will then be in a position to understand the potential back log maintenance liability and any under investment that has been occurring in the past, to enable the development of a strategy to address the liabilities.

Risk Profile

The distribution of risk ratings for both strategic and operational risks throughout the organisation is shown in the following risk matrix and pie chart.

The pie chart demonstrates the overall image of the City's risk categorised into Low, Medium, High and Extreme risks. As indicated by the pie graph the City is proactively managing its risks with no risks rated as Extreme and only 1.31% rated as High.

Detailed information on each of the organisational risks including the risk causes, consequences and relevant risk actions is provided for in RMSS.

Figure 1: Distribution of risk ratings as at 22 July 2016

- High Risks – 1.31%
- Medium Risks – 61.79%
- Low Risks – 36.90%

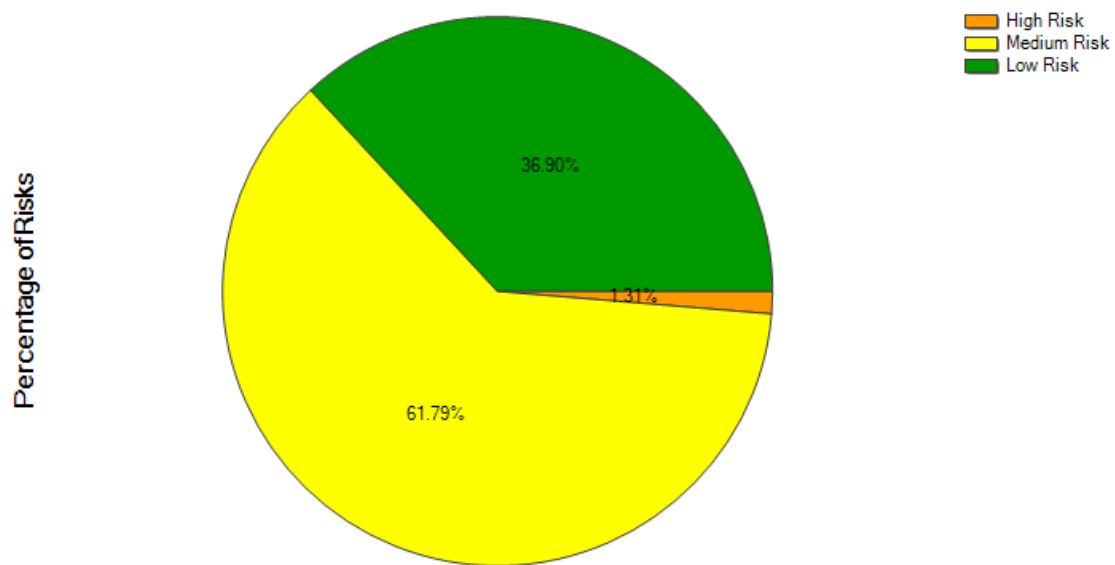


Figure 2: Risk Matrix



Residual Risk Matrix

		Consequence				
		Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood	Almost Certain	7 Risk(s)	M	H	E	E
	Likely	7 Risk(s)	23 Risk(s)	3 Risk(s)	E	E
	Moderate	15 Risk(s)	58 Risk(s)	45 Risk(s)	3 Risk(s)	E
	Unlikely	5 Risk(s)	57 Risk(s)	68 Risk(s)	24 Risk(s)	H
	Rare	9 Risk(s)	23 Risk(s)	60 Risk(s)	28 Risk(s)	24 Risk(s)

L	Low	Low level residual risks generally do not need to be treated, however they should be recorded in the risk register and reviewed periodically to determine if the level of risk has changed.
M	Medium	Medium level residual risks should be treated if it is practical and cost effective to do so.
H	High	All extreme and high rated residual risks are to be immediately treated (where practical to do so) and will be reported to the Risk Management Task Force with treatment solutions.
E	Extreme	All extreme and high rated residual risks are to be immediately treated (where practical to do so) and will be reported to the Risk Management Task Force with treatment solutions.

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COMMENTS:

Following the completion of the organisational risk maturity assessment all the risks on both the strategic and operational risk registers will be reviewed and reported through both the Corporate OSH & Risk, and the Audit and Risk Committees as required.

All current High and Extreme risks will continue to be reported to this committee during this review process.

FINANCIAL IMPLICATIONS:

Each risk identified may have its own financial implications which will be the subject of normal budget consideration.

The financial cost associated with testing the Business Continuity Plans is included in the Governance Unit operational budget.

ITEM NO: 11

INTERNAL AUDIT 2016/17 – HUMAN RESOURCES REVIEW

AUDIT AND RISK COMMITTEE (APPROVAL)
RECOMMENDATION:

That Council approves the Human Resources Review as part of the Internal Audit Plan 2016/17 as detailed in Confidential Schedule 12.

BACKGROUND:

FILE REFERENCE: P102969-8
REPORTING UNIT: Internal Audit
RESPONSIBLE DIRECTORATE: Corporate Services
DATE: 18 July 2016
MAP / SCHEDULE: Confidential Schedule 12 – City of Perth Internal Audit – Human Resources Review July 2016 (distributed to Elected Members under separate cover)

The Committee recommendation to the Council for this report was resolved by the Audit and Risk Committee at its meeting held on 8 August 2016.

The Committee recommendation to the Council is the same as that recommended by the Officers.

The City of Perth Internal Audit Plan 2016/17 was approved by Council at its meeting held on **17 May 2016**.

As part of the City's 2016/17 Internal Audit Plan, a Human Resources Review was carried out in June and July 2016. Confidential Schedule 12 details the findings of this review.

LEGISLATION / STRATEGIC PLAN / POLICY:

Legislation	<i>Local Government (Audit) Amendment Regulations 2013</i>
Integrated Planning and Reporting Framework Implications	Strategic Community Plan Council Four Year Priorities: Capable and Responsive Organisation S18 Strengthen the capacity of the organisation.

Policy

Policy No and Name: 19.1 – Enterprise Risk Management

DETAILS:

The findings of the review are detailed in the attached Confidential Schedule 12.

FINANCIAL IMPLICATIONS:

There are no financial implications related to this report.

ITEM NO: 12

CITY OF PERTH AUDIT AND RISK COMMITTEE – REVIEW OF THE TERMS OF REFERENCE AND MEMBERSHIP STRUCTURE

AUDIT AND RISK COMMITTEE (CONSIDERATION)
RECOMMENDATION:

That Council:

- 1. receives the report titled “City of Perth Audit and Risk Committee – Review of the Terms of Reference and Membership Structure”; and***
- 2. endorses that no changes be made to the Presiding Member of the Audit and Risk Committee, as the current committee structure meets the requirements of the Western Australia Local Government Operational Guidelines (No. 09 – 2013) – Audit In Local Government.***

BACKGROUND:

FILE REFERENCE: P1013822-3
REPORTING UNIT: Governance
RESPONSIBLE DIRECTORATE: Corporate Services
DATE: 20 July 2016
MAP / SCHEDULE: N/A

At the Audit and Risk Committee meeting held on 8 August 2016 the Officer Recommendation was amended as follows:

That Council:

- 1. ~~considers the appointment of an additional Independent Member to the Audit and Risk Committee to further enhance the City’s transparency measures;~~ receives the report titled “City of Perth Audit and Risk Committee – Review of the Terms of Reference and Membership Structure”; and***
- 2. endorses that no changes be made to the Presiding Member of the Audit and Risk Committee, as the current committee structure meets the requirements of the Western Australia Local Government Operational Guidelines (No. 09 – 2013) – Audit In Local Government.***

Reason: The Committee considered that the current structure of the Audit and Risk Committee to be satisfactory.

LEGISLATION / STRATEGIC PLAN / POLICY:

Legislation *Local Government Act 1995*
Regulation 17 of the *Local Government (Audit) Regulations 1996*

Integrated Planning and Reporting Framework Implications **Strategic Community Plan**
Council Four Year Priorities: Community Outcome
A capable, flexible and sustainable organisation with a strong and effective governance system to provide leadership as a capital city and deliver efficient and effective community centred services

Policy

Policy No and Name: 19.1 – Enterprise Risk Management

DETAILS:

At the its meeting held on **17 May 2016**, Council resolved the following:

“That Council requests the CEO of the City to carry out a review of the terms of reference and membership structure of the City’s Audit & Risk Committee. Council notes that all other Capital Cities of Australia have an externally appointed and suitably qualified member as Chair of their Audit Committee.”

This report provides information and officer recommendations for consideration by the Audit & Risk Committee and Council.

The Terms of Reference of the Audit and Risk Committee were last reviewed in November 2015, with no significant changes made. Previous to that, there were amendments in 2013 to align with the changes in Regulation 17 of the *Local Government (Audit Regulations 2013)* which required the scope of the committee to be broadened.

The City does not consider that any further significant amendments to the Terms of Reference are warranted, however an amendment to the membership of the Committee is proposed in this report.

The City has undertaken some research into the membership of the Audit and Risk Committees of other Capital Cities in Australia. The table summarises the findings:

Local Government Authority	Membership	Chair	Frequency of Meetings per annum
City of Perth	4 (3 Elected Members, 1 Independent)	Any Member of the Committee	Four scheduled meetings
City of Sydney	5 (2 Elected Members, 3 Independent)	Independent	Five meetings (four regular meetings and one meeting to review the financials with external auditors).
City of Adelaide	5 (Lord Mayor and one Elected Member, 3 Independent)	Independent	Four meetings
City of Melbourne	7 (3 Elected Members, 4 Independent)	Independent	Four meetings
City of Hobart	5 (2 Elected Members, 3 Independent)	Independent	Six meetings
City of Darwin	4 (2 Elected Members, 2 Independent)	Independent	Four meetings
City of Brisbane	3 Internal Committees: Audit Committee* Risk Committee* Finance Committee* *1 Independent Member and officer representation. All 3 report to the Finance & Economic Development Committee with membership of 5 Elected Members	CEO Presiding EM	Audit - 6 monthly Risk - Quarterly Finance - Quarterly

From the information in the above table, it is standard practice across other Australian Capital Cities, with the exception of Brisbane, to have an Independent Member as Chair of the committee. This is in line with the relevant state audit operational guidelines. Extracts from other state guidelines below:

- **NSW Government Premier & Cabinet Division of Local Government NSW - Internal Audit Guidelines - September 2010:**

“The chair of the committee should be independent and should not be the mayor or a member of council.”

- **Northern Territory Government – Department of Local Government and Community Services – Audit Committees – General Instruction No. 3:**

“The chairperson of the audit committee must be independent, i.e. neither a councillor of the same council nor a council staff member.”

- **Victoria Government Gazette – Audit Committees – A guide to good practice for Local government - 31 January 2011:**

“The mayor and chair of the Local Government Entity (LGE) or LGE-related entity must not be appointed chair of the audit committee.”

These requirements are also contained within each of the relevant Capital Cities' Audit & Risk Committee Terms of Reference.

The Western Australia Local Government Operational Guidelines however, do not specify a requirement for the presiding member or chair of the Audit and Risk Committee to be an Independent Member.

- **Western Australia Local Government Operational Guidelines (No. 09 – 2013) – Audit in Local Government:**

“(a) Each local government is to establish an audit committee consisting of three or more persons to exercise the powers and discharge the duties conferred on it; Members of the committee are to be appointed by an absolute majority decision of Council. At least three of the members, and a majority of the members, are to be elected members;

(b) The Chief Executive Officer (CEO) is not to be a member of the committee and may not nominate a person to be a member or have a person to represent him or her as a member of the committee;

(c) An employee is not to be a member of the committee;

(d) The only powers and duties that can be delegated to a committee are any of the powers and duties of the local government under part 7 of the Act; that is, those relating to audit. The committee cannot on-delegate the powers and duties delegated to it;

- (e) *An audit committee with a member who is a person that is not an elected member can be delegated powers and duties to in (e); and*
- (f) *A decision of the committee is to be made by a simple majority.”*

The guidelines also state:

“Local Governments may decide to appoint a committee involving only elected members or they may appoint one or more persons who are external to the Council. If a Council considers it appropriate, the whole of Council can be appointed to the audit committee.”

Appointment of an Independent Member as the Presiding Member of the Audit and Risk Committee

While noting that the WA guidelines relating to committee membership do not have specific requirements with regards to the appointment of the Presiding Member, there exists an opportunity for the City to appoint an Independent Member as Chair above and beyond the WA guidelines.

However the City does not consider having an Independent Member as the Presiding Member to providing further transparency to the committee process. Nothing currently prohibits an Independent Member becoming the Presiding Member; however the current practice allows the most experienced person in chairing committee meetings to preside over the meetings. This also enables the Independent Member to provide a contribution unfettered by the requirements of being Presiding Member.

The current process being that the most experienced member of the committee is voted in as Presiding Member by the members of the committee. This is consistent with other committee structures in the City and good governance practices. This creates the right balance with the City selecting independent members for their technical expertise without the need to have experience in chairing and running committee meetings.

Appointment Of An Additional Member

Council may consider appointing an additional Independent Member of the Committee. This would set the membership above other Local Governments in Western Australia by having more than one Independent Member. To the City's knowledge, the majority of Councils in Western Australia do not have an Independent Member as part of their Audit & Risk Committee, and for those that do, the Committee has only one Independent Member.

As the current Terms of Reference are broad, this allows for the Independent Members to come from specialist fields, such as Audit Compliance, Occupational Safety and Health and Risk Management.

The recruitment of the additional Independent Member may be included in the recruitment process following the expiry of the term of the sitting Independent Member, Stephen Linden, in October 2016.

FINANCIAL IMPLICATIONS

The consideration of an additional Independent Member would have the below financial implications:

- Costs per Meeting – \$1,000.
- Meetings per year – Four.
- Annual cost – \$4,000.

Should Council elect to appoint an Independent Member as Chair, the costs may need to be adjusted to reflect the added responsibility of being Presiding Member. This will be in addition to the existing financial commitment for the existing sitting Independent Member, Stephen Linden.

COMMENTS:

The recommendations of this report will require a minor amendment to the membership section in the Terms of Reference of the Audit and Risk Committee, being:

- The inclusion of an additional Independent Member of the Committee.

If approved by Council, the appointment of the additional member will be completed in line with the City's recruitment process for the Independent Member of the Audit and Risk Committee.

ITEM NO: 13

TENDER 111-15/16 – APPOINTMENT OF EXTERNAL AUDITORS

AUDIT AND RISK COMMITTEE (APPROVAL)
RECOMMENDATION:

That Council:

- 1. accepts the most suitable tender, being that submitted by Grant Thornton Australia Limited for the Provision of Audit Services (Tender 111-15/16) for the 2015/16 and 2016/17 financial years with a one year option for the 2017/18 financial year;***
- 2. notes that the tender price is a fixed price of \$47,000 per annum (excluding GST) and that there is no indexation to be applied.***

BACKGROUND:

FILE REFERENCE:	P1032877
REPORTING UNIT:	Finance
RESPONSIBLE DIRECTORATE:	Corporate Services
DATE:	21 July 2016
MAP / SCHEDULE:	Confidential Schedule 13 – Tender Evaluation Matrix (distributed to Elected Members under separate cover)

The Committee recommendation to the Council for this report was resolved by the Audit and Risk Committee at its meeting held on 8 August 2016.

The Committee recommendation to the Council is the same as that recommended by the Officers.

LEGISLATION / STRATEGIC PLAN / POLICY:

Legislation	Section 3.57 of the <i>Local Government Act 1995</i> Part 4 of the <i>Local Government (Functions and General) Regulations 1996</i> Part 7 of the <i>Local Government (Audit) Regulations 1996</i>
Integrated Planning and Reporting Framework Implications	Strategic Community Plan Council Four Year Priorities: Capable and Responsive Organisation

Policy

Policy No and Name: 9.7- Purchasing

DETAILS:

The City of Perth (the City) engaged auditors Grant Thornton Australia Limited in 2010 to perform the external audit for five years which concluded with the audit of the City's 2014/15 financial accounts at a cost of \$25,000.

The City issued a tender for audit services in May 2016. The scope of the audit was expanded to include a financial systems review as required by *the Local Government Act 1995* which has previously been completed by other external consultants, and the audit of key risks identified in the City's Risk Register. The specific risks to be audited will be agreed with the auditors prior to each year's audit and a budget of forty hours has been allocated for this work.

The following four tender submissions were received:

- Vicpass Pty Ltd, trading as +1 Group;
- Moore Stephens;
- Grant Thornton Australia Limited; and
- KPMG.

Tender Evaluation

The tenders were assessed against the following criteria:

- Quality of the respondents Audit Management Plan;
- Local Government Audit Experience with substantial Metropolitan Local Governments;
- Experience of Partners and Key Personnel;
- Quality of written or verbal references from other local governments;
- Compliance with the stated specification and innovation of approach;
- Capability to complete the works within the specified time frame; and
- Value for money.

Compliance Assessment:

All the tender submissions met the compliance criteria with the exception of KPMG who did not provide professional indemnity insurance details and included its own Terms and Conditions of Business.

Qualitative Assessment against Selection Criteria:

Vicpass Pty Ltd, trading as +1 Group

Vicpass Pty Ltd, trading as +1 Group, provided the lowest rated response in its submission and did not include any written or verbal references. Although the

company provided the cheapest price, it is based in Victoria and the proposal included no indication of the cost of travel and accommodation to complete the audit.

Moore Stephens

The tender submission from Moore Stephens did not address all of the elements required by the City's audit management plan and the company failed to provide any references. The pricing of its proposal was considered to be comparable with the proposal from Grant Thornton Australia Limited.

Grant Thornton Australia Limited

Grant Thornton Australia Limited provided the most complete tender submission which scored well for all criteria. The company has the most experience auditing local governments and the company is the City's incumbent auditor.

KPMG

The tender submission from KPMG was ranked second of the respondents but it was the most expensive submission.

FINANCIAL IMPLICATIONS:

ACCOUNT NO:	CL50B 21000 7243
BUDGET ITEM:	Public Notices and Tenders
BUDGET PAGE NUMBER:	50
BUDGETED AMOUNT:	\$ 50,000
AMOUNT SPENT TO DATE:	\$ NIL
PROPOSED COST:	\$ 47,000
BALANCE:	\$ 3,000
ANNUAL MAINTENANCE:	N/A
ESTIMATED WHOLE OF LIFE COST:	N/A

All figures quoted in this report are exclusive of GST.

The proposed audit fee is considerably higher than the audit cost of \$25,000 for the 2014/15 annual accounts. The 2014/15 fee is considered to be low when considering the work required to complete an audit for an entity with the size and complexity of the City of Perth. The proposed fee for 2016/17 of \$47,000 is considered to be reasonable in the context of the expanded work scope.

COMMENTS:

The WA State Government issued a circular in April 2016 stating an intention to amend the *Local Government Act 1995* to allow for the Auditor General and the Office of the Auditor General (OAG) to take responsibility for local government financial audits from 1 July 2017. Under the proposed changes, the Auditor General may contract out some of the financial audits, but all financial audits will be done under the supervision of the Auditor General and the OAG.

As a result of this direction, the term of the audit was limited to two years, that is, for the financial years ending 30 June 2016 and 30 June 2017, with a one year option which will only be exercised after consultation with the State Government.

OTHER REPORTS

CONFIDENTIAL ITEM NO: 14

COMPLIANCE AUDITS – CITY OF PERTH AND NSW/VICTORIAN TRANSPORT AUTHORITY AGREEMENTS

AUDIT AND RISK COMMITTEE (APPROVAL)
RECOMMENDATION:

***That Council approves the Compliance Audits – City of Perth
and NSW/Victorian Transport Authority Agreements.***

BACKGROUND:

FILE REFERENCE: P102969-8
REPORTING UNIT: Internal Audit
RESPONSIBLE DIRECTORATE: Corporate Services
DATE: 10 July 2016
MAP / SCHEDULE: N/A

In accordance with Section 5.23 (2)(f)(i) of the *Local Government Act 1995*, this item is confidential and has been distributed to the Elected Members under separate cover.

The Committee recommendation to the Council for this report was resolved by the Audit and Risk Committee at its meeting held on 8 August 2016.

The Committee recommendation to the Council is the same as that recommended by the Officers.

CONFIDENTIAL ITEM NO: 15

CLASS ACTION FOR THE RECOVERY OF GST

**FINANCE AND ADMINISTRATION (APPROVAL)
COMMITTEE
RECOMMENDATION:**

That Council approves the participation for the City of Perth in the class action initiated by Genesis Accounting, as a sole supplier, for GST paid by the City of Perth on the sale and use of property.

BACKGROUND:

FILE REFERENCE: P1003454-12
REPORTING UNIT: Finance
RESPONSIBLE DIRECTORATE: Corporate Services
DATE: 9 August 2016
MAP / SCHEDULE: N/A

In accordance with Section 5.23 (2)(d) of the *Local Government Act 1995*, this item is confidential and will be distributed to Elected Members under separate cover.

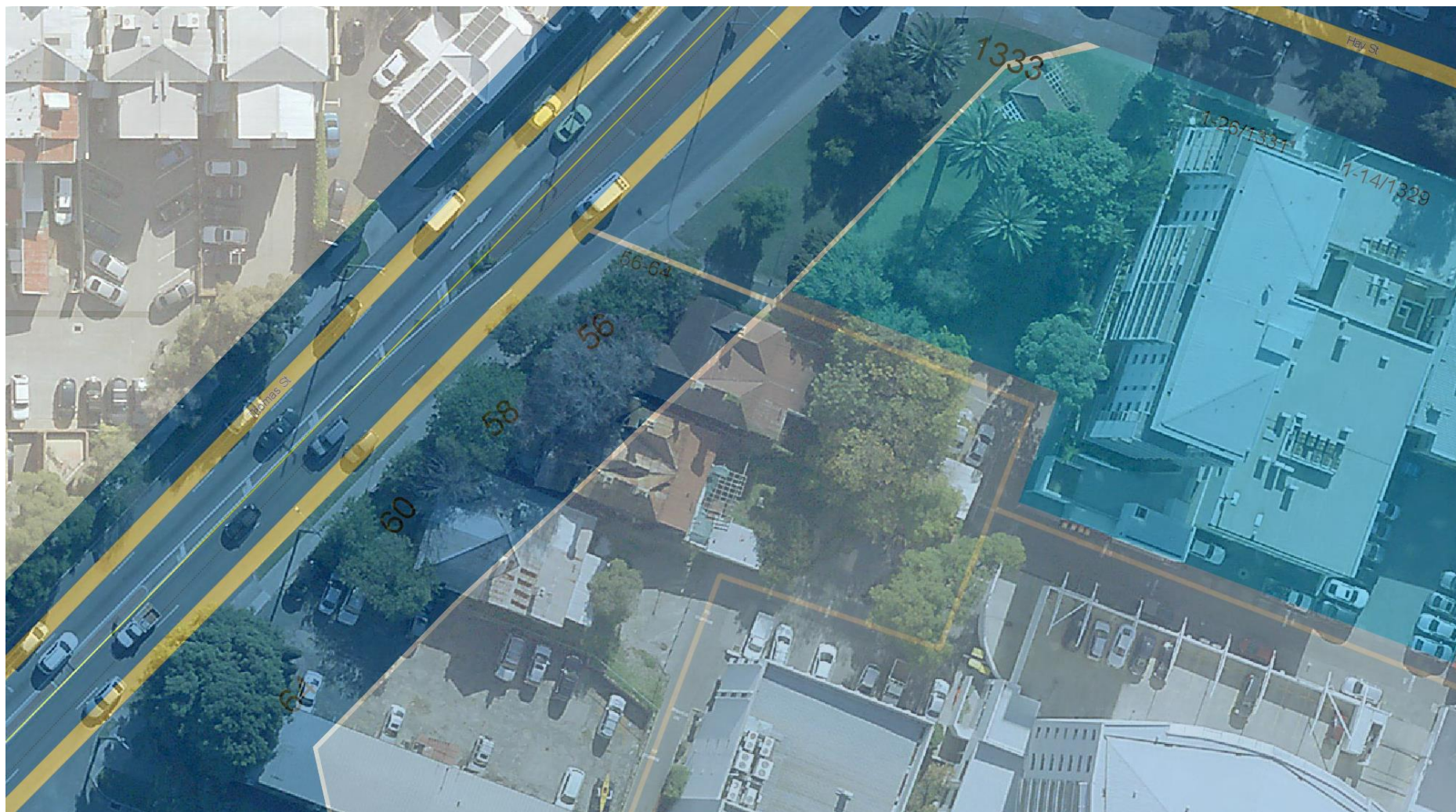
The Committee recommendation to the Council for this report was resolved by the Finance and Administration Committee at its meeting held on 23 August 2016.

The Committee recommendation to the Council is the same as that recommended by the Officers.

SCHEDULES
FOR THE COUNCIL
MEETING
TO BE HELD ON
30 AUGUST 2016



58 (LOT 5) THOMAS STREET, WEST PERTH



58 (LOT 5) THOMAS STREET, WEST PERTH (PROPOSED ROAD WIDENING MRS)

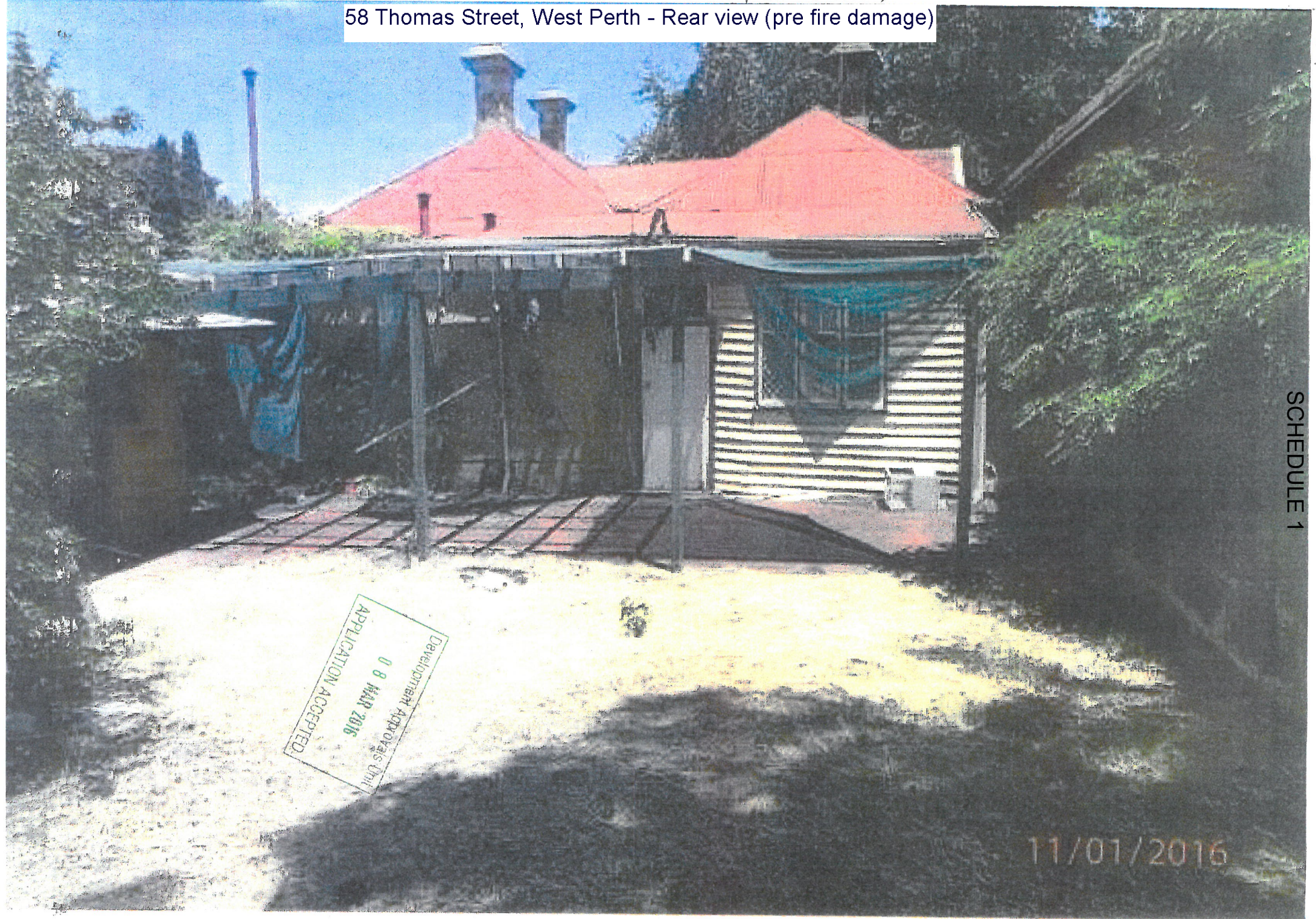
58 Thomas Street, West Perth - Front view (pre fire damage)

SCHEDULE 1

1986 AUG 21 11:30 AM



58 Thomas Street, West Perth - Rear view (pre fire damage)



SCHEDULE 1

11/01/2016

Development Approvals Unit
08 MAR 2016
APPLICATION ACCEPTED

58 Thomas Street, West Perth, Post fire damage photos

SCHEDULE 1

Following Pictures showing – Roof timbers are badly burnt, collapse likely at any moment, Floor timbers are badly burnt, will give way under foot, Chimney stack and sections of external wall Masonry heat damaged, ready to collapse in winds, or movement in building, front boundary brick wall being pushed over by trees, collapse likely in high winds by tree movement.







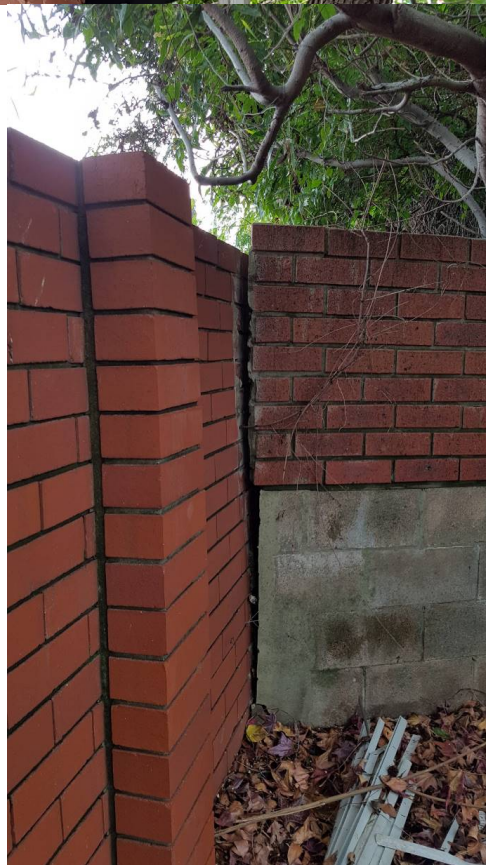
SCHEDULE 1

58 Thomas Street, West Perth - Post fire damage photos



SCHEDULE 1

58 Thomas Street, West Perth - Post fire damage photos



SCHEDULE 2



STATE
HERITAGE
OFFICE

Working on behalf of the Heritage Council to recognise, conserve, adapt and celebrate our State's unique cultural heritage

15 June 2016

YOUR REF	
OUR REF	P25118
ENQUIRIES	Kelly Fleming / 6552 4000

Mr Martin Mileham
Chief Executive Officer
City of Perth
GPO Box C120
PERTH WA 6839

Dear Mr Mileham

P25118 Electricity Substations, Perth

[Incl. 212 Wellington St, Perth (No.1); 325 Murray St, Perth (No.2); 98 Colin Street, West Perth (No. 3); 31 Stuart Street, Perth (No.4)]

Pt Lot 920 on DP43817, Vol. 2820 Folio 192; Lot 351 on DP 301726, Vol. 2033 Folio 3; Lot 1 on D6946, Vol. 1069 Folio 507; Lot 8 on DP495, Vol. 1821 Folio 459; Together as shown on HCWA Curtilage Map P25118.

The Heritage Council's Register Committee recently resolved that the above place is of cultural heritage significance in terms of the *Heritage of Western Australia Act 1990*, and that stakeholders should be consulted on the proposed registration.

We are therefore seeking your written comments on the proposed entry of *Electricity Substations, Perth* in the State Register of Heritage Places. The register entry will be based on the two enclosed documents, so please read these carefully:

- Draft assessment documentation
- HCWA Curtilage Map – showing the area of land that is proposed to be registered

Please make your submission using the attached form. If you would like to provide additional comments or information, these can be submitted in a separate attachment. Please send your submission to us by post or fax, or email info@stateheritage.wa.gov.au by **Wednesday 27 July 2016**.

The *Heritage of Western Australia Act 1990* (Sections 23 [4] and [5]) requires that the relevant local government be invited to nominate a person to attend the meeting at which the proposed registration of a place will be considered. It is entirely your decision whether you nominate someone to attend.

If you choose to nominate an attendee, they become a voting member of the Register Committee when *Electricity Substations, Perth* is considered. At the meeting your nominee will be asked to present the views of the local

stateheritage.wa.gov.au
info@stateheritage.wa.gov.au

SCHEDULE 2

government on the proposed registration. Further material including the recommendation to be considered by the Register Committee will be provided to your nominated attendee once a meeting has been scheduled.

The decision of the Register Committee is confidential until your Council has been officially notified. Should you have any queries relating to these confidentiality provisions, please do not hesitate to contact me on 6552 4000.

Please indicate whether you would like to attend this meeting on the attached form, and you will be notified of the meeting date once scheduled if you have opted to attend.

Please note that the owners and other local authority listed on page one of the assessment documentation have also been asked to comment on the proposed registration.

If you would like more time to consider the documentation, or to discuss registration, please contact Senior Heritage Officer Kelly Fleming on 6552 4000 or the above email. We would also be happy to meet with you to discuss the proposed entry of *Electricity Substations, Perth* in the State Register.

We look forward to hearing from you.

Yours sincerely



Penny O'Connor

Director Assessment and Registration

Enc

P.P.

SCHEDULE 2



STATE
HERITAGE
OFFICE

LOCAL GOVERNMENT REPRESENTATIVE PARTICIPATION IN A MEETING OF THE REGISTER COMMITTEE OF THE HERITAGE COUNCIL OF WESTERN AUSTRALIA

The Register Committee of the Heritage Council of WA is pleased to invite you to participate in its deliberations about and determination on a place under consideration for entry in the State Register of Heritage Places. This invitation is extended under Sections 23 (4) and (5) of the *Heritage of Western Australia Act 1990*.

Being invited to participate means that you

- become a member of the Register Committee of the Heritage Council for the discussion including the decision as to whether or not this place should be entered in the Register.
- will be asked as part of the discussion to present the views of your local government on the value of entering the place in the Register.
- are invited to participate fully in the discussion about the entry of the place in the Register of Heritage Places.
- are entitled to vote on whether or not the place in question should be entered in the Register.

Please note that the decision on whether or not to enter a place in the Register is made solely on the basis of whether or not the place has sufficient cultural heritage to warrant the protection of the *Heritage of Western Australia Act 1990*.

Confidentiality agreement: as an invited participant we ask you to remember that all discussions and decisions of the Register Committee of the Heritage Council remain confidential to the meeting until such time as the Minister has had the opportunity to consider any recommendation from the Council. Should you have any queries relating to these confidentiality provisions, please speak to one of the Heritage Council officers at the meeting or call the Director Assessment and Registration on 6552 4000.

SCHEDULE 2



STATE
HERITAGE
OFFICE

Bairds Building 491 Wellington Street Perth
Tel (08) 6552 4000
Fax (08) 6552 4001
info@stateheritage.wa.gov.au

TO:

STATE HERITAGE OFFICE

FROM:

CITY OF PERTH

RE:

REGISTER OF HERITAGE PLACES

DATE:

I/We refer to your letter of 15 June 2016, advising that the following place is to be considered for entry into the Register of Heritage Places:

P25118 Electricity Substations, Perth

As a relevant municipal Council for the above place, I/We _____
(✓ applicable box)

- ☐ **support the proposed registration**
☐ **have no comment to make on the proposal**
☐ **do not support the proposed registration**

Please provide comments here or attach a separate submission

- ☐ **I agree for other stakeholders to be advised of our position on registration**

The Council **does/does not*** wish to attend the Heritage Council meeting during which the interim registration of the above place will be considered. (*delete whichever does not apply)

Signed: _____

Name: _____

Position: _____

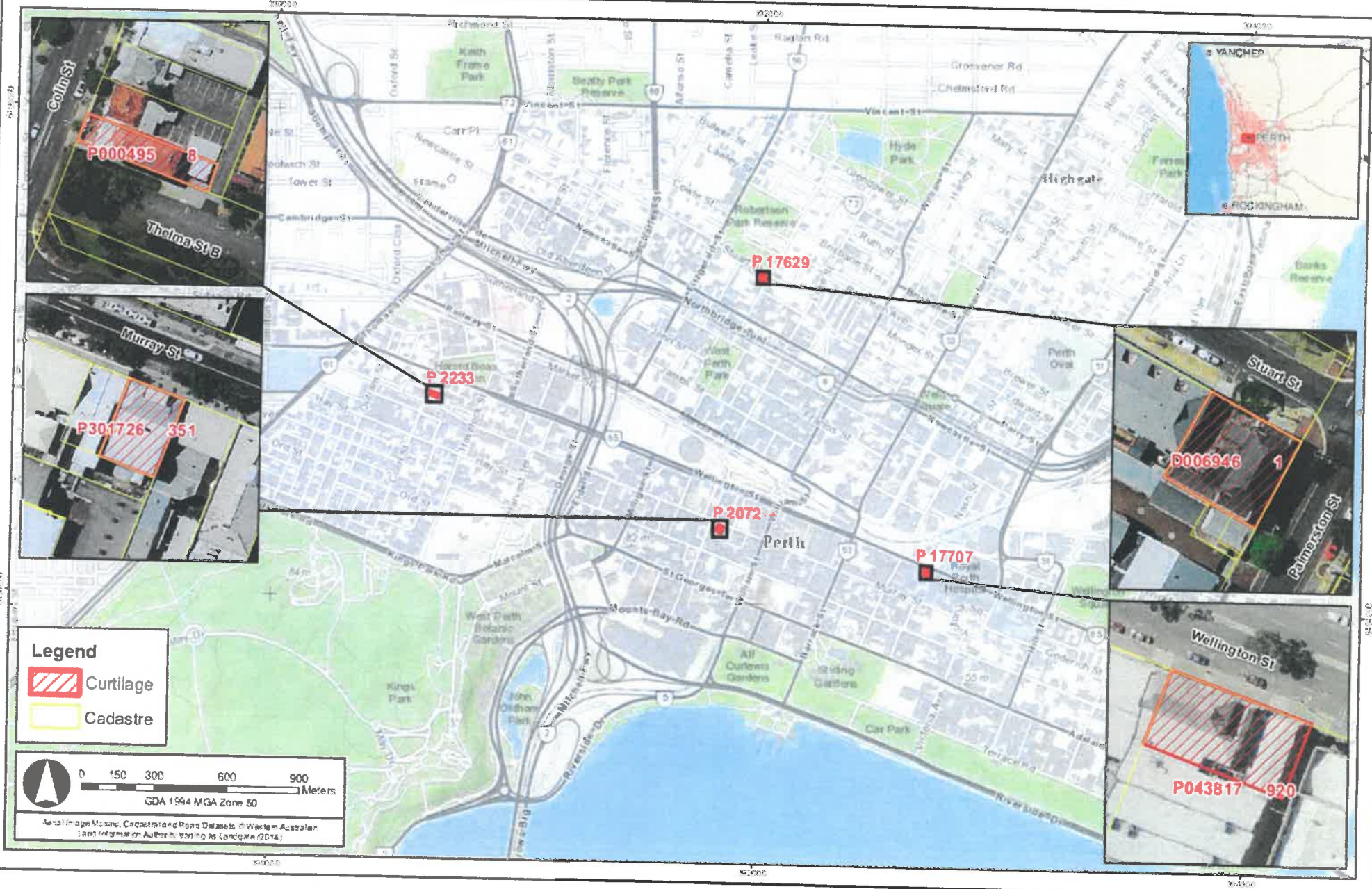
SCHEDULE 2



HERITAGE COUNCIL
STATE HERITAGE OFFICE

HCWA CURTILAGE MAP P25118 ELECTRICITY SUB STATIONS, PERTH

MAP 2 OF 2 PREPARED BY BERNHARD KLINGSEISEN (SENIOR LAND INFORMATION OFFICER) 18/07/2014



SCHEDULE 2

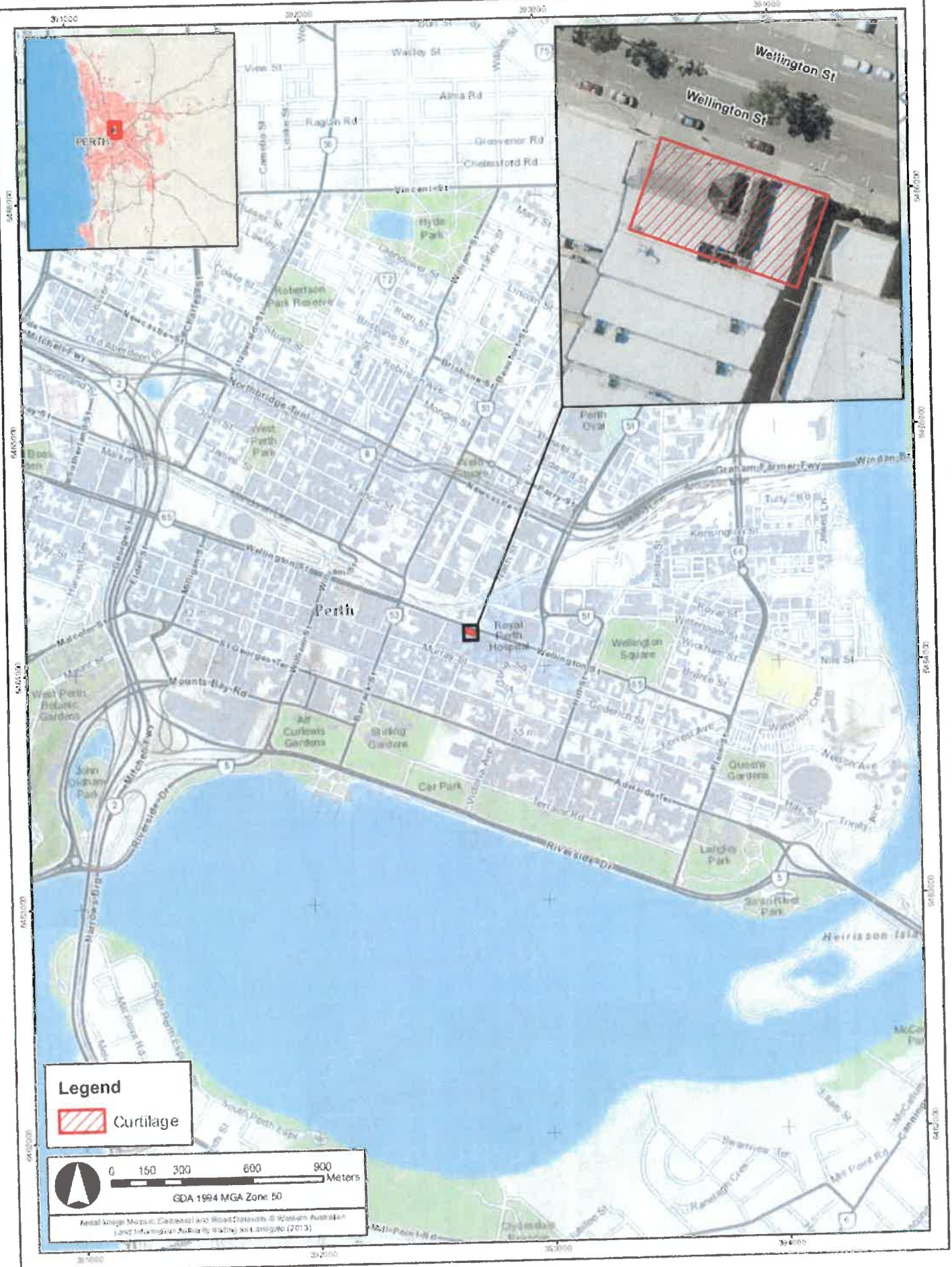


HERITAGE COUNCIL
STATE HERITAGE OFFICE

HCWA CURTILAGE MAP P17707 NO. 1 SUBSTATION, PERTH

MAP 1 OF 2 PREPARED BY BERNHARD KLINGSEISEN (SENIOR LAND INFORMATION OFFICER) 18/07/2014

COP Imaged Record - 20/06/2016



SCHEDULE 2



HERITAGE COUNCIL
STATE HERITAGE OFFICE

HCWA CURTLAGE MAP P17707 NO. 1 SUBSTATION, PERTH

MAP 2 OF 2 PREPARED BY BERNHARD KLINGEISEN (SENIOR LAND INFORMATION OFFICER) 18/07/2014



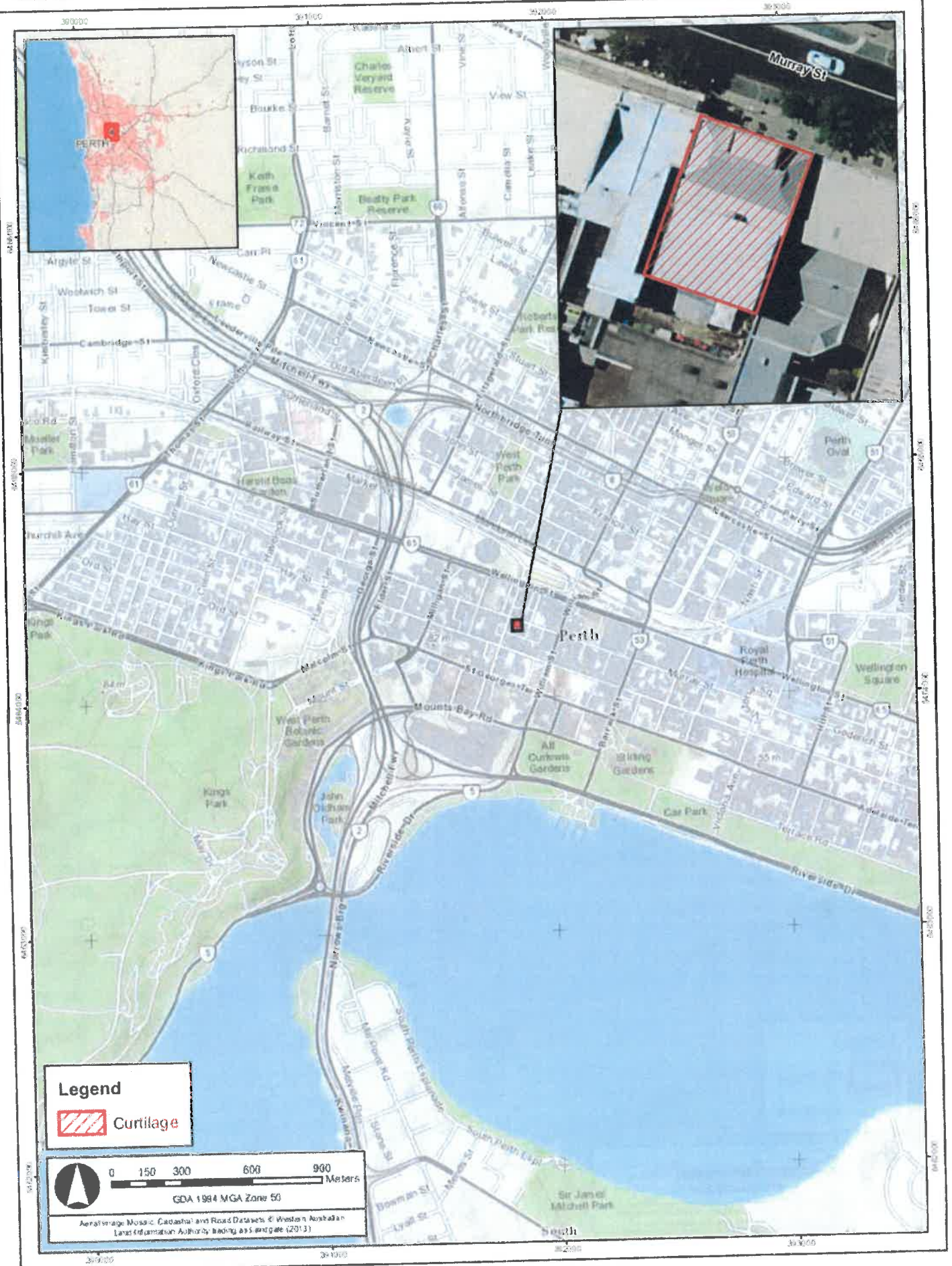
SCHEDULE 2



HERITAGE COUNCIL
STATE HERITAGE OFFICE

HCWA CURTILAGE MAP P2072 NO. 2 SUBSTATION, MURRAY STREET

MAP 1 OF 2 PREPARED BY BERNHARD KUNGSEISEN (SENIOR LAND INFORMATION OFFICER) 18/07/2014



SCHEDULE 2



HERITAGE COUNCIL
STATE HERITAGE OFFICE

HCWA CURTILAGE MAP P2072 NO. 2 SUBSTATION, MURRAY STREET

MAP 2 OF 2 PREPARED BY BERNHARD KLINGSEISEN (SENIOR LAND INFORMATION OFFICER) 18/07/2014

COP Imaged Record - 20/06/2016



SCHEDULE 2

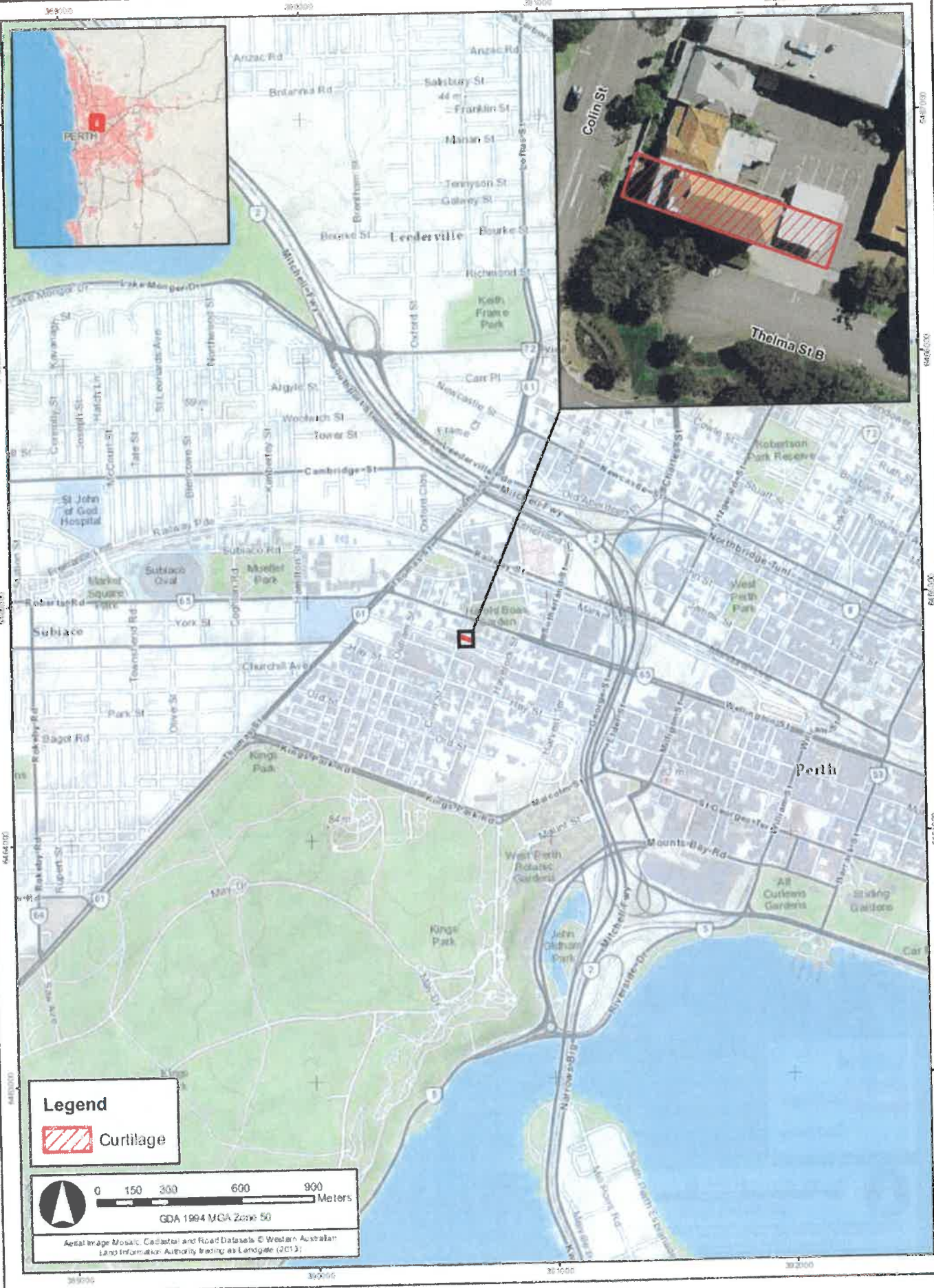


HERITAGE COUNCIL
STATE HERITAGE OFFICE

HCWA CURTILAGE MAP P2233 NO. 3 SUBSTATION, PERTH

MAP 1 OF 2 PREPARED BY BERNHARD KLINGSEISEN (SENIOR LAND INFORMATION OFFICER) 18/07/2014

COP Imaged Record - 20/06/2016



SCHEDULE 2



HERITAGE COUNCIL
STATE HERITAGE OFFICE

HCWA CURTILAGE MAP P2233 NO. 3 SUBSTATION, PERTH

MAP 2 OF 2 PREPARED BY BERNHARD KLINGSEISEN (SENIOR LAND INFORMATION OFFICER) 18/07/2014

COP Imaged Record - 20/06/2016



SCHEDULE 2

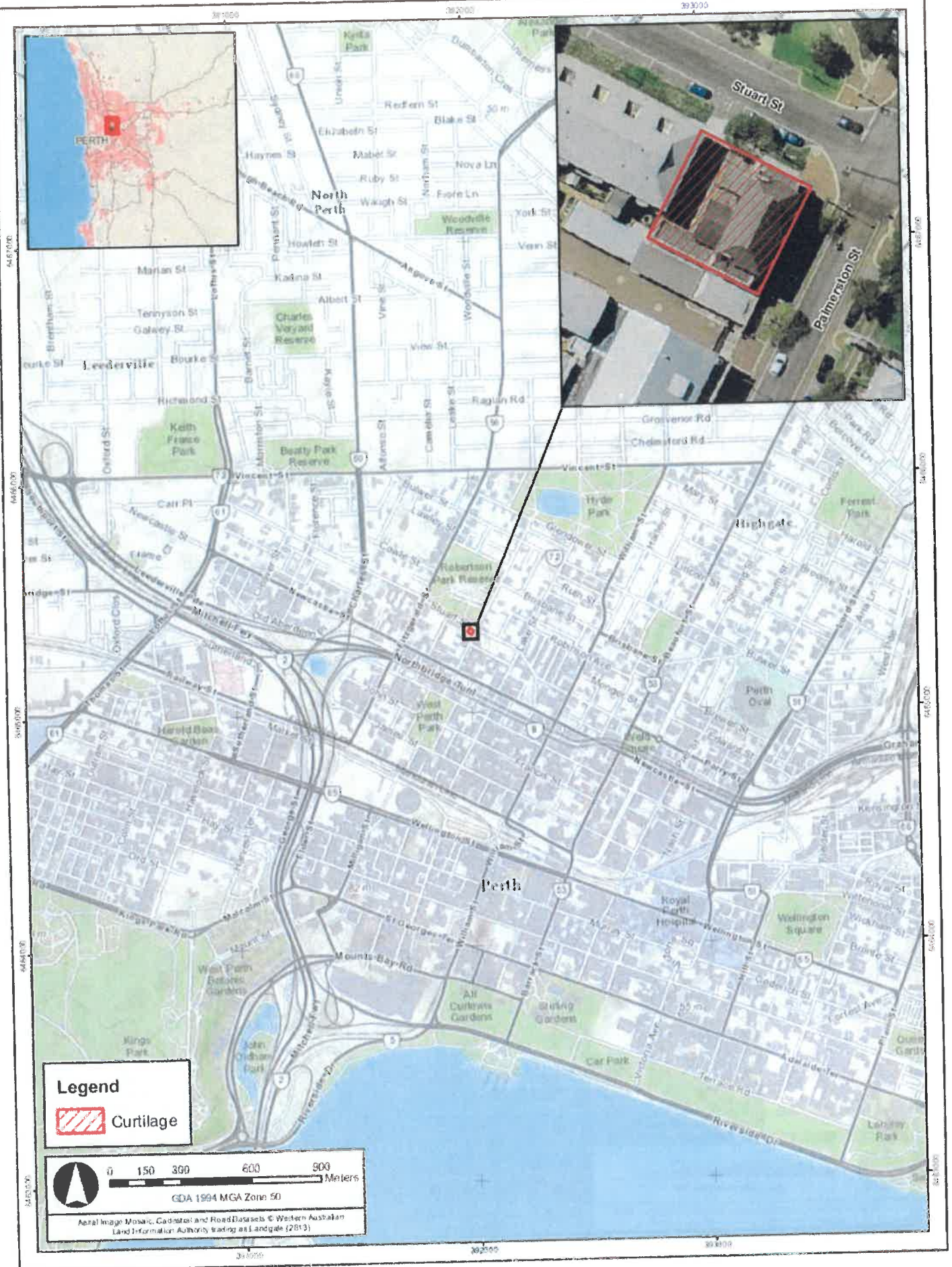


HERITAGE COUNCIL
STATE HERITAGE OFFICE

HCWA CURTILAGE MAP P17629 NO. 4 SUBSTATION, PERTH

MAP 1 OF 2 PREPARED BY BERNHARD KLINGSEISEN (SENIOR LAND INFORMATION OFFICER) 18/07/2014

COP Imaged Record - 20/06/2016



SCHEDULE 2



HERITAGE COUNCIL
STATE HERITAGE OFFICE

HCWA CURTILAGE MAP P17629 NO. 4 SUBSTATION, PERTH

MAP 2 OF 2 PREPARED BY BERNHARD KLINGSEISEN (SENIOR LAND INFORMATION OFFICER) 18/07/2014



SCHEDULE 2

DOCUMENTATION OF PLACES FOR ENTRY IN THE REGISTER OF HERITAGE PLACES

1. **DATA BASE No.** 25118
2. **NAME** *Electricity Substations, Perth (1914-15)*
FORMER NAME (or OTHER NAMES)
3. **LOCATION** Wellington St, Perth (No.1); 325 Murray St, Perth (No.2);
98 Colin Street, West Perth (No. 3); 31 Stuart Street,
Perth (No.4)
4. **DESCRIPTION OF PLACE INCLUDED IN THIS ENTRY**
1. Portion of Lot 920 on Deposited Plan 43817 being part of the land in
Certificate of Title Volume 2820 Folio 192;
2. Lot 351 on Deposited Plan 301726 being the whole of the land in
Certificate of Title Volume 2033 Folio 3; Lot 1 on Diagram 6946 being the
whole of the land in Certificate of Title Volume 1069 Folio 507.
3. Lot 8 on Deposited Plan 495 being the whole of the land in Certificate of
Title Volume 1821 Folio 459;
Together as shown on HCWA Curtilage Map P25118.
5. **LOCAL GOVERNMENT AREA** City of Perth, City of Vincent
6. **CURRENT OWNER**
1. Metropolitan Health Services Board;
2. Western Power;
3. Dalcorp Holdings Pty Ltd and Anna Maria Coci.
7. **HERITAGE LISTINGS**
- | | | |
|--|------------|------------|
| • Register of Heritage Places:
<i>P02072 No.2 Substation, Murray Street</i> | Permanent | 13/08/2013 |
| • National Trust Classification:
<i>P02072 No.2 Substation, Murray Street</i> | Classified | 04/05/1981 |
| • Town Planning Scheme:
<i>P02072 No.2 Substation, Murray Street</i> | Yes | 20/12/1985 |
| • Municipal Inventory:
No.4 Substation, Stuart Street | Adopted | 12/09/2006 |
| • Register of the National Estate:
<i>P02072 No.2 Substation, Murray Street</i> | | 25/03/1986 |
8. **ORDERS UNDER SECTION 38 OR 59 OF THE ACT**

SCHEDULE 2

9. HERITAGE AGREEMENT

10. STATEMENT OF SIGNIFICANCE

Electricity Substations, Perth, a non-adjacent group of four two-storey red brick buildings with stucco detailing, in the Federation Warehouse style, constructed to a standard plan that was modified to suit each location, has cultural heritage significance for the following reasons:

the four buildings are a rare example of a complete set of early twentieth-century electricity substations relating to the initial development of an electricity network in Western Australia;

the four buildings were constructed by Perth City Council to operate as the main line substations in conjunction with the State Government's *East Perth Power Station* (1916), the first centralised electricity supply in Perth, and one (No.4 Substation, Stuart Street) continued to operate as an electricity substation into the twenty-first century;

the four buildings have high scientific value for their ability to contribute to the understanding of the development of power to the metropolitan region of Perth, especially No.4 Substation, Stuart Street, which retains much of its transformers and other machinery;

the four buildings are good examples of utilitarian structures designed in the Federation Warehouse style to fit within city streetscapes, an approach to constructing and siting industrial buildings that is no longer practised;

construction of the substations and installation of the plant was supervised by international company Merz & McLellan, especially Charles McLellan, who advised the City of Perth and State Government regarding electricity production and was influential in the decision to centralise and to switch from direct to alternating current; and,

the buildings were designed by prominent and prolific Western Australian architect Jack Learmonth Ochiltree and are a good example of his design approach to functional buildings.

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11. ASSESSMENT OF CULTURAL HERITAGE SIGNIFICANCE

The criteria adopted by the Heritage Council in November 1996 have been used to determine the cultural heritage significance of the place.

PRINCIPAL AUSTRALIAN HISTORIC THEME(S)

- 3.2 Constructing capital city economies
- 3.13 Developing an Australian manufacturing capacity
- 3.14 Developing and engineering and construction industry
- 4.1 Planning urban settlements
- 4.2 Supplying urban services (power)
- 5 Working
- 7.6 Administering Australia
- 7.8 Establishing regional and local identity

HERITAGE COUNCIL OF WESTERN AUSTRALIA THEME(S)

- 108 Government policy
- 112 Technology and technological change
- 308 Commercial services and industries
- 310 Manufacturing and processing
- 401 Government and politics
- 402 Education and science
- 404 Community services and utilities
- 507 Water, power, major transport routes

11.1 AESTHETIC VALUE*

Electricity Substations, Perth is a good example of utilitarian buildings designed in the Federation Warehouse style to fit within residential and commercial city streetscapes, with double-volume space and high ceilings providing light and air movement to accommodate the building's function. (Criteria 1.1)

Electricity Substations, Perth are all landmark buildings due to their scale, proportions and detailing. (Criterion 1.3)

No.4 Substation, Stuart Street contributes to a significant precinct of Federation red brick buildings that are similar in mass, scale, materials and detailing and No.1 Substation, Wellington Street contributes to both the Wellington Street and Royal Perth Hospital precincts. (Criterion 1.4)

No.2 Substation, Murray Street contributes to the historic King Street Precinct of predominantly multi-storey brick commercial buildings of the late nineteenth and early twentieth centuries, in Federation-era architectural styles. (Criterion 1.4)

* For consistency, all references to architectural style are taken from Apperly, R., Irving, R., Reynolds, P. *A Pictorial Guide to Identifying Australian Architecture. Styles and Terms from 1788 to the Present*, Angus and Robertson, North Ryde, 1989.

For consistency, all references to garden and landscape types and styles are taken from Ramsay, J. *Parks, Gardens and Special Trees: A Classification and Assessment Method for the Register of the National Estate*, Australian Government Publishing Service, Canberra, 1991, with additional reference to Richards, O. *Theoretical Framework for Designed Landscapes in WA*, unpublished report, 1997.

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Since 1974, No.1 Substation, Wellington Street, has formed part of the extensive Royal Perth Hospital campus, an eclectic collection of purpose-built and acquired buildings with a wide variety of styles. (Criterion 1.4)

11. 2. HISTORIC VALUE

Electricity Substations, Perth was constructed in 1914 and 1915 as part of the centralisation and expansion of Perth electricity supplies in response to the city's rapidly increasing population. (Criterion 2.1)

Electricity Substations, Perth comprises the full set of four substations built by the Perth City Council in conjunction with the State Government's construction of *East Perth Power Station* (1916) to distribute electricity from the new power station through a ring or mainline, and together with the power station represents the first centralised electricity supply in Perth. (Criterion 2.2)

Electricity Substations, Perth demonstrates the interplay between local and state government, being built by Perth City Council to enable the State Government's power centralisation scheme. The reluctance of Perth City Council to relinquish control of electricity provision for their locality is indicated by the inclusion of the Council's name in the entablatures of the buildings at the time of their construction. (Criterion 2.2)

Construction of the substations and installation of the plant was supervised by international company Merz & McLellan, especially Charles McLellan, who advised the City of Perth and State Government regarding electricity production and was influential in the decision to centralise and to switch from direct to alternating current. (Criterion 2.3)

Electricity Substations, Perth was designed by prominent and prolific Western Australian architect Jack Learmonth Ochiltree and is a good example of his design approach to functional buildings. (Criterion 2.3)

11. 3. SCIENTIFIC VALUE

Electricity Substations, Perth contributes to the understanding of the development of power to the metropolitan region of Perth. No. 4 Substation, Stuart Street in particular retains a large proportion of its transformers and other machinery and has the potential to be used as a teaching and reference site for the history of electricity generation from the early part of the twentieth century until relatively recent times. (Criterion 3.1)

Electricity Substations, Perth yields information that contributes to a wider understanding of the development of electricity to the Perth metropolitan area for most of the twentieth century and into the twenty-first century. (Criterion 3.2)

Electricity Substations, Perth demonstrates the technical innovation and achievement required to bring a large-scale electricity network to serve the population of Perth. (Criterion 3.3)

The interior layout of the buildings, and particularly the extant machinery within No.4 Substation, Stuart Street, has the potential to inform an understanding of the development of electricity in Western Australia. (Criterion 3.2)

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11. 4. SOCIAL VALUE

Electricity Substations, Perth contributes to the community's sense of place as distinctive industrial buildings located within residential or commercial streetscapes, particularly *No.2 Substation, Murray Street*, which is part of the historic King Street Precinct, an area recognised by its heritage listings as being valued by the community. (Criterion 4.2)

12. DEGREE OF SIGNIFICANCE

12. 1. RARITY

Electricity Substations, Perth is a rare example of a complete set of early twentieth-century electricity substations, particularly as the main station they were built to support, *East Perth Power Station*, also remains extant. (Criterion 5.1)

Electricity Substations, Perth demonstrates the practice of constructing attractive industrial buildings to be sited amongst residential, commercial and other public spaces, which is no longer common practice. (Criterion 5.2)

12. 2 REPRESENTATIVENESS

Electricity Substations, Perth is a good representative example of electricity substations constructed in the early twentieth century. (Criterion 6.1)

Electricity Substations, Perth is a good representative example of the practice of using standard plans for multiple buildings of similar use, including adapting those plans to suit specific requirements across varied sites. (Criterion 6.2)

12. 3 CONDITION

Electricity Substations, Perth comprises four buildings, all in good condition. They were very well constructed using high quality materials and were designed to a very high structural specification. They have all been well maintained although No. 1 Substation, Wellington Street and No. 4 Substation, Stuart Street require some cosmetic maintenance.

12. 4 INTEGRITY

No. 4 Substation, Stuart Street displays a high degree of integrity. It was used as an electricity substation until relatively recently and was only decommissioned when new technology made it redundant. It retains most of the operating machinery used until the decommissioning of the building, when it was mothballed.

No. 1 Substation, Wellington Street and No. 3 Substation, Colin Street have been considerably modified to suit other uses. No.2 Substation, Murray Street has had its plant removed and is now vacant, but the layout of the substation remains intact.

12. 5 AUTHENTICITY

No. 4 Substation, Stuart Street displays a very high degree of authenticity. The street frontages retain their original form and the internal spaces retain

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their original volumes. Some original machinery remains in situ. There have been some alterations over time, both to the building and the machinery, which reflect the development of electricity generation and distribution to a large metropolitan area.

While there have been a number of modifications to No. 1 Substation, Wellington Street and No. 3 Substation, Colin Street, particularly the introduction of mezzanine levels and the painting of the facades of No. 1 Substation, Wellington Street, the original layout, façade details and volumes are discernable and the buildings could be returned to their original form if required.

No. 2 Substation, Murray Street largely retains its original form and detail, with some windows blocked up or replaced and the first floor balcony enclosed.

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13. SUPPORTING EVIDENCE

The documentation for this place is based on the heritage assessment for P02072 *No.2 Substation, Murray Street*. Additional information, pertaining to the main line substation group, was added by Clare Menck, Historian, in May 2015. The physical evidence was compiled by Heritage Architect Lynne Farrow in May 2015, with amendments and/or additions by the State Heritage Office and the Register Committee.

13.1 DOCUMENTARY EVIDENCE

Electricity Substations, Perth comprises a non-adjacent group of four two-storey red brick buildings with stucco detailing, in the Federation Warehouse style, constructed to a standard plan that was modified to suit the location of each building. The buildings are sited within central Perth, between one and 1.5 kilometres from each other. They were constructed for Mertz and McLellan in 1914 and 1915, designed by Jack Ochiltree and constructed by Todd Brothers.

The following contextual sections in italics have been taken from 'Heritage Assessment for No. 2 Electric Light Sub-Station 1914 and Murray Mews' completed by Ronald Bodycoat, Heritage Architect, in March 2008, and draw on research undertaken for the Central Perth Precinct in 2002 prepared by Kristy Bizzaca.

The development of Perth was hugely impacted by the discovery of gold in the Kimberley, Murchison and Kalgoorlie regions in the 1880s and 1890s, and the concurrent granting of Responsible Government to Western Australia in 1890.¹ The physical nature of the city changed dramatically with economic prosperity and the increase of population as a result of gold rush immigration. By the turn of the twentieth century, Perth was totally transformed. Its streets became lined with elaborately styled multi-storey buildings, many of which were the design of a now large architectural profession, and developing suburbs surrounded the city.²

Due to the completion of the Fremantle to Guildford railway in 1881 and the later construction of the tramway system extending to the outer suburbs in 1899, Perth became the focus of the growing metropolitan area.³ With the central railway station to the north of the town site and the Government domain to the south, the area in between was consolidated as the commercial and retail centre of Perth.⁴ Banks, insurance buildings, and professional and commercial offices were constructed along St. Georges Terrace, and businesses, shops and warehouses were

¹ Stannage, C. T., *The People of Perth: A Social History of Western Australia's Capital City, City of Perth* (Perth, 1979), p. 193; Seddon, G., & D. Ravine, *A City and its Setting* (Fremantle, 1986), pp. 146-47

² Stannage, *People of Perth*, pp. 193-94; Seddon & Ravine, *City and its Setting*, p. 147. Seddon and Ravine state that: 'In 1904, 10 per cent of central Perth was still vacant land, but by 1911, there was no vacant land left.' (p. 152)

³ Seddon & Ravine, *City and its Setting*, pp. 148-49; Battye, J. S. (ed.), *The Cyclopaedia of Western Australia* (Vol. 1, Hesperian Press 1985 [1912]), p. 359; Stannage, *People of Perth*, p. 194

⁴ Hocking, I., 'Growth and Change in Central Perth', in Pitt Morison, M., & J. White, *Western Towns and Buildings* (UWA Press, 1979), pp. 266-67

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established in Murray, Hay and Wellington Streets.⁵ A number of hotels and theatres were built in this central area and large emporiums such as Foy & Gibson's and Sandover's emerged along the tram route and the existing shopping strip of Hay Street.⁶

The gold boom period also caused the city to expand north, east and west, with residential and commercial uses established. Many large Perth Town Lots were subdivided. West Perth developed as a residential area, while north of the railway line manufacturing and commercial uses increased along with residences. The northern part of East Perth, around Claise Brooke, was already a working class residential area and increasingly consolidated as an industrial area.⁷

Electricity was first generated in Western Australia when the Western Australia Electric Light and Power Company began production in 1888. The company was not long-lived. In 1893, Perth Gas Company, which had been distributing gas to the city for ten years, acquired the right to produce electricity and became the City of Perth's main supplier. Electricity at the time was primarily used for lighting, and for electric tramways, and power stations where small local facilities developed in an ad hoc manner. Tramways generally had their own electricity plants.⁸

In 1911, after a five-year legal battle over the sale price, Perth City Council purchased the Perth Gas Company. The final price was £419,312, a significant increase from the £158,866 the Council originally offered in 1906. As a consequence of the sale, Perth City Council acquired three power stations, a gas plant and the electricity distribution system. The three stations were at Wellington Street (900kW), Marquis Street (1500kW) and Ferguson Street, Maylands (110kW).¹⁰

Perth City Council had not long been owners of the Gas Company when they were informed that the land in East Perth on which the largest of the three power plants was situated, in Marquis Street, was to be resumed for railway purposes.¹¹ The cost of relocating the 1500kW plant was estimated at £24,500. Two reports on the Council's options differed significantly, one recommending changing the entire system to alternating current and the other urging the Council to remain with the existing system of direct current.

⁵ Seddon & Ravine, *City and its Setting*, p. 156

⁶ Hocking, 'Growth and Change', pp. 266-68; see also 'Perth Central Area Heritage Survey - Final Report', prepared for the Heritage Council of Western Australia and the City of Perth as part of NEGP 1991/1992, May 2001, Volume 1, pp. 409-11

⁷ SHO Register documentation P15761 *Flats, 72-74 Thomas Street*; P08705 *Robertson Park & Archaeological Sites*; P08728 *Mackays Aerated Waters Factory (fmr)*; aerial photograph 1948, Landgate Mapviewer; Considine & Griffiths, 'No.6 Electricity and Gas Substation East Perth', June 1996, p.8

⁸ Edmonds, Leigh, *Cathedrals of Power: A Short History of the Power Generating Infrastructure in Western Australia 1912-1999* (UWA Press, 2000), pp. 15-18

⁹ Boylen, Louise, & John McIlwraith, *Power for the People: A History of Gas and Electricity in Western Australia* (Perth, 1994), pp. 32-35

¹⁰ Electricity and Gas Department file 'Electric Station – Reports, Correspondence &c, re System Site; Resumption of No. 2 Station: Agreement with Government', SROWA Cons 3054 item 1912/0137A

¹¹ This plant was at the time known as 'No. 2 Substation'. It was situated at Perth Building Lots V86 and part V87, and is not to be confused with the substations that are the subject of this assessment.

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However, both reports recommended centralising electricity production. Subsequent advice from a Sydney expert supported the move to alternating current, as direct current was not suitable for an expanding city, as it required close proximity between power production and consumption.¹²

In the same period the new Labor Government, led by John Scaddan, implemented the *Government Trading Concerns Act* (1912) and purchased Perth Electric Tramways Ltd, the other main producer of electricity in the Perth central area.¹³ The Government approached Perth City Council proposing an agreement under which one central power station, owned by the Government, would produce sufficient power for all local requirements, as well as outlying suburbs. Under this proposal, Perth City Council would purchase electricity from the government to on-sell to its residents. The Council initially rejected the proposal, due to concerns that they would not be granted reliable and affordable electricity as a result. A major sticking point was agreement on fixing a price for supplying the outer municipalities. After some amendments, an agreement was finally signed in October 1913, although it took over two months to be ratified by parliament.¹⁴ The Western Australian Government was the first state government to take on public production of electricity.¹⁵

The terms of the Council's agreement included the Government building a 9,000kW power station, with potential to expand as demand increased. To distribute this high-tension power to the City of Perth, the Government would provide a 'ring or main cable' through the municipality, with 'high-tension switchgear and meter panel points (not exceeding four) on the said ring main'.¹⁶ The Council would provide substations at these meter panel points. The ring main was to begin at No. 1 Substation, the site of the Council Electric Power House in Wellington Street. It was then to be laid through central Perth along Murray Street, from Pier Street running west 'as far as the end, passing on its way the proposed position of No. 2 Substation', before reaching No.3 Substation at the corner of Thomas Street and returning north of the railway line with a zigzag route along Aberdeen, Palmerston, Brisbane, Padbury, Bulwer and Summers Streets and back along the river. No. 4 Substation was to be on Palmerston Street.¹⁷ In proposing this route, and the location of substations, the Railways department noted of No. 3 that 'as this Substation is located in a good residential district, it is essential that the building you design

- 12 Electricity and Gas Department file 'Electric Station – Reports, Correspondence &c, re System Site; Resumption of No. 2 Station: Agreement with Government', SROWA Cons 3054 item 1912/0137A
- 13 Draft State Heritage Office assessment documentation, 03318 *East Perth Power Station*, August 2004, State Heritage Office file 03318
- 14 Electricity and Gas Department file 'Electric Station – Reports, Correspondence &c, re System Site; Resumption of No. 2 Station: Agreement with Government', SROWA Cons 3054 Item 1912/0137B&C
- 15 Draft State Heritage Office assessment documentation, 03318 *East Perth Power Station* (2004)
- 16 Proposed Agreement between Perth City Council and the Government, August 1913, on Electricity and Gas Department file 'Electric Station – Reports, Correspondence &c, re System Site; Resumption of No. 2 Station: Agreement with Government', SROWA Cons 3054 Item 1912/0137C
- 17 19 December 1913 letter from WA Government Railways to Merz & McLellan, London, on Electricity and Gas Department file 'Electric Station – Reports, Correspondence &c, re System Site; Resumption of No. 2 Station: Agreement with Government', SROWA Cons 3054 Item 1912/0137C

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should be of slightly appearance'.¹⁸ Extant physical evidence indicates that the designs of Nos. 1, 3 and 4 were essentially the same, but modified to suit the location of each building while No. 2 was a modified version of the design to fit within a tighter land area. In 1913, there was no exact location proposed for No. 2 Substation, and the Town Clerk noted to the Council's consultant engineers that 'our chief difficulty is obtaining a site for No. 2 station'.¹⁹ It is likely that a site suitable for the free-standing design used for 1, 3 and 4 could not be found, and thus the design was altered for No. 2 to suit the available land of the present Murray Street site.

Following the conflicting reports from local experts received in 1911, Perth City Council had been advised to secure the services of an international engineering firm, as there was no one available locally at the time with knowledge of electrical production on the scale being proposed.²⁰ A London-based engineering firm, Merz & McLellan, was appointed to oversee the project, as one of the senior partners of the firm, Charles Merz, was in Australia at the time advising the Victorian Government regarding electricity production in Melbourne.²¹ Merz & McLellan sent C. T. Briggs to Perth to supervise the erection of all buildings and plant associated with the new power station. Merz & McLellan were to be responsible for all four substations on the ring main.²²

At the end of 1913 Perth City Council's electrical engineer, Herbert Broadbent, went to London with authorisation to enter and sign contracts for the machinery required for the new electrical system, which he arranged as soon as the Western Australian Parliament ratified the Government's agreement with Perth City Council on 22 December 1913. Merz & McLellan recommended using Allgemeine Elektricitäts Gesellschaft, of Berlin, for the substation machinery, as they were far cheaper than any British company, and, having won the Western Australian Government's contract to provide plant for the new East Perth Power Station, would be able to reduce costs further with bulk orders. The only perceived disadvantage was the 'German name' of the company, but the Council agreed to use the company anyway. Subsidiary machinery, particularly 'step-down transformers', was commissioned from Willians [sic] & Robinson Ltd, who distributed British

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- 18 19 December 1913 letter from WA Government Railways to Merz & McLellan, London, on Electricity and Gas Department file 'Electric Station – Reports, Correspondence &c, re System Site; Resumption of No. 2 Station: Agreement with Government', SROWA Cons 3054 Item 1912/0137C
 - 19 24 December 1913 letter from W.E. Bold to Merz & McLellan, London, on Electricity and Gas Department file 'Electric Station – Reports, Correspondence &c, re System Site; Resumption of No. 2 Station: Agreement with Government', SROWA Cons 3054 Item 1912/0137C. There is no further information on this file to indicate how the present site was determined.
 - 20 Electricity and Gas Department file 'Electric Station – Reports, Correspondence &c, re System Site; Resumption of No. 2 Station: Agreement with Government', SROWA Cons 3054 Item 1912/0137A.
 - 21 Electricity and Gas Department file 'Electric Station – Reports, Correspondence &c, re System Site; Resumption of No. 2 Station: Agreement with Government', SROWA Cons 3054 Item 1912/0137A; Edmonds, *Cathedrals of Power*, p. 124
 - 22 Correspondence between Merz & McLellan and W. H. Bold, Town Clerk, Perth City Council, Aug-Dec 1913, on Electricity and Gas Department file 'Electric Station – Reports, Correspondence &c, re System Site; Resumption of No. 2 Station: Agreement with Government', SROWA Cons 3054 Item 1912/0137C

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Westinghouse-designed machinery.²³ The contract with the German firm had to be terminated once World War I began, and it is presumed that British Westinghouse, who took over the equivalent contract for the power station, most likely also took on the contract for the substations.²⁴

By May 1914, Perth City Council determined that 'the plans received from the Council's experts were of little use and new ones had to be prepared'.²⁵ Prominent architect Jack Learmonth Ochiltree, who was a City Councillor and had been involved in the Lighting Committee since its inception, made this recommendation and then promptly resigned from Council and applied for the position of architect for the substations. Although there was some discussion of potential impropriety in this arrangement, Council agreed that Ochiltree was the best person for the job, given his architectural expertise and his detailed knowledge of the electricity project.²⁶ Tenders were called for and the firm of Todd Brothers was appointed to construct *No.2 Substation, Murray Street*, the first of the four to be erected.²⁷

Presumably *Electricity Substations, Perth* were constructed as planned in the following years, as the physical evidence shows moulded stucco lettering with construction dates of 1914 (No.2 and No.3) and 1915 (No.1 and No.4). Certainly all four substations were ready, and fully equipped, in time for the beginning of power generation from East Perth Power Station on 3 December 1916.²⁸

A c.1920 photograph of the Murray Street façade of *No. 2 Substation, Murray Street* shows the brickwork unrendered, but the effect of light moulding features against red brick is similar to the 2008 presentation of white painted stucco features against red painted brickwork. The entablature has raised letters reading 'Perth City Council – No. 2 Electricity Light Sub-Station – 1914'. The upstairs balcony had not yet been enclosed, and had a heavy grid-pattern stucco railing with two central columns to the roof. Upstairs windows are twelve panes each, and appear to be single-hung sashes. At street level there are two large picture windows (now bricked in), each of which has five small panes across the top. Both picture windows have 'Perth City Council' stencilled across them. There does not appear to be a front door, although this may be recessed and therefore not discernible in the shadow. Where a door might be expected are instead two low timber gates with the appearance of a picket fence.²⁹

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- 23 Electricity and Gas Department file 'Electric Station – Reports, Correspondence &c, re System Site; Resumption of No. 2 Station: Agreement with Government', SROWA Cons 3054 Item 1912/0137C
 - 24 Boylen & McIlwraith, *Power for the People*, p. 124
 - 25 'Lighting the City', *West Australian*, Tues 19 May 1914 p.8, <http://trove.nla.gov.au/ndp/del/article/26905636>
 - 26 'City Lighting: Designing Substations', *West Australian*, Fri 22 May 1914 p.7, <http://trove.nla.gov.au/ndp/del/article/26905981>
 - 27 'Perth City Council: Fortnightly Meeting', *West Australian*, Tues 21 July 1914, p.4, <http://trove.nla.gov.au/ndp/del/article/26911337>
 - 28 Draft State Heritage Office assessment documentation, 03318 *East Perth Power Station*, August 2004, State Heritage Office file 03318
 - 29 Reproduced in Boylen & McIlwraith, *Power for the People*, p. 22

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In March 1925, the Tramway and Electricity Supply Department called for tenders for alterations and additions at Murray Street, Perth.³⁰ Presumably this was for changes to *No. 2 Substation, Murray Street*. It is not known what changes were made at this time, but this may have been the extensions to the southern switch room that are evident in the fabric.

An undated photograph, possibly from the 1930s, shows No.1 Substation, Wellington Street. Moulded lettering in the centre of the north (Wellington Street) elevation reads 'Perth City Council – 1915 – No1 Electricity Sub Station' and this area is in lighter brick. The west and east end verandahs remain unenclosed. Portal windows are bordered with smooth, light-coloured plasterwork and below the height of the ground-floor windows the central section is striped, with each stripe three courses of bricks.³¹

Increasing demand for electricity in the 1920s, especially from the gas works and glass works at East Perth, led to expansion of *East Perth Power Station* from its original single generator to five generators operating in 1929. The City of Perth subsequently constructed additional substations for the network. Substation No.5 was sited in Maylands, and No.6 opened in 1924 on the corner of Glyde and Brown Streets, East Perth.³²

No.1 Substation, Wellington Street, had a saw-tooth warehouse building added to the south in the interwar years, probably in the 1930s. Undated historical photograph suggests this building was accessed from Wellington Street, between the two sections of the original substation, and used as a vehicle workshop associated with electricity supply.³³

The original 1913 agreement between the Government and Perth City Council was intended to apply for fifty years. By the late 1930s, there was conflict over the agreement between the head of *East Perth Power Station*, William Taylor, and the general manager of Perth City Council, F.C. Edmondson, as the agreed price at which the government sold power to the Council, set at 3 shillings 4 pence in 1913, was so low that it was frequently below production cost.³⁴ It was one of many ad hoc arrangements for electricity supply across the state, with 143 power stations (not counting substations) listed in the state in 1938.³⁵ The arrangement continued until after World War II. In 1946, the

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- ³⁰ *The West Australian Mining, Building and Engineering Journal*, W. B. Shaw, Perth, 28 March 1925
 - ³¹ Photograph reproduced in Helena Waldmann, 'Electricity Generation, Transmission and Distribution in Western Australia: Representation on the Register of Heritage Places', report to Register Committee of the Heritage Council of Western Australia, Item 4i, meeting no. 183, February 2007. The image is likely to be 1930s as the saw-tooth building to the rear, identified in the Royal Perth Hospital conservation plan as a 1930s structure, is evident and its high windows remain largely clean, generally a short-lived characteristic of industrial buildings.
 - ³² Considine & Griffiths, 'No.6 Electricity and Gas Substation East Perth', June 1996, pp.1-3; Draft SHO assessment documentation, 03318 *East Perth Power Station*, August 2004, updated February 2015, p.9
 - ³³ Undated photographs supplied by Western Power, reproduced in Helena Waldmann, 'Electricity Generation, Transmission and Distribution in Western Australia: Representation on the Register of Heritage Places', report to Register Committee of the Heritage Council of Western Australia, Item 4i, meeting no. 183, February 2007
 - ³⁴ Edmonds, *Cathedrals of Power*, p. 24
 - ³⁵ February 1938 Government listing of Electricity Supply Stations in WA, on Premier's Department file 'Civil Defence: Air Raid Precautions - Electricity & Gas Department – protection Electric Power Stations & Gas Works', SROWA Cons 1005 Item 1939/585

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State Electricity Commission was established to take responsibility for all electricity production in the State. The Commission purchased the City of Perth Electricity and Gas Department as a going concern in December 1948.³⁶

During World War II, the Federal Government considered power stations and substations as potential air-raid targets, but little appears to have actually been done to protect the buildings.³⁷

War conditions significantly delayed the expansion of power supplies in Perth. Throughout the late 1940s, power cuts were the norm in Perth, with suburbs blacked out on a rotation basis, trams used only at peak times, and businesses asked to turn off unnecessary lights. The extreme power shortages during this period slowed the development of electrical goods in the State, with electricity suppliers deliberately stalling the introduction of new products, and the population reluctant to purchase appliances they were unable to have reliable use of.³⁸

The power supply from East Perth had been established to produce current at 40Hz. By the post-war period this was non-standard, and the new power station at South Fremantle (opened 1951) was fitted for 50Hz production. The SEC undertook an extensive program to convert households for 50Hz current, transferring suburbs one at a time from 1950 to 1959. Once all households in an area had been visited and checked for compliance with 50Hz current, the substation for the area switched off the 40Hz current, waited ten minutes to ensure residents were aware the change had been made, then switched on the 50Hz current.³⁹

Domestic use of electricity boomed from the 1950s. When conversion of electrical appliances from 40Hz to 50Hz began in 1950, only 50% of homes required any conversion work (lighting and radios did not need to be converted). By 1956, 94% of homes needed work, indicating the steep increase in the use of domestic electrical appliances during this period.⁴⁰

Plans to extend the freeway north through Perth in the 1950s resulted in the State Electricity Commission acquiring land on Hay Street in 1965, at the corner with Elder Street. Electrical switchgear and underground cabling was installed to rationalise circuits in response to the Freeway, which was constructed from 1967 and cut across the original main line.⁴¹ It is possible that use of No.3 Substation, Colin Street, changed or even ceased as a result.

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- 36 Draft State Heritage Office assessment documentation, 03318 *East Perth Power Station*, August 2004, State Heritage Office file 03318
- 37 Premier's Department file 'Civil Defence: Air Raid Precautions – Electricity & Gas Department – protection Electric Power Stations & Gas Works', SROWA Cons 1005 Item 1939/585.
- 38 Edmonds, *Cathedrals of Power*, pp. 25-27
- 39 Edmonds, *Cathedrals of Power*, pp. 28-31
- 40 'Annual Report of the State Electricity Commission Western Australia for the year ended 1956', in Edmonds, *Cathedrals of Power*, p. 31
- 41 Main Roads Department, 'Land and Properties Metro: Hay Street Perth: Land for Elder Street and SEC Substation' (file), SROWA Cons 6040 Item 41-325-14

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Plans and aerial photographs suggest additions were made at the southern end of *No.2 Substation, Murray Street* between 1942 and 1958.⁴²

From the 1950s, the State Electricity Commission developed the Southwest power grid, with additional stations built at Bunbury, Kwinana and Collie. East Perth became progressively less important in the grid and after the late 1960s became primarily a stand-by facility for peak periods. *East Perth Power Station* ceased power generation completely in December 1981.⁴³

New substations were erected as demand for electricity increased. Major building developments in the area near Hay & Irwin Streets in the early 1970s led to a new indoor substation on the ring main being constructed in 1977-78 on Medical Department land, central to the block bounded by Hay, Murray, Pier and Irwin Streets. Plans for the new substation indicate the shift in approach to such buildings since *Electricity Substations, Perth* was constructed. Despite the large amount of cabling fed out from a substation, which made a corner site preferable, it was agreed that 'it was undesirable for the building to be located on a street frontage', as the design could then be larger and simpler. The new building could, if necessary, have a car-park built over it. Although not completed until 1978, planning began in the early 1970s with claims the new substation was 'urgently needed'.⁴⁴ It is possible that this related to impending decommissioning of No.1 Substation, located only 200 metres away.

In 1974, No.1 Substation was sold to neighbouring Royal Perth Hospital to support its program of expansion in response to the rapid increase in population following the mineral boom of the 1960s. The hospital's engineering department moved into the building, along with a c.1930s building alongside it acquired at the same time. By 1995, only minor, mostly reversible, modifications had been made to the building.⁴⁵ At some point, additions were made to the western end of the building that enclosed the verandahs and added a small additional floor above it, predominantly beneath the original roof line but with a parapet wall extending above it at the west. It is not possible to determine from aerial photographs when this addition was made, but it appears to be visible in a 1985 photograph and is clearly evident in a 1999 image.⁴⁶

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- 42 TPG, 'No.2 Substation (333 Murray Street Perth) Conservation Management Plan', Prepared for HCWA, November 2013, p.11
- 43 Draft State Heritage Office assessment documentation, 03318 *East Perth Power Station*, August 2004, updated February 2015, pp.11-12
- 44 Public Works Department, 'Offices – Perth – Medical Department – Site Development – Proposed new SEC Substation' (file), SROWA Cons 5639 Item 1971/293, quote from minutes of meeting, folio 7
- 45 Considine & Griffiths Architects, 'Royal Perth Hospital Precinct: Conservation Plan', September 1995, pp.16&69
- 46 Helena Waldmann, 'Electricity Generation, Transmission and Distribution in Western Australia: Representation on the Register of Heritage Places', report to Register Committee of the Heritage Council of Western Australia, Item 41, meeting no. 183, February 2007; Historic aerial photographs, especially 1985, 1995 and 1999, Landgate Mapviewer

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The State Electricity Commission amalgamated with the Fuel and Power Commission in 1975 to become the State Energy Commission.⁴⁷ However, it was still popularly known as 'the SEC'.

It is not known when the changes evident in the physical fabric of No. 2 Substation, Murray Street were made, particularly the bricking up of openings and extension of the southern Switch Room. Western Power has not retained files relating to this work, and it is likely that it was undertaken either before 1946, when the place was managed by Perth City Council, or in the early years of State Energy Commission ownership (c.1950s), when record keeping at SECWA was minimal. The place was decommissioned in the 1980s, but the machinery was left in situ.⁴⁸

In 1989, No.3 Substation, Colin Street, was sold to Dalcorp holdings (Luigi Delassandro) and Anna Maria Coci as tenants in common.⁴⁹ The new owners, brother and sister, converted the place to offices. A single-storey section at the rear of the building was demolished at this time.⁵⁰

The State Energy Commission divided into separate agencies in 1995, with Western Power Corporation taking on electricity and Alinta managing gas. In moves towards greater competition, Western Power was further divided in 2006 to create four separate businesses, three focussed on retail and generation and one, continuing to be called Western Power, managing the electricity network, including substations.⁵¹

In the early twenty-first century, safety concerns about possible leakage from the transformers at No. 2 Substation, Murray Street led to the place being stripped of its plant. A special Sunday operation using low-loaders was required to get the machinery out of the building.⁵²

In 2013, No.2 Substation, Murray Street was entered into the State Register of Heritage Places in its own right. The State Heritage Office has subsequently been working with Western Power towards making the place ready for disposal. Recommended pre-disposal works comprise decontamination of the building, removal or disconnection of underground cabling and restoration works to the façade. These works have not as yet commenced.⁵³

In May 2015, No.1 Substation, Wellington Street, is used for storage, as it is considered by the hospital to be unsuitable for staff occupancy. No.2 Substation, Murray Street is vacant, but still owned by Western Power. No.3 Substation, Colin Street, is vacant office space, with the owners identifying the lack of a lift between floors as a deterrent to potential tenants. No.4 Substation, Stuart Street, is also owned by Western Power. It was

47 Western Power, 'History', <http://www.westernpower.com.au/corporate-information-history.html> accessed 11 May 2015

48 Warren Stuber, Western Power, conversation with Clare Menck, 25 November 2008

49 Certificate of Title vol 18211 folio 459

50 Aerial photographs, esp 1985 and 1995, Landgate Mapviewer; Certificate of Title vol 18211 folio 459; SHO file P25118

51 Western Power, 'History', <http://www.westernpower.com.au/corporate-information-history.html> accessed 11 May 2015

52 Warren Stuber, Western Power, conversation with Clare Menck, 25 November 2008; information provided by Graham Horne, Manager, Western Power's World of Energy, October 2006

53 Mike Betham, SHO, email to Clare Menck, 21 May 2015

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decommissioned between 2007 and 2013 and is currently unused, but retains its plant.⁵⁴

13.2 PHYSICAL EVIDENCE

Electricity Substations, Perth comprises a non-adjacent group of four two-storey red brick buildings with stucco detailing, in the Federation Warehouse style, built based on a shared original plan. The buildings are sited within central Perth, between one and 1.5 kilometres from each other. They were constructed for Mertz and McLellan in 1914 and 1915, designed by Jack Ochiltree and constructed by Todd Brothers. Substations No.1, No.3, and No.4 have used the same plan, with minor modifications to suit each location, while the plan for No.2 Substation has been subject to variation due to its being located on a more challenging site.

No. 1 Substation, Wellington Street

No. 1 Substation, Wellington Street, is a two storey painted brick building with a hipped corrugated iron roof with Dutch gables, constructed in 1913 in the Federation Warehouse style.

Located on the south side of Wellington Street in central Perth, the building is now part of the Royal Perth Hospital campus. It compliments other buildings of heritage significance within the campus and also those on Wellington Street, including the YHA building opposite (P02132 *St John's Ambulance Building*).

The north façade is aligned on the lot boundary directly against the pavement of Wellington Street and a gate to the east opens into a narrow courtyard, which provides access to the building. A smaller building of similar construction across the courtyard to the east, and also on the Wellington Street boundary, appears to be associated with the substation.

The building has been painted grey. The tuck-pointing and contrasting cement bands of the original brickwork are discernible behind the paint.

The composition of the north façade retains its original 3 bay form, with a wide central bay flanked by two narrower bays, a single wide brick pilaster separating the bays and a double pilaster at each side, all capped with the hipped roof. The first floor retains its original double hung sash windows, two in the central bay and one each in the flanking bays. The window frames are steel and the glazing remains. The ground floor windows have been filled in with face brickwork, although the original openings are discernible, and the keystones and moulded cement sills remain. Horizontally proportioned high level windows have been introduced to each bay, and a flush panel door in the central bay. In the eastern bay part of the inner pilaster has been removed to allow the insertion of one of the horizontal windows.

At each end of the building is a stairwell with solid brickwork to the ground floor and a loggia at the upper level. At the base of each of the stairwells is a round window which has been bricked in, but the casing and keystone are

⁵⁴ SHO file P25118; Helena Waldmann, 'Electricity Generation, Transmission and Distribution in Western Australia: Representation on the Register of Heritage Places', report to Register Committee of the Heritage Council of Western Australia, Item 4i, meeting no. 183, February 2007

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discernible. The loggia is constructed of stuccoed brick with an arrayed perforated pattern to the balustrade, a curved opening above the balustrade and a moulded parapet. The western stairwell has been built up to the level of the main roof with face brickwork and the hipped roof of the main part of the building appears to have been extended over.

The front façade faces east to a small courtyard accessed by steel gates. This façade is that of the original east stairwell and has been substantially modified to allow access to the mezzanine levels that have been inserted into the building. On its south side is a full height painted face brick addition that is likely to have housed transformers.

At the ground floor level, an original round window, with its rendered casing and keystone, survives in the centre of the façade. There is an introduced glazed door on the south side of the window that allows access into the ground floor and on the north side of the window is another door that opens into a toilet.

A walkway has been constructed across the mezzanine level inserted above the ground floor, with stairs leading up from the south façade. There is a glazed door with matching side panel dating from the c.1980s at the south end and a double steel door at the north end of the first floor. The third level comprises the upper part of the stairwell. The open verandah has been enclosed and a high level window inserted. The balustrading has been modified.

The south façade is constructed of painted face brick and contains two large openings which have been bricked in and a high level window inserted. There is an introduced steel stair at the east side which lead up to the walkway across the ground floor mezzanine, which crosses the courtyard at the north side, over the Wellington Street gate across to the smaller building to the east.

The west façade is concealed behind a more recent building which has been butted up to the ground and first floor levels.

Internally, the building consists of four levels. Originally there were two double height floors, with a mezzanine inserted into the southern room of the first floor. Mezzanine levels have been introduced to the ground floor and the northern half of the first floor.

Each floor consists of two long narrow rooms about 3.6 metres wide and 13 metres long, separated by a 230 mm brick wall. The southern room is divided in half by a 230 mm brick wall.

On all the levels, the fittings have been removed from the western stair area and a floor inserted.

On the ground floor, the north room has been lined with lining board, and a suspended panel ceiling installed. A new door and high level horizontal windows have been added to the north wall, and a new partition wall now separates the western third of the room. A toilet on the north-east corner is accessed externally from a door at the north end of the east wall.

The mezzanine level (second level) is accessed externally from the introduced external steel balcony. The south side is accessed from a glazed door with a glazed side panel in the south end of the west wall. This opens into a lobby,

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part of the original stair and circulation area, which leads into a conference room that is about 6 metres long. The west end of the south side was unable to be accessed. The north side is accessed from an external door in the east wall, which leads into the stair access area. There is a set of steel stairs rising to the next level. The north room is now lined with storage shelves for hospital records and little of the original fabric can be seen.

The first floor (third level) is one of the original levels of the substation and is relatively intact. The stair lobby is divided by a central wall and there is a steel trap door in the south-west corner. A pair of original timber doors leads into the north room, and there is a corresponding pair leading from the north room into the west stair well. A metal stair has been introduced to the east end of the north room to give access to the introduced mezzanine. The long room on the south side retains the earlier cubicles of the transformers.

The first floor mezzanine (fourth level) is accessed by a set of steel stairs. The north room was originally part of a double height space but a mezzanine has been introduced. There is a new opening in the central spine wall. The southern side of this level appears to have been part of the original construction. There are two openings in the south-east and south-west corners with ladders leading down to the third floor.

No. 2 Substation, Murray Street

For a detailed physical description of this building refer to the HCWA Register Entry for *P02072 No.2 Substation, Murray Street*, and the 2013 Conservation Plan prepared by TPG for the place.⁵⁵ A brief summary is below.

No.2 Substation, Murray Street, is at 333 Murray Street, near the junction with King Street but, unlike the other three substations, not on the corner.

The substation is a three-storey face-brick building with stucco detailing and a steel-reinforced concrete structure. It has a central arched entry to Murray Street and large internal spaces. The parapet to the Murray Street façade hides a pitched roof of pre-painted corrugated iron sheeting.

No.2 Substation, Murray Street includes a metal spiral staircase, a feature not included in the other three substations, presumably because they had larger sites to work with.

Recent investigations have discovered a series of underground tunnels extending from *No.2 Substation, Murray Street*, some large enough for a person to walk in.

No. 3 Substation, Colin Street

No. 3 Sub Station, Colin Street, originally two double height storeys, is now a four level rectangular red painted tuck-pointed brick building with a hipped pre-painted red corrugated iron roof, constructed in 1914 in the Federation Warehouse Style. Located on rising ground at 98 Colin Street, on the north-west corner of Thelma Street, the building is a landmark in West Perth. Of particular note is the 390 mm thick brickwork which forms the outer walls of the building.

⁵⁵ TPG, 'No.2 Substation (333 Murray Street Perth) Conservation Management Plan', Prepared for HCWA, November 2013, pp.13-34

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The front of the building faces west to Colin Street and is set back behind a three metre deep courtyard which is enclosed by red brick boundary wall with pillars, both capped with white painted cement and with cast iron railings between in a circular and crossed pattern.

The wall finish on the lower level of the front façade is painted tuck-pointed brickwork. There is a circular window in the centre of the ground floor with a stucco casing and tall keystone. The original entry doors on the north side of façade have been replaced with an aluminium door with side and highlights. A band of stucco traverses the façade at the level of the centre of the circular window. An original door opening in the south side of the façade has been bricked in. The stucco band turns up and across the head of this door which also has a tall keystone.

At the upper level of the façade the original open loggia of the stairwell sits on a projecting moulded cornice. The loggia retains its original form and construction, of stuccoed brickwork, with a brick balustrade with single brick perforations arrayed in three rows of five. Wide pillars above the balustrade support a moulded cornice which supports the roof. There are two rectangular openings with curved corners above the balustrade.

The loggia has now been enclosed by lining the open balustrade and filling in the two openings above it. A narrow window has been installed in each of the infilled sections.

The name of the building – Electricity Sub Station No 3 – is mounted in stucco on the western side underneath the roof and the date – 1914 – is mounted in the centre of the balustrade.

The main section of the building with its hipped roof and Dutch gables rises from the rear (east side) of the loggia, where rendered pillars at the corners of the building rise to form a partial corner parapet with cement capped brickwork curving down to the level of the roof and gutter which sits symmetrically between them.

The north façade sits against the lot boundary and is constructed of face brick stretcher bond with a capped parapet. The base of the building is partially obscured by the neighbouring development which abuts it. Originally a symmetrical composition, with the short stairwell loggia at each end of the façade, another level has been added on top of the east stairwell.

There are three rows of four windows, arranged as a pair in the centre and flanked by single windows. The windows are plain fixed glazing and have stuccoed lintels and sills. A band of stucco runs across the building at window head height between the stuccoed corner pillars.

The east façade is the rear of the building, and originally mirrored the front façade. Modifications include the enclosure of the stair loggia and infill of some of the balustrade and openings. At the mezzanine level of the ground floor, the southern half of the east wall has been extended to the outside of the cement cornice that supports the stairwell loggia. Another half level has been constructed on top of this eastern Stair loggia with face brick construction and two small vertically proportioned windows.

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The south façade faces Thelma Street and basically retains its original symmetrical composition, with the exception of the addition over the original east stairwell loggia. There are two rows of windows, a central pair flanked by single windows. The original sashes have been replaced and partially blocked in to provide fenestration to the additional mezzanine levels that have been inserted into the two original double height spaces.

There is a band of painted cement across the façade at the sill and heads of the windows, with an additional band at the midline. Each window has a moulded cement sill, set within the band of cement, and there is a tall keystone at the head of each window.

The ground floor brickwork extends of the full length of the building and has a circular window at each end with a keystone extending up to the cement band above the head of the windows.

The brickwork to the first floor terminates at a painted cement pilaster and at either side of the pilasters is the original stairwell loggia. The hipped roof with its Dutch gables has been extended over the east stairwell area.

Internally, the building now has four levels. The original building had two double height storeys, with a mezzanine in the southern half of the first floor. A mezzanine level has been introduced to the ground floor level and the mezzanine of the first floor has been extended across the whole floor to create four storeys. Each floor consists of two long narrow rooms about 3.3 metres wide and 13.5 metres long, separated by a 230 mm brick wall. The original stair and circulation area remains at the west end of the building, and the former stair and circulation area at the east end of the building is now used for toilets, kitchens and storage.

On the ground floor, the main entrance is located at the western end of the building, and is about 2.3 metres deep. A concrete stair runs along the southern half of the west wall. There is a circular window above the foot of the stair and another circular window at the half landing on the south wall.

The entrance to the northern half of the ground floor is located at the north end of the east wall. This northern room is divided in two by a brick wall with a door. The north-west corner of the area is double height and opens up to a mezzanine above. The southern room has been divided into a number of smaller rooms by introduced plasterboard partitions. There are high level windows along the south wall, these windows have been formed in the lower portion of the original window openings.

The ground floor mezzanine area is again composed of two long rooms, the northern room is open to the ground floor in the north-west corner and the eastern part has been partitioned into smaller offices. The southern room is one large room with a concrete ceiling and downstand beams supported on moulded brackets. Four square low level windows have been created from the top portion of the original double hung timber sash windows.

The first floor was not able to be accessed.

The first floor mezzanine is set back at its west end and does not extend over the original west staircase. It is accessed from a staircase that has been introduced to the west end of the main part of the building. The floor plan

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reflects that of the other floors, with a long room on the south side, and smaller partitioned rooms on the north side. The concrete ceiling is supported by a series of downstand beams with cement brackets.

No. 4 Substation, Stuart Street

No. 4 Substation, Stuart Street, is a rectangular two storey tuck-pointed red brick building with a medium pitched hipped corrugated iron roof. No. 4 Substation continued to be used for its original purpose into the twenty-first century and is the most intact of the substations.

Located on the south-west corner of Palmerston and Stuart Street in North Perth, the building is a prominent landmark that forms a complimentary precinct with the buildings immediately adjacent to the south and west (The Maltings) to which it is similar in style, mass and materials.

The long Palmerston Street frontage sits behind a narrow courtyard about three metres deep, which is enclosed by a red brick wall with red brick pillars, both capped with white painted cement and with painted cast iron railings between the pillars.

This front façade is a symmetrical composition of one wide central bay flanked by two narrower bays, each defined by wide brick piers. There are two rows of double hung sash windows, with the windows arranged in pairs in the central bay and single in the side bays. The window openings have been filled in with brickwork and a narrow steel frame has been set on the outside of the opening, probably in place of original timber sash windows. Each window has a moulded cement sill.

The red brickwork is relieved by contrasting bands of painted cement across the building at window sill and head height and each window has a tall painted keystone at its head. A contrasting painted cement plinth runs along the base of this façade, and there are two intermediate cement bands between the plinth and ground floor sill.

There is a narrow panel of brickwork at either side of the outer piers, and the building is capped by a hipped roof with Dutch gables and wide eaves. At either end of the façade, and slightly recessed from it, is a wing containing the stair and entry. The wall treatment to this section is solid brickwork at the lower level and a loggia constructed of stuccoed brickwork at the upper level. There is a single timber entrance door with glazed highlight over at the base of each stair wing.

The north façade faces Stuart Street. At the lower level there is a circular window with a cement casing and keystone in the centre of the red tuck pointed brickwork. Two bands of cement – one at the head of the keystone and one at the centre of the window, return around the north and south façades. The upper level is the open loggia of the stairwell, constructed of painted stuccoed brickwork, with panels of arrayed brick sized openings in the balustrade and wide pillars supporting a moulded parapet. The corners between the pillars and balustrade and parapet are curved.

The name of the building – No 4 Electricity Substation – is mounted in protruding stucco letters on the western side of the parapet and the date – 1915 – is mounted in the centre of the balustrade.

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The main section of the building with its hipped roof and Dutch gables rises from the rear (south side) of the loggia, with a small parapeted section rising through the gutter. A steel universal ("I") beam projects from this parapet.

The west façade faces a courtyard and appears to be an addition to the original building. The wall material is red face brick but there is no tuck-pointing. At ground floor level is a series of four tall openings, separated by wide brick piers. These are double height transformer bays. The two northernmost have steel gates and contain transformers. The two southern ones have steel doors and are empty.

The south façade abuts the lot boundary, where the neighbouring development (The Maltings) has a red brick boundary wall about 3 metres high. The stucco of the upper level of the stairwell retains its original form but the openings have been filled in. A red brick wing projecting to the west has a hipped roof with a Dutch gable.

Internally, there are two floors to the building, each with a double height ceiling of about 5.3 metres. Each floor consists of two long narrow rooms about 3.6 metres wide and 13 metres long, separated by a 230 mm brick wall. There is a mezzanine level over the west side of the first floor level. There is a stair and circulation area at the north and south ends of the building.

The brickwork of the external facades is 390 mm thick. The first floor and mezzanine on the west side are constructed of concrete with downstand beams. These elements would have been designed to give the building strength to withstand an explosive impact.

On the ground floor the northern door opens up to a stairwell, with a steep metal stair on its south side and a toilet under the return leg of the stair against the north wall. A door on the south wall opens into the long room along the east side of the building. This room has a central trench with a long bank of 15 switchboards along its east side. At the rear of the switchboards, a row of low voltage regulators (used until the decommissioning of the building) fed power from the trench to the top of the west wall.

The stairwell at the south end of the building is similar to the north stairwell, but there is no toilet. A large opening on the west wall of the southern stairwell opens up to a narrow double height room which appears to have been added to the building and forms a wing at the west end of the south wall. This room is about 3 by 12 metres, and has a concrete floor with a trench along the southern side, which is covered with ply boarding. The walls are painted face brick and there is a tall sliding steel door on the north wall. The ceiling is concrete with downstand beams and there is an I-beam and steel hook above the door. At the east end of the room is a series of high voltage regulators that were used until the decommissioning of the building.

The west room of the main building is divided into two by a 230 wide brick wall. There is no remaining equipment in the southern half, but the position of the former walls of the transformer bays can be seen in the east wall. The northern section of the west wall contains four voltage regulators against the central spine wall.

The western side of the northern stair area is double height and has a pair of timber ledged and braced doors on the north side of the west wall.

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On the first floor, the long eastern room is now empty. A series of small circular openings at a high level on the north and south walls indicates the location of the entry cables from the street. The ceiling is concrete and has 3 downstand beams.

The western room contains a number of transformers in individual bays that back on to the 230 mm central spine wall and have steel mesh doors. The three northernmost bays are about 1200 wide. The northernmost one is labelled Power Station Feeder, the central one Interconnector Cook Street and the third is unlabelled. The southernmost bays are slightly narrower, and are labelled T4, T2, T11, T3 and there is one unlabelled bay.

There is a mezzanine with a concrete floor over this western side, accessed by two steel ladders at either end of the west wall.

At the northern end of the west wall is a large opening which leads into a room about 3 metres wide and 4 metres deep which has a horizontal metal window dating from about the c.1940s in the north wall. The ceiling is open to the corrugated iron roof.

Each of the east and west rooms has a pair of timber doors lined with steel on the inner leaf on the north and south walls.

The northern stairwell retains its open loggia. The stair balustrade is 230 tuck-pointed brickwork with cement cappings. The stair is steep steel with 14 treads to the lower leg and 12 treads to the upper.

The southern stair well has been filled and divided in two by a brick wall with a steel door and obscure glazed window with mesh. Four steel sheets at the west end cover a manhole and there is a concrete plinth on the west side of the window.

13.3 COMPARATIVE INFORMATION

Substations

The following comparative information noting other substations in the State has been taken from an SHO report prepared by Helena Waldmann, in February 2007,⁵⁶ with amendments and/or additions by State Heritage Office staff and the Register Committee.

- No. 5 Substation was in Maylands, but as there is no readily available information about the place, it is likely that it has been demolished.⁵⁷
- P4663 No. 6 *Electricity Sub Station* (fmr) East Perth [RHP] was from a slightly later phase, constructed from 1924. It was built for the City of Perth in 1924 to cater for the increased demand for electricity in East Perth, in particular for the new Gas Works and Glass Works nearby. It was expanded in 1930 and 1945, and transferred to the State Electricity Commission in 1950. It was decommissioned in the 1960s,

⁵⁶ Helena Waldmann, 'Electricity Generation, Transmission and Distribution in Western Australia: Representation on the Register of Heritage Places', report to Register Committee of the Heritage Council of Western Australia, Item 4i, meeting no. 183, February 2007

⁵⁷ It is not known if this is the same place as the No. 3 substation in Maylands that was operated by the Perth Gas Company and taken over the Perth City Council in 1911.

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was vacant for a while, and has since been transformed into apartments.

- P5424 *Electricity Substation, Hay Street, Subiaco* [RHP], is a single storey, brick and tile, single room building built in 1923. It was built by the Municipality of Subiaco, to facilitate the distribution of electricity purchased in bulk from the City of Perth, after the Municipality ceased generating its own electricity at this time. In the 1950s it was compulsory acquired by the State Electricity Commission. It still functions as an electricity distribution substation.⁵⁸
- P15760 *Electrical Substation, Keightley Street, Shenton Park*, is very similar to *Electricity Substation, Hay Street* in terms of design and scale. Its original form is a one room, domestically scaled, brick building with a medium pitched gable roof. As with *Electricity Substation, Hay Street, Subiaco*, its front door is central to the front façade. It has windows on the side elevation that mimic the proportion of the panels of roughcast render at *Electricity Substation, Hay Street, Subiaco*. While this form is still highly visible, it no longer operates as a substation and has been converted to a residence, featuring block like extensions to two sides.
- P17708 *Subiaco Museum* was built as offices in 1911 and converted to a substation in 1923. After being decommissioned in the 1950s, it was converted for community use by the Rotary Club in 1959, and by 1985 it was converted to a museum.⁵⁹ Little evidence remains of its use as a substation aside from the insulators on the front elevation, a sign reading '6,000 volts' and ceiling vent holes identical to those at *Electricity Substation, Hay Street, Subiaco*. The concrete floor of the room behind the insulators has been covered with jarrah floorboards, although some concrete sections remain in the wooden floors of other rooms, which may be associated with its former use.⁶⁰

Aside from Subiaco, the Municipalities of Fremantle, Claremont, Midland, Nedlands, Bassendean, Cottesloe and South Perth each had their own electricity networks in the early twentieth century. In Western Australia electricity supply was centralised as much as possible when the East Perth Power Station was built and municipal power supplies were phased out. Fremantle and Midland surrendered theirs willingly, but the remainder resisted until compulsory acquisition occurred.⁶¹

Little is known about which remnant buildings may exist from the era of municipal power generation and distribution. The State Heritage Office database has files for several substations which are on their respective Municipal Inventories but very little information is available on each. Most

58 State Heritage Office assessment documentation 05424 *Electricity Substation, Hay Street, Subiaco*
59 Spillman, K. (1985) *Identity prized: a history of Subiaco*. University of Western Australia Press, Western Australia, pp. 301, 357
60 Conversation, State Heritage Office staff and Christobel Bennett, curator Subiaco Museum, October 2006
61 SECWA file No. 1/651/200 volume 1

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have been converted for other uses, and have little connection left to electricity distribution:

- P494 Claremont Municipal Council Electricity Substation at 280 Stirling Hwy was built 1923/24. The Claremont Electric Light Co. originally provided electricity to the area, the official switching on of the first light occurring in November 1900 at the power station in Guger Street, but the company's existence was short lived and it was taken over by the Municipality in 1904. In 1905 a substation was built at the corner of Davies and Shenton Roads. The Guger Street power house operated until 1924, after which the Municipality purchased electricity from East Perth. The Stirling Hwy substation was extended in 1943, and would have been taken over by the State Electricity Commission in 1951. It was sold in 1985 and converted for commercial use as a Car Service Centre.⁶²
- P4811 Roma at 182 Canning Highway, Como, was built as a substation (date unknown) and converted to three flats c.1963. It has since been converted to a single residence and is included in the Municipal Inventory for being a notable example of a late Twentieth Century Immigrants' Nostalgic style residence.⁶³
- P15932 Bants at 496 Stirling Highway, Peppermint Grove, was used as a substation from the 1940s and purchased in 1963 for commercial purposes by W. H. and J. E. Bants for £5,000.⁶⁴
- P3711 *Electricity Substation, Fremantle (fmr)*, [RHP] constructed in 1932-34 to service the expansion of the tramways and to cope with increased electricity demand in the Fremantle district. The place operated as a municipal substation until it was taken over by the State Electricity Commission in 1952, after which it was converted to other uses. In 1989, it was adapted for use as an energy museum (World of Energy), which operated for 20 years and closed in 2009. The place was permanently registered in February 2012.

There are two small brick substations extant in Fremantle. In North Fremantle, behind the North Fremantle Town Hall (fmr), there is a small building with a pyramidal roof, believed to be associated with the Fremantle Electric Tramways and Electric Lighting Board. It has an unusual ventilation feature on the roof, but no further information is available about it. There is also a small, hexagonal shaped brick building adjacent to the Fremantle train station, believed to be a former substation. It is highly unlikely either is still in use.⁶⁵

In Cottesloe, a small 1930s substation remains at 496 Stirling Highway. It has a parapeted facade in a 1930s style, distinctly different from the early

62 de Burgh, Jim, 'First Light: The Development of a State Government Electricity and Gas Supply in Western Australia' (unpublished, c.1955); Bodycoat, R., & G. Nayton, 'Heritage Assessment: 208 Stirling Hwy, Claremont' (2006)

63 Heritage Today, 'City of South Perth Municipal Inventory' (2000)

64 O'Brien Planning Consultants (1999) Peppermint Grove MI. Information provided by Graham Horne of Western Power

65 Information provided by Graham Horne, Manager, Western Power's World of Energy, October 2006

SCHEDULE 2

twentieth-century substations but still a deliberately imposing edifice. It is now in use as a commercial showroom.⁶⁶

The substation at P3273 *Midland Railway Workshops* is still intact and contains some equipment from c.1970s, but ceased operation c.2005. The Power House was built in 1904, and the substation extension added in 1911. It generated electricity until it became available from East Perth, and distributed electricity to the wider Midland Community until the 1920s.⁶⁷

Substations known to have previously existed that are now demolished include:

- P4832 Coode Street Power Station (site of), South Perth. The Hanton Quadrangle of Wesley College is now in this location.⁶⁸ It is recognised as a site on the Municipal Inventory.
- Cook Street Tramways substation, West Perth. The original substation was demolished, but an upgraded modern substation still operates in this location.
- Tramways Power Station, Wittenoom Street, East Perth.
- Perth Gas Co, Wellington Street (West Perth end).
- Tramways Power Station, corner of Kensington St and Claisebrook Road, East Perth.
- Municipal Power Plant, near Axon Street Station, Subiaco. Generated power for the Municipality of Subiaco from 1903 to 1923.

In more recent years, electricity substations have been provided as underground installations or incorporated into new commercial/office developments.⁶⁹

Electricity Substations, Perth is a good representative example of substations constructed in the early twentieth century, particularly those associated with the 1916 East Perth Power Station. It is a rare example of a complete set of substations, particularly as the main station they were built to support, *East Perth Power Station*, also remains extant.

Jack Ochiltree

Ochiltree was a prominent and prolific architect who practised in Western Australia for over forty years between the 1890s and World War Two. The SHO database notes 24 places designed by Jack Ochiltree, of which twelve are entered in the State Register. This includes four Fire Stations, including the landmark P02051 *No.1 Fire Station (fmr)*, Murray Street. Ochiltree was appointed architect to the Western Australian Fire Brigades Board in 1913 and served in the role into the 1920s. His Fire Stations, which like *Electricity Substations, Perth*, are functional buildings, demonstrate a similar level of

⁶⁶ Ron Bodycoat, 'No. 2 Electric Light Sub-Station 1914 and Murray Mews'

⁶⁷ Midland Redevelopment Authority brochure, *The History and Heritage of the Midland Railway Workshops*

⁶⁸ Wesley College heritage trail, available at <http://www.wesley.wa.edu.au/>

⁶⁹ Ron Bodycoat, 'No. 2 Electric Light Sub-Station 1914'

SCHEDULE 2

restrained but considered façade detailing with classically derived motifs.⁷⁰
The other eight places entered in the State Register are:

- P18566 *St Boniface Anglican Cathedral & Bishopscourt*, Bunbury
- P03485 *Shops, 452-460 William Street*, Perth
- P02161 *Carlton Hotel*, East Perth
- P11595 *First Church of Christ, Scientist*, Perth
- P03443 *Newmarracarra*, Bringo (Greater Geraldton)
- P02110 *Western Australia Club*, Perth
- P02131 *St John's Ambulance Building*, Perth
- P13930 *Koogereena Homestead*, Kojarena (Greater Geraldton)

Electricity Substations is a good example of Jack Learmonth Ochiltree's design approach to functional buildings.

13.4 KEY REFERENCES

13.5 FURTHER RESEARCH

⁷⁰ Taylor, John J, 'Jack Learmonth Ochiltree (1870-1954)', Western Australian Architect Biographies, <http://www.architecture.com.au/docs/default-source/wa-notable-buildings/ochiltree-jack-learmonth.pdf?sfvrsn=0> accessed 21 May 2015

CONFIDENTIAL SCHEDULE 3
ITEM 3 – MATCHED FUNDING BUSINESS GRANTS –
2016/17 PROGRAM

FOR THE COUNCIL MEETING

30 AUGUST 2016

DISTRIBUTED TO ELECTED MEMBERS UNDER
SEPARATE COVER

SCHEDULE 4
FINANCIAL ACTIVITY STATEMENT FOR THE ONE MONTH TO 31
JULY 2016

REPORT OF VARIANCES TO BUDGET

This report compares the actual performance for the one month to 31 July 2016 compared to the budget approved by Council on 28 June 2016.

Operating Revenue

- Parking revenue was \$(515,000) below budget. The variance consisted of \$(532,000) for Undercover Car Parks, \$(40,000) for Open Air Car Parks and a positive variance of \$57,000 for Kerbside Parking.

The main variances for Undercover Car Parks were the Convention Centre Carpark \$(95,000), His Majesty's \$(88,000) and Elder Street \$(58,000) below the original budget with Mayfair Street being the only undercover car park with a positive variance. Patronage remained much lower than originally estimated; mainly as a result of high office vacancy rates in the City.

- Fines and Costs were lower than budget by \$(251,000) predominantly due to parking fines. Fewer parking bays were available owing to ongoing construction activity or reservation for events within the City.
- Investment income was above budget by \$172,000. This was mostly due to the positive performance of the Colonial Share Index fund. The performance of this fund is directly linked to the performance of the ASX 200 which rose by 6% in July.
- Rubbish collection yielded \$838,000 more than expected compared to the original budget. The majority of this variance relates to rubbish charges raised for residents formerly part of the City of Subiaco. With the City of Perth Act coming into effect from 1 July 2016, a report will be presented to Council to adjust the budget 2016/17 for major income and expenditure items and any necessary capital works.
- Recurrent Grants were below budget by \$(460,000). Of the \$475,000 expected in July only \$15,000 realised. This is a timing variance only.
- Other Income was \$(533,000) below budget. The main areas that make up this variance consist of Food Premises Inspection fees of \$(84,000), Outdoor Eating Area Licence Fees of \$(48,000) and Planning or Development fees of \$(25,000).

SCHEDULE 4
FINANCIAL ACTIVITY STATEMENT FOR THE ONE MONTH TO 31
JULY 2016

REPORT OF VARIANCES TO BUDGET

Operating Expenditure

- Employee costs ended the month on \$866,000 below budget mainly due to vacant positions in the approved Workforce Plan.
- Materials and Contracts were \$1,720,000 below budget at the end of July. The variance included infrastructure maintenance which was lower than budget by \$261,000 mainly consisting of River Wall \$89,000 and Footpaths \$70,000. Property maintenance was also lower than budget by \$213,000 mostly due to Council House \$64,000, Pedestrian walkways \$22,000 and the Library \$21,000.

Furthermore the following accounts were also lower than budget: Consultancy \$255,000, Subscription and Membership \$95,000 and Advertising \$155,000. Smaller variances were spread generally throughout the organisation.

- Utilities were below budget by \$71,000 mainly due to lower than expected spend on power.
- Depreciation was \$174,000 under budget. Depreciation is dependent on the timing of capitalisation of completed works and purchases of assets. July depreciation was based on estimates as the financial year end process for June 2016 is still to be completed. It is expected that actuals will align closely to budget when capitalisation of prior year projects are completed.
- Loss on disposal of assets was \$120,000 below budget, as there was no sale of assets during July.
- Other Expenditure was \$725,000 below budget at the end of the July. This was mainly due to Donations and Sponsorship having expensed \$607,000 less than anticipated, of which Business Support and Sponsorship Unit contributed \$582,000 to the variance. This is a timing variance only.

Investing Activities

- Capital Grants was \$(473,000) less than budget with only \$7,800 of the budgeted \$481,000 received during July.
- Capital expenditure was significantly lower than budget by \$3.1 million. There was no significant spent on any one project as the total for capital expenditure during July was only \$418,000, less than 1% of the adopted capital budget of \$62.7 million.

SCHEDULE 4
FINANCIAL ACTIVITY STATEMENT FOR THE ONE MONTH TO 31
JULY 2016

REPORT OF VARIANCES TO BUDGET

Financing Activities

- Transfers to Reserves were \$1.9 million below budget. Utilisation of reserve funds were lower than expected, mainly due to lower capital expenditure. This resulted in less funds required to be transferred to Reserves.
- Transfers from Reserves were below budget by \$(1.4 million). This is due to slower than anticipated progress on capital expenditure. The Parking levy was \$121,000 less than anticipated contributing to the below budget result for the month.

Amounts sourced from Rates

- Rates revenue raised was \$3.3 million above budget. This was due to rates issued to former City of Subiaco residents and the 2016/17 impact of interim rates from the final months of the prior financial year, which were identified after completion of the 2016/17 budget. A report will be presented to Council to adjust the budget 2016/17 for major income and expenditure subsequent to the City of Perth Act coming into effect from 1 July 2016.

FINANCIAL ACTIVITY STATEMENT - for the period ended 31 July 2016

	Original Budget 2016/17 \$	Budget YTD 31-Jul-16 \$	Actual YTD 31-Jul-16 \$	Variance YTD 31-Jul-16 \$
Proceeds from Operating Activities				
Operating Revenue				
<i>Nature of Income</i>				
Parking Fees	76,973,664	6,286,345	5,771,634	(514,711)
Fines and Costs	10,610,604	903,595	652,962	(250,633)
Investment Income and Interest	4,672,819	334,663	506,377	171,714
Community Service Fees	1,577,941	105,306	114,074	8,768
Rubbish Collection	8,071,814	7,425,556	8,263,518	837,962
Rentals and Hire Charges	5,251,214	446,739	393,057	(53,682)
Recurrent Grants	1,514,031	474,730	14,589	(460,142)
Contributions, Donations and Reimbursements	585,576	46,715	35,194	(11,521)
Other Income	4,681,208	960,181	427,647	(532,535)
Distribution from TPRC	1,000,000	-	-	-
	114,938,870	16,983,830	16,179,051	(804,779)
Less: Operating Expenditure				
<i>Nature of Expenditure</i>				
Employee Costs	77,205,326	6,421,423	5,555,069	866,354
Materials and Contracts	53,092,972	4,281,641	2,561,368	1,720,273
Utilities	3,596,588	305,094	234,336	70,758
Insurance Expenditure	1,197,885	99,241	87,601	11,639
Depreciation and Amortisation	33,144,020	2,762,002	2,588,229	173,772
Interest Expenses	1,562,208	120,787	165,055	(44,267)
Expense Provisions	998,010	85,264	71,970	13,294
Loss on Disposal of Assets	1,437,448	119,787	-	119,787
Other Expenditure	25,085,422	2,373,842	1,649,035	724,806
	197,319,879	16,569,081	12,912,663	3,656,417
Add back Depreciation	(33,144,020)	(2,762,002)	(2,588,229)	(173,772)
(Loss) / Profit on Disposals	(1,437,448)	(119,787)	-	(119,787)
	162,738,411	13,687,292	10,324,434	3,362,858
Net Surplus/(Deficit) from Operations	(47,799,541)	3,296,538	5,854,617	2,558,079
Investing Activities				
Capital Grants	5,768,315	480,693	7,827	(472,866)
Capital Expenditure	(62,731,135)	(3,564,954)	(417,783)	3,147,171
Proceeds from Disposal of Assets/Investments	1,280,000	108,712	-	(108,712)
	(55,682,820)	(2,975,549)	(409,956)	2,565,593
Financing Activities				
Repayment of Borrowings	(6,111,896)	(1,027,643)	(1,027,643)	-
Transfers to Reserves	(27,749,200)	(2,356,781)	(450,864)	1,905,917
Transfer from Reserves	34,323,351	17,778,009	16,361,935	(1,416,074)
	462,254	14,393,585	14,883,428	489,844
Add: Opening Funds	24,907,540	24,907,540	10,314,253	(14,593,286)
Net Surplus/(Deficit) before Rates	(78,112,567)	39,622,113	30,642,342	(8,979,771)
Amount Sourced from Rates	85,143,608	84,429,855	87,767,165	3,337,310
Closing Funds	7,031,041	124,051,968	118,409,507	(5,642,461)

Net Cash on Hand				
Cash On Hand	5,928,176	9,309,612	9,748,196	438,584
Money Market Investments	102,924,170	91,856,356	81,524,931	(10,331,425)
Funds on Hand	108,852,346	101,165,969	91,273,127	(9,892,842)
Analysis of Funds on Hand				
Reserves	79,211,467	76,285,085	69,535,197	(6,749,888)
Provisions	12,379,102	11,881,141	11,048,675	(832,466)
General Funds	17,261,777	12,999,743	10,689,255	(2,310,487)
Funds on Hand	108,852,346	101,165,969	91,273,127	(9,892,842)

SCHEDULE 4

CITY OF PERTH

CURRENT POSITION AS AT THE END OF THE PERIOD 31 JULY 2016

	2016/17 Original Budget \$	2016/17 Budget YTD \$	2016/17 Actual YTD \$	2016/17 Variance \$
Current Assets				
Cash and Cash Equivalents	5,928,176	9,309,612	9,748,196	438,584
Deposits and Prepayments	446,730	17,700,956	18,789,190	1,088,234
Money Market Investments - Municipal Funds	23,712,703	15,571,271	11,989,734	(3,581,537)
Money Market Investments - Restricted Funds	79,211,467	76,285,085	69,535,197	(6,749,888)
Trade and Other Receivables	4,020,574	127,807,744	124,905,010	(2,902,734)
Inventories	972,964	924,954	826,470	(98,484)
Total Current Assets	114,292,614	247,599,622	235,793,797	(11,805,825)
Current Liabilities				
Trade and Other Payables	26,646,668	33,305,335	36,185,418	2,880,083
Employee Entitlements	12,379,102	11,697,719	11,048,675	(649,044)
Provisions	400,750	183,422	615,000	431,578
Borrowings	7,083,366	6,233,077	6,233,077	0
Total Current Liabilities	46,509,886	51,419,553	54,082,170	2,662,617
Working Capital Position Brought Forward	67,782,728	196,180,069	181,711,627	(14,468,442)
Deduct Restricted Cash Holdings	(79,211,467)	(79,211,467)	(69,535,197)	9,676,270
Add Current Borrowings	7,083,366	7,083,366	6,233,077	(850,289)
Current Funds Position Brought Forward	(4,345,372)	124,051,968	118,409,507	(5,642,461)

SCHEDULE 4

EXPLANATORY NOTES – FINANCIAL ACTIVITY STATEMENT

BACKGROUND

- Regulation 34 of the Local Government (Financial Management) Regulations 1996 was amended effective from 1 July 2005.
- The amendment prescribes a monthly Financial Activity Statement (FAS) reporting the sources and application of funds, as set out in the Rate Setting Statement which is included in the Annual Budget.

PURPOSE

- The FAS reports the actual financial performance of the City in relation to its adopted budget, which has been structured on financial viability and sustainability principles.
- The FAS is intended to act as a guide to Council of the impact of financial activities and the reasons for major variances to the annual budget estimates.

PRESENTATION

- Regulation 34 prescribes the minimum detail to be included in the FAS. These are listed below.
 - Annual Budget estimates, and approved revisions to these, are to be included for comparison purposes.
 - Actual amounts of income and expenditure to the end of the month of the FAS.
 - Material variances between the comparable amounts and commentary on reasons for these.
 - The net current assets at the end of the month to which the FAS relates.
- An explanation of the composition of the net current assets at the end of the month to which the FAS relates; less committed and restricted assets.
- Councils are given the option of adopting a format which is considered most appropriate to their needs. These options are listed below.
 - According to nature and type classification,
 - by program, or
 - by business unit.
- It is recommended that while the information presented by cost objects (programs and activities) or by cost centres (business units) are useful for expense allocation and cost centre accountability purposes, they are less informative and difficult to comprehend in matters of disclosure and less effective in cost management and control.
- The FAS has therefore been presented in the format using nature and type classification as the most meaningful disclosure to the Council and public.

FORMAT

- The FAS is formatted to align with the Rate Setting Statement.
- The first part deals with operating income and expenditure, excluding rate revenue.
- The next classification is the amount spent on capital expenditure and debt repayments.
- The classification 'Financing Activities' provides a statement of sources of funds other than from operating or rates revenue, which are usually associated with capital expenditure.
- Attached to the FAS is a statement of 'Net Current Assets' for the budget and actual expenditure to the end of the month to which the FAS relates.
- Opening and closing funds represent the balance of 'Net Current Assets', not including any funds which are committed or restricted.
- "Committed assets" means revenue unspent but set aside under the annual budget for a specific purpose.
- "Restricted assets" means those assets the uses of which are restricted, wholly or partially, by regulations or other externally imposed requirements", e.g. reserves set aside for specific purposes.
- To avoid duplication in calculating 'Closing Funds on hand', certain balances, such as provisions and borrowings, are also deducted.
- The total Closing Funds on hand are to be taken into account when calculating the amount to be raised by rates each year.
- The classification "Net Cash on Hand" represents the balances of funds held in cash or invested and the analysis into those funds reserved, carried forward or remaining unspent at the end of the month to which the FAS relates.



CITY of PERTH

Financial Statements

For the 1 month ended 31 July 2016

SCHEDULE 4 CITY OF PERTH

MUNICIPAL

Statement of Comprehensive Income for the 1 month ended 31 July 2016

(By Program)

	Note	Budget 2016/2017	Revised Budget YTD	Actual YTD 31/07/2016	YTD Variance	
		\$	\$	\$	\$	%
OPERATING REVENUE						
General Purpose Funding Rates		86,075,041	84,845,057	87,770,628	2,925,571	3.4%
General Purpose Funding Other		5,038,022	738,678	517,392	(221,286)	-30.0%
Law, Order, Public Safety		23,178	1,910	3,773	1,863	97.5%
Health		780,345	287,700	165,287	(122,413)	-42.5%
Education and Welfare		2,105,728	181,884	152,952	(28,932)	-15.9%
Housing		781,872	65,156	60,000	(5,156)	-7.9%
Community Amenities		10,789,799	7,644,860	8,446,159	801,299	10.5%
Recreation and Culture		1,732,910	103,961	75,170	(28,791)	-27.7%
Transport		90,120,021	7,402,667	6,569,278	(833,389)	-11.3%
Economic Services		831,710	74,795	87,716	12,921	17.3%
Other Property and Services		803,852	67,018	97,860	30,842	46.0%
Total Operating Income		199,082,478	101,413,686	103,946,215	2,532,529	2.5%
OPERATING EXPENDITURE						
Governance		10,394,320	915,310	819,134	96,176	10.5%
General Purpose Funding		6,128,645	549,027	306,936	242,091	44.1%
Law, Order, Public Safety		3,758,622	298,020	272,714	25,306	8.5%
Health		4,603,806	387,244	208,590	178,654	46.1%
Education and Welfare		3,688,491	298,668	265,251	33,417	11.2%
Housing		554,156	46,180	45,754	426	0.9%
Community Amenities		30,384,835	2,598,525	2,070,856	527,669	20.3%
Recreation and Culture		35,350,738	2,763,919	1,949,517	814,402	29.5%
Transport		85,682,324	7,043,559	5,913,544	1,130,015	16.0%
Economic Services		10,316,035	1,125,299	606,618	518,681	46.1%
Other Property and Services		5,020,459	423,544	440,033	(16,489)	-3.9%
Total Operating Expenditure		195,882,431	16,449,293	12,898,947	3,550,346	21.6%
NET FROM OPERATIONS		3,200,047	84,964,393	91,047,268	6,082,875	7.2%
GRANTS/CONTRIBUTIONS						
For the Development of Assets						
- Law, Order, Public Safety		240,150	20,013	-	(20,013)	-100.0%
- Recreation and Culture		2,693,400	224,450	-	(224,450)	-100.0%
- Transport		2,834,765	236,230	7,827	(228,403)	-96.7%
Total Grants/Contributions		5,768,315	480,693	7,827	(472,866)	-98.4%
DISPOSAL/WRITE OFF OF ASSETS						
Gain/(Loss) on Disposal of Assets	2	(1,437,448)	(129,854)	-	129,854	-100.0%
Change in net assets resulting from operations before significant items		7,530,914	85,315,232	91,055,095	5,739,863	6.7%
SIGNIFICANT ITEMS						
Distribution from TPRC		1,000,000	-	-	-	0.0%
Change in net assets resulting from operations after significant items		8,530,914	85,315,232	91,055,095	5,739,863	6.7%

SCHEDULE 4
CITY OF PERTH
MUNICIPAL

Statement of Comprehensive Income for the 1 month ended 31 July 2016
(By Nature)

	Note	Budget 2016/2017	Revised Budget YTD	Actual YTD 31/07/2016	YTD Variance	
OPERATING REVENUE		\$	\$	\$	\$	%
Rates		85,143,608	84,429,855	87,767,165	3,337,310	4.0%
Grants and Contributions for Non Capital Purposes		1,514,031	474,730	14,589	(460,141)	-96.9%
Donations and Reimbursements		585,576	46,715	35,194	(11,521)	-24.7%
Fees and Charges		105,213,130	15,999,252	15,481,980	(517,272)	-3.2%
Interest and Investment Income		4,672,819	334,663	506,377	171,714	51.3%
Other Revenue		1,953,314	128,472	140,911	12,439	9.7%
Total Revenue from Operating Activities		199,082,478	101,413,686	103,946,215	2,532,529	2.5%
OPERATING EXPENDITURE						
Employee Costs		77,205,335	6,421,423	5,555,069	866,354	13.5%
Materials and Contracts		53,092,963	4,281,641	2,561,368	1,720,273	40.2%
Utilities		3,596,588	305,094	234,336	70,758	23.2%
Depreciation and Amortisation		33,144,020	2,762,002	2,588,231	173,771	6.3%
Interest		1,562,208	120,787	165,055	(44,268)	-36.6%
Insurance		1,197,885	99,241	87,601	11,640	11.7%
Expenses Provision		998,010	85,264	71,970	13,294	15.6%
Other Expenses from Ordinary Activities		25,085,422	2,373,842	1,635,317	738,525	31.1%
Total Expenses from Ordinary Activities		195,882,431	16,449,293	12,898,947	3,550,346	21.6%
Change in Net Assets from Ordinary Activities before Capital Amounts		3,200,047	84,964,393	91,047,268	6,082,875	7.2%
GRANTS/CONTRIBUTIONS						
Grants and Contributions- Capital		5,768,315	480,693	7,827	(472,866)	-98.4%
NET OPERATING SURPLUS		8,968,362	85,445,086	91,055,095	5,610,009	6.6%
DISPOSAL/WRITE OFF OF ASSETS	2	(1,437,448)	(129,854)	-	129,854	-100.0%
SIGNIFICANT ITEMS						
Distribution from TPRC		1,000,000	-	-	-	0.0%
Change in net assets resulting from operations after capital amounts and significant items		8,530,914	85,315,232	91,055,095	5,739,863	6.7%

SCHEDULE 4
CITY OF PERTH
MUNICIPAL

Statement of Financial Position as at 31 July 2016

	Note	31/07/2016	30/06/2016
CURRENT ASSETS		\$	\$
Cash and Cash Equivalents	11	9,748,196	10,061,962
Deposits/Prepayments	4	18,789,190	1,380,332
Investments	3, 11	81,524,931	100,249,402
Trade and Other Receivables	5	33,955,316	10,814,082
Rates Receivable	1	90,949,694	190,815
Inventories		826,470	959,566
TOTAL CURRENT ASSETS		235,793,797	123,656,159
NON CURRENT ASSETS			
Investments	3	4,506,113	4,506,113
Trade and Other Receivables	5	51,977	32,434
Property, Plant and Equipment	8	650,050,546	651,423,859
Infrastructure	8	468,564,612	469,779,530
Capital Work in Progress	8	100,607,725	100,048,039
TOTAL NON CURRENT ASSETS		1,223,780,973	1,225,789,975
TOTAL ASSETS		1,459,574,770	1,349,446,134
CURRENT LIABILITIES			
Trade and Other Payables	6	36,185,418	16,082,283
Employee Benefits	7	11,048,675	11,083,112
Provisions	7	615,000	615,000
Loan Liability	9	6,233,077	6,772,073
TOTAL CURRENT LIABILITIES		54,082,170	34,552,468
NON CURRENT LIABILITIES			
Employee Benefits	7	1,746,402	1,746,402
Provisions	7	4,291,972	4,259,487
Loan Liability	9	29,066,282	29,554,929
TOTAL NON CURRENT LIABILITIES		35,104,656	35,560,818
TOTAL LIABILITIES		89,186,826	70,113,286
NET ASSETS		\$1,370,387,944	\$1,279,332,848
EQUITY			
Accumulated Surplus		737,548,539	629,640,812
Asset Revaluation Reserve	10	560,560,439	560,560,439
Reserves	10	72,278,966	89,131,597
TOTAL EQUITY		\$1,370,387,944	\$1,279,332,848

SCHEDULE 4

CITY OF PERTH MUNICIPAL

Statement of Changes in Equity for the 1 month ended 31 July 2016

	Accumulated Surplus	Asset Revaluation Reserve	Cash Backed Reserves	Total Equity
	\$	\$	\$	\$
Balance at 1 July 2015	612,108,629	560,795,095	87,574,492	1,260,478,216
Change in net assets resulting from operations	18,854,632	-	-	18,854,632
Transfer to Cash Backed Reserves	(24,880,826)	-	24,880,826	-
Transfers to Asset Revaluation Reserve	(12,368)	12,368	-	-
Transfers from Asset Revaluation Reserve	247,023	(247,023)	-	-
Transfer from Cash Backed Reserves	23,323,731	-	(23,323,731)	-
Balance at 30 June 2016	\$629,640,821	\$560,560,440	\$89,131,587	\$1,279,332,848
	\$	\$	\$	\$
Balance at 1 July 2016	629,640,821	560,560,440	89,131,587	1,279,332,848
Change in net assets resulting from operations	91,055,095	-	-	91,055,095
Transfer to Cash Backed Reserves	(450,864)	-	450,864	-
Transfers to Asset Revaluation Reserve	-	-	-	-
Transfers from Asset Revaluation Reserve	-	-	-	-
Transfer from Cash Backed Reserves	17,303,496	-	(17,303,496)	-
Balance at the end of the reporting period	\$737,548,547	\$560,560,440	\$72,278,956	\$1,370,387,943

SCHEDULE 4
CITY OF PERTH
MUNICIPAL

Statement of Cash Flows for the 1 month ended 31 July 2016

	Note	Budget 2016/2017	YTD Actual 31/07/2016	YTD Variation
		\$	\$	\$ %
Cash Flows from Operating Activities				
Receipts				
Rates		85,150,558	(20,824,447)	(105,975,005) -124.5%
Fees and Charges		110,473,787	9,870,812	(100,602,975) -91.1%
Interest		4,672,819	735,520	(3,937,299) -84.3%
Other		2,000,854	152,552	(1,848,302) -92.4%
		202,298,018	(10,065,563)	(212,363,581) -105.0%
Payments				
Employee Costs		(76,246,522)	(5,806,295)	70,440,227 92.4%
Materials and Contracts		(45,634,268)	474,644	46,108,912 101.0%
Interest		(1,546,536)	(244,827)	1,301,709 84.2%
Other		(31,117,629)	(1,996,737)	29,120,892 93.6%
		(154,544,955)	(7,573,215)	146,971,740 95.1%
Net Cash Flows from Operating Activities	12	47,753,063	(17,638,778)	(65,391,841) 136.9%
Cash Flows from Investing Activities				
Receipts				
Distribution from TPRC		1,000,000	-	(1,000,000) -100.0%
Proceeds from Disposal of Assets		1,280,000	-	(1,280,000) -100.0%
Proceeds from Disposal of Investments(Non Current)		-	-	- 0.0%
Payments				
Purchase Land and Buildings		(14,005,532)	-	14,005,532 -100.0%
Purchase Infrastructure Assets		(29,412,097)	-	29,412,097 -100.0%
Purchase Plant and Mobile Equipment		(17,160,028)	-	17,160,028 100.0%
Purchase Office Furniture and Equipment		(2,153,478)	-	2,153,478 -100.0%
Work in Progress		-	(417,783)	(417,783) 0.0%
		(62,731,135)	(417,783)	62,313,352 99.3%
Net Cash Flows from Investing Activities		(60,451,135)	(417,783)	60,033,352 99.3%
Cash Flows from Financing Activities				
Repayment of Borrowings		(6,111,896)	(1,027,643)	5,084,253 83.2%
		(6,111,896)	(1,027,643)	5,084,253 83.2%
Cash Flows from Government and Other Parties				
Receipts from Appropriations/Grants				
Recurrent		4,414,618	38,142	(4,376,476) -99.1%
Capital		5,768,315	7,827	(5,760,488) -99.9%
		10,182,933	45,969	(10,136,964) -99.5%
Net Increase (Decrease) in Cash Held		(8,627,035)	(19,038,235)	(10,411,200) 120.7%
Cash at 1 July 2016		117,479,382	110,311,364	(7,168,018) -6.1%
Cash at 31 July 2016	11	108,852,347	91,273,127	(17,579,220) -16.1%

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Notes to the Balance Sheet for the 1 month ended 31 July 2016

1 Rates Receivable

	Actual YTD 31/07/2016	2015/16 YTD 31/07/2015
	\$	\$
Outstanding Amount at 30 June 2016	190,816	64,096
Rates Levied for the Year	87,701,136	80,245,167
Late Payment Penalties	(4,195)	37,382
Ex Gratia Rates	17,741	17,464
Rates Administration Fee	7,643	257,379
Rates Instalment Interest	-	340,160
Back Rates	48,288	(77,853)
Bins Levy	7,187,039	4,483,362
	95,148,468	85,367,157
Amount Received during the Period	4,198,774	25,433,181
Outstanding Amount at 31 July 2016	\$90,949,694	\$59,933,976

2 Gain/(Loss) on Disposal/Write off of Assets

	Annual Budget	Actual YTD 31/07/2016
Land and Buildings	\$	\$
Proceeds on Disposal	-	-
Less: Carrying amount of assets sold/written off	-	-
(Loss) on Disposal/Write Off	-	-
Infrastructure		
Proceeds on Disposal	-	-
Less: Carrying amount of assets written off	1,721,201	-
(Loss) on Write Off	(1,721,201)	-
Plant and Mobile Equipment		
Proceeds on Disposal	1,523,000	-
Less: Carrying amount of assets sold/written off	1,360,052	-
Profit on Disposal	162,948	-
Furniture and Equipment		
Proceeds on Disposal	-	-
Less: Carrying amount of assets sold /written off	-	-
(Loss) on Disposal/Write Off	-	-
Gain/(Loss) on Disposal/Write off of Assets	(\$1,558,253)	\$0

3 Investments

Current	31/07/2016	30/06/2016
Short Term Cash Investments *	\$	\$
Call Funds	15,627,428	12,111,382
Bank/Term Deposits	61,500,000	84,000,000
Managed Funds	4,397,503	4,138,020
Total Current Investments	\$81,524,931	\$100,249,402

* Short Term Cash Investments as stated in Note 11.

Non Current Investments	31/07/2016	30/06/2016
	\$	\$
Mortgage Backed Securities (MBS)	2,743,759	2,743,759
	2,743,759	2,743,759
Equity in Local Government House	10,000	10,000
Equity in Mindarie Regional Council	420,412	420,412
Equity in Tamala Park Regional Council	1,331,942	1,331,942
	\$4,506,113	\$4,506,113

SCHEDULE 4

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Notes to the Balance Sheet for the 1 month ended 31 July 2016

4 Deposits/Prepayments

	31/07/2016	30/06/2016
	\$	\$
Prepaid Insurance	1,122,729	-
Prepaid Parking Bay Licence Fees	15,829,835	-
Other	1,836,626	1,380,332
	\$18,789,190	\$1,380,332

5 Trade And Other Receivables

	31/07/2016	30/06/2016
Current	\$	\$
Emergency Services Levy (ESL)	25,020,455	36,912
Accrued Interest and Investment Income	307,526	536,669
Accrued Income	1,101,272	574,705
Modified Penalties/Fines and Costs	7,570,588	7,468,902
Debtors - General		
Australian Taxation Office - GST Refundable	-	177,492
Works and Services	18,789	35,731
Other Debtors	3,123,236	5,116,240
	37,141,866	13,946,651
Less: Provision for Doubtful Debts	(3,186,550)	(3,132,569)
	\$33,955,316	\$10,814,082
Non Current		
Pensioners' Rates Deferred	51,977	32,434
	\$51,977	\$32,434

6 Trade And Other Payables

	31/07/2016	30/06/2016
Current	\$	\$
Trade Creditors	3,470,063	10,591,073
Emergency Services Levy	26,350,557	-
Interest Payable on Loans	21,087	100,859
Accrued Expenses - Operating	2,853,439	2,359,492
Accrued Expenses - Capital	141,903	-
Advances Received for Recoverable Works	-	71,386
Income Received / Raised in Advance	781,072	1,008,030
Australian Taxation Office - GST Payable	156,363	-
Other Creditors	2,410,934	1,951,443
	\$36,185,418	\$16,082,283

SCHEDULE 4

MUNICIPAL

Notes to the Balance Sheet for the 1 month ended 31 July 2016

7 Employee Benefits

	31/07/2016	30/06/2016
Current	\$	\$
Leave Entitlements		
Annual Leave	4,484,668	4,454,492
Self Funded Leave	213,353	238,785
Long Service Leave	6,214,967	6,253,583
Recognition of Employees- Presentations	135,687	136,252
	\$11,048,675	\$11,083,112
Non Current		
Annual Leave	617,169	617,169
Long Service Leave	1,129,233	1,129,233
	\$1,746,402	\$1,746,402

Provisions

	31/07/2016	30/06/2016
Current	\$	\$
Workers Compensation	615,000	615,000
	\$615,000	\$615,000
Non Current		
Provision for Equipment Replacement PCEC	4,291,972	4,259,487
	\$4,291,972	\$4,259,487

8 Property, Plant and Equipment and Work in Progress

	31/07/2016	30/06/2016
	\$	\$
Land and Air Rights - at cost/fair value	380,359,193	380,359,194
Less: Accumulated Depreciation	(3,182,921)	(3,135,072)
	377,176,272	377,224,122
Buildings - at fair value	380,596,050	380,596,051
Less: Accumulated Depreciation	(154,761,499)	(154,058,532)
	225,834,551	226,537,519
Improvements - at fair value	8,010,840	8,010,841
Less: Accumulated Depreciation	(4,865,526)	(4,841,952)
	3,145,314	3,168,889
Infrastructure Assets - at cost/fair value	742,587,827	742,587,828
Less: Accumulated Depreciation	(274,023,215)	(272,808,297)
	468,564,612	469,779,531
Plant and Mobile Equipment - at cost/fair value	47,429,623	47,429,623
Less: Accumulated Depreciation	(28,541,148)	(28,162,843)
	18,888,475	19,266,780
Office Furniture and Equipment - at cost/fair value	39,428,387	39,428,387
Less: Accumulated Depreciation	(15,217,724)	(14,997,106)
	24,210,663	24,431,281
Agricultural - at cost	795,271	795,271
Less: Accumulated Depreciation	-	-
	795,271	795,271
Property, Plant and Equipment	1,118,615,158	1,121,203,393
Work in Progress - at cost	100,607,725	100,048,039
	100,607,725	100,048,039
Total Property, Plant and Equipment and Work in Progress	\$1,219,222,883	\$1,221,251,428

SCHEDULE 4

Notes to the Balance Sheet for the 1 month ended 31 July 2016

8 Property, Plant and Equipment and Work in Progress - Movement at Cost

	Balance 30/06/2016	Acquisitions Actual YTD 31/07/2016	Transfers Actual YTD 31/07/2016	Disposals/ Write off/ Actual YTD 31/07/2016	Revaluation Actual YTD 31/07/2016	Balance 31/07/2016
	\$	\$	\$	\$		\$
Land and Air Rights	380,359,194	-	-	-	-	380,359,194
Buildings	380,596,051	-	-	-	-	380,596,051
Improvements	8,010,841	-	-	-	-	8,010,841
Infrastructure Assets	742,587,828	-	-	-	-	742,587,828
Plant and Mobile Equipment	47,429,623	-	-	-	-	47,429,623
Office Furniture and Equipment	39,428,387	-	-	-	-	39,428,387
Agricultural	795,271	-	-	-	-	795,271
Work in Progress	100,048,039	559,686	-	-	-	100,607,725
	\$1,699,255,234	\$559,686	-	-	-	\$1,699,814,920

9 Loan Liability

	31/07/2016	30/06/2016
Current	\$	\$
Loans - Western Australian Treasury Corporation	6,233,077	6,772,073
Non Current		
Loans - Western Australian Treasury Corporation	29,066,282	29,554,929

10 Reserve Funds

Purpose of Reserve Fund	Balance 30/06/2016	Transfer from Accumulated Surplus	Transfer to Accumulated Surplus	Balance 31/07/2016
	\$	\$	\$	\$
Refuse Disposal and Treatment	3,095,585	19,169	-	3,114,754
Concert Hall - Refurbishment and Maint.	4,840,629	29,973	-	4,870,602
Asset Enhancement	26,399,114	163,308	(24,590)	26,537,832
Street Furniture Replacement	698,928	4,328	-	703,256
Parking Levy	18,178,197	5,568	(17,278,906)	904,859
Art Acquisition	365,661	2,264	-	367,925
Heritage Incentive	608,731	3,769	-	612,500
Parking Facilities Development	23,769,677	147,179	-	23,916,856
Employee Entitlements	1,896,024	11,740	-	1,907,764
David Jones Bridge	285,778	1,770	-	287,548
Bonus Plot Ratio	614,373	3,804	-	618,177
PCEC Fixed Plant Replacement	4,259,487	32,485	-	4,291,972
Enterprise and Initiative	3,919,203	24,267	-	3,943,470
Public Art	200,210	1,240	-	201,450
	89,131,597	450,864	(17,303,496)	72,278,965
* Asset Revaluation	560,560,440	-	-	560,560,440
	\$649,692,037	\$450,864	(\$17,303,496)	\$632,839,405

* The Asset Revaluation Reserve is a non cash backed reserve and cannot be used ,except for adjustments to fixed assets on their revaluation, disposal or write off

SCHEDULE 4

Notes to the Balance Sheet for the 1 month ended 31 July 2016

11 Cash Reconciliation

	31/07/2016	30/06/2016
	\$	\$
Cash and Cash Equivalents	9,748,196	10,061,962
Short Term Cash Investments	81,524,931	100,249,402
	\$91,273,127	\$110,311,364

12 Reconciliation of Net Cash Provided By Operating Activities to Operating Surplus

	31/07/2016	30/06/2016
	\$	\$
Change in Net Assets Resulting from Operations	91,055,095	18,879,692
Adjustment for items not involving the movement of Funds:		
Depreciation	2,588,231	30,494,730
Doubtful Debts	53,981	78,375
(Gain)/Loss on Disposal/Write off/Contribution of Assets	-	1,099,929
	93,697,307	50,864,325
Revenues Provided By :		
Government Grants	(45,969)	(6,591,614)
Contribution from Other Parties	-	(49,890)
	(45,969)	(6,641,504)
Change in Operating Assets and Liabilities		
Add Back		
Decrease in Inventories	133,096	434,635
Decrease in Deposits and Prepayments	-	-
Decrease in Accrued Interest and Dividend Income	229,143	63,628
Decrease in Deferred Debtors	-	7,133
Decrease in Accrued Income	-	677,195
Increase in Income Received /Raised in Advance	-	130,392
Increase in Accrued Expenses	493,947	-
Increase in Trade and Other Payables	19,845,401	-
Deduct		
Decrease in Trade and Other Payables	-	(2,551,455)
Decrease in Income Received /Raised in Advance	(298,344)	-
Decrease in Accrued Interest Payable	(79,772)	(140,156)
Increases in Deferred Debtors	(19,543)	-
Decrease in Provisions	(1,952)	(166,254)
Decrease in Accrued Expenses	-	(258,073)
Increase in Trade and Other Receivables	(113,656,670)	(3,404,750)
Increase in Prepayments	(17,408,858)	(41,088)
Increase in Accrued Income	(526,567)	-
	(111,290,119)	(5,248,793)
Net Cash Provided by Operating Activities	(\$17,638,778)	\$38,974,028

SCHEDULE 4

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Notes to the Balance Sheet for the 1 month ended 31 July 2016

13 Ratios

	31/07/2016	30/06/2016
1 Current Ratio		
<u>Current Assets minus Restricted Assets</u>		
Current Liabilities minus Liabilities associated with Restricted Assets	3.07	1.08
2 Debt Ratio		
<u>Total Liabilities</u>		
Total Assets	6.11%	5.19%
3 Debt Service Ratio		
<u>Debt Service Cost</u>		
Available Operating Revenue	1.15%	4.45%
4 Rate Coverage Ratio		
<u>Net Rate Revenue</u>		
Operating Revenue	84.44%	44.06%
5 Outstanding Rates Ratio		
<u>Rates Outstanding</u>		
Rates Collectable	95.59%	0.23%
6 Untied Cash to Unpaid Creditors Ratio		
<u>Untied Cash</u>		
Unpaid Trade Creditors	6.26	2.26
7 Gross Debt to Revenue Ratio		
<u>Gross Debt</u>		
Total Revenue	33.96%	19.03%
8 Gross Debt to Economically Realisable Assets Ratio		
<u>Gross Debt</u>		
Economically Realisable Assets	3.56%	4.13%

Restricted Assets includes reserve funds and tied contributions not utilised at 31.07.2016

CITY OF PERTH

FAS GRAPHS

Jul-16

SCHEDULE 4

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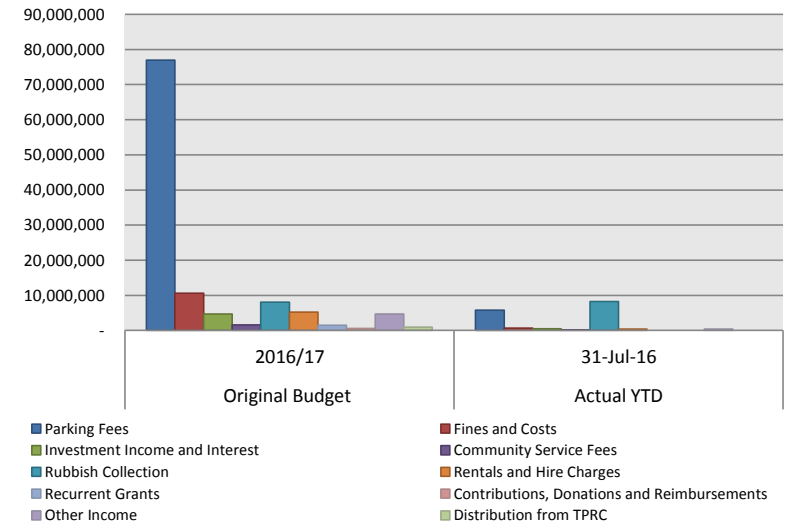
<u>Section</u>	<u>Description</u>	<u>Page</u>
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SCHEDULE 4

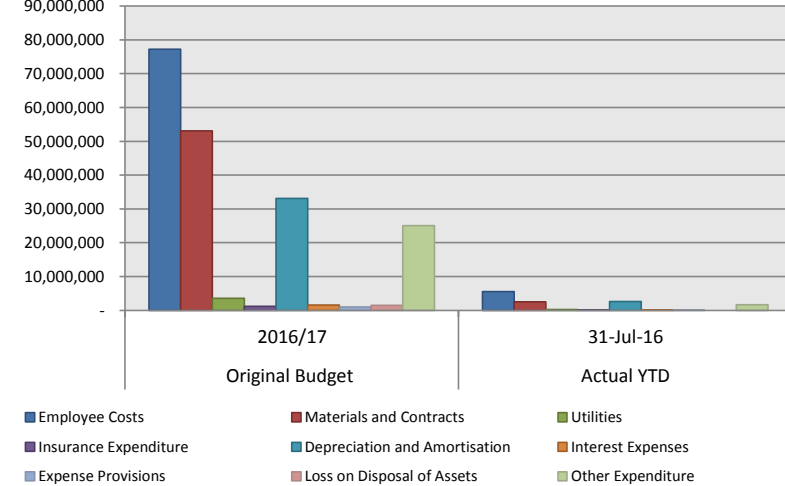
Financial Activity Statement

	Annual	Year To Date Jul-16		
Proceeds from Operating Activities	Original Budget 2016/17 \$000s	Budget YTD \$000s	Actual \$000s	Variance \$000s
Operating Revenue	114,939	16,984	16,179	-805
Less: Operating Expenditure	197,320	16,569	12,913	3,656
Add back Depreciation	-33,144	-2,762	-2,588	-174
(Loss)/Profit on Disposals	-1,437	-120	0	-120
Net Surplus/(Deficit) from Operations	-47,800	3,297	5,855	2,558
Investing Activities				
Capital Grants	5,768	481	8	-473
Capital Expenditure	-62,731	-3,565	-418	3,147
Proceeds from Disposal of Assets/Investments	1,280	109	0	-109
Financing Activities				
Repayment of Borrowings	-6,112	-1,028	-1,028	0
Transfers to Reserves	-27,749	-2,357	-451	1,906
Transfer from Reserves	34,323	17,778	16,362	-1,416
Net Surplus/(Deficit) before Rates	-78,113	39,622	30,642	-8,980
Add: Opening Funds	24,908	24,908	10,314	-14,593
Less: Closing Funds	7,031	124,052	118,410	-5,642
Amount Sourced from Rates	85,144	84,430	87,767	3,337

Jul-16 Budget to Actual YTD Operating Revenue



Jul-16 Budget to Actual YTD Operating Expenditure



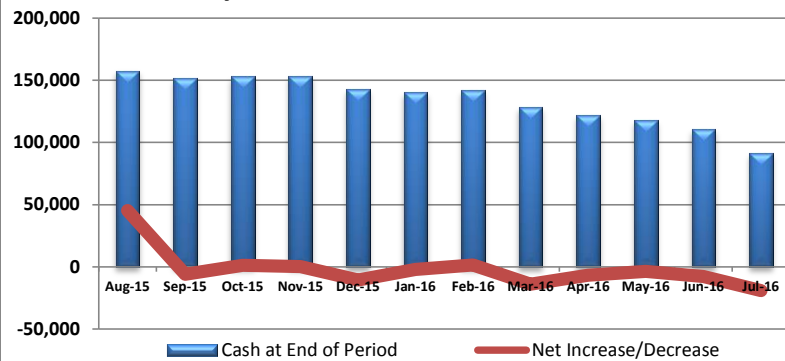
SCHEDULE 4

Cashflow Statement

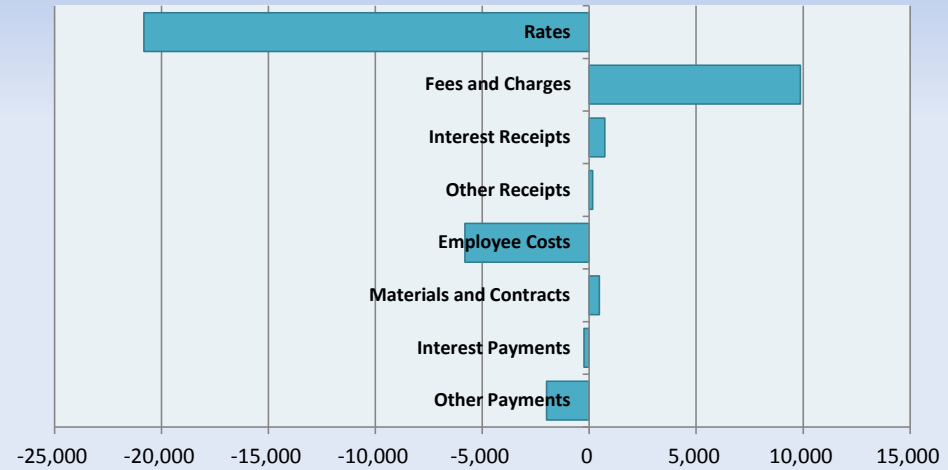
SUMMARY CASH FLOW STATEMENT

	Budget \$'000s 2016/2017	YTD Actual \$'000s Jul-16
Receipts from Customers	202,298	-10,066
Payments to Suppliers and Creditors	-154,545	-7,573
Net Cash Inflow/Outflow from Operating Activities	47,753	-17,639
Net Cash Inflow/Outflow from Investing Activities	-60,451	-418
Net Cash Inflow/Outflow from Financing Activities	-6,112	-1,028
Cash Flows from Government and Other Parties	10,183	46
Cash at 1 July 2016	117,479	110,311
Net Increase (Decrease) in Cash Held	-8,627	-19,038
Cash at 31 July 2016	108,852	91,273

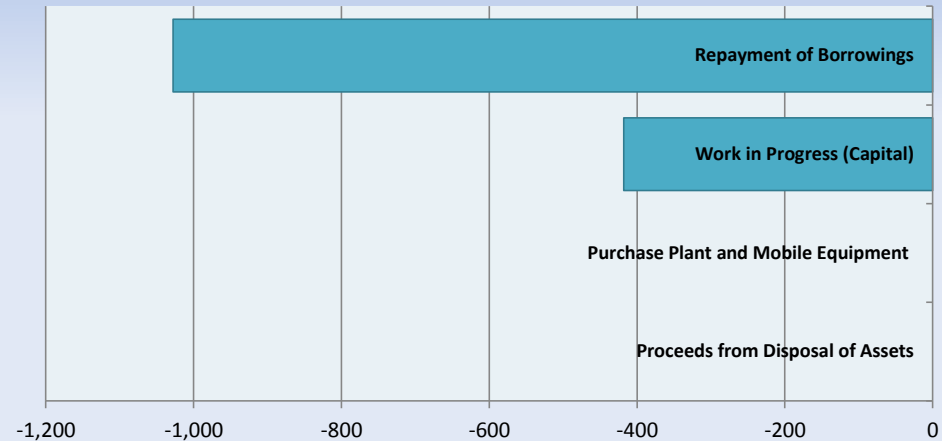
Monthly Cash Movements to Jul-16 \$'000s



Cash Flows from Operating Activities \$'000s



Cash Flows from Investing Activities \$'000s

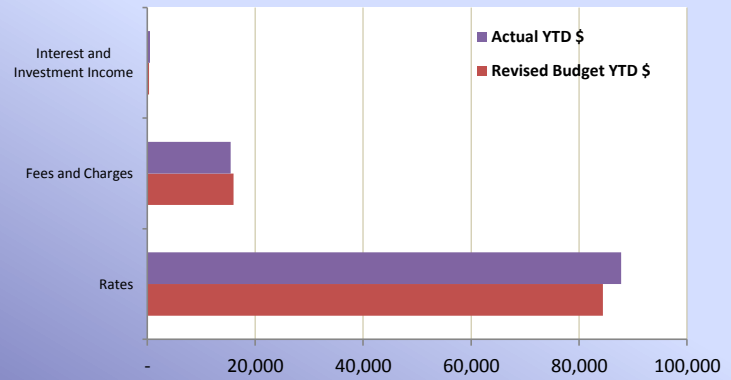


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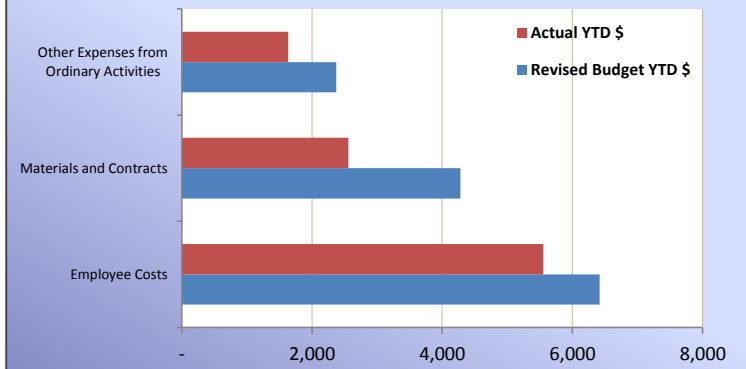
Summary Operating Statement

	2016/2017	Year To Date Jul-16		
	Original Budget \$000	Revised Budget \$000s	Actual \$000s	Variance \$000s
Operating Revenue	199,082	101,414	103,946	2,532
less Operating Expenses	-161,176	-13,566	-10,145	3,421
Earnings before Interest and Depreciation (EBID)	37,906	87,848	93,801	5,953
less Interest Expense	-1,562	-121	-165	-44
less Depreciation	-33,144	-2,762	-2,588	174
Operating Surplus/(Deficit)	3,200	84,965	91,048	6,083
Grants and Contributions- Capital	5,768	481	8	-473
NET OPERATING SURPLUS	8,968	85,446	91,056	5,610
DISPOSAL/WRITE OFF OF ASSETS	-1,437	-130	0	130
Distribution from TPRC	1,000	0	0	0
(Loss) on Disposal of Investments	0	0	0	0
Change in net assets resulting from operations after capital amounts and significant items	8,531	85,315	91,055	5,740

Operating Revenue YTD Jul-16 \$'000s



Operating Expenditure YTD Jul-16 \$'000s

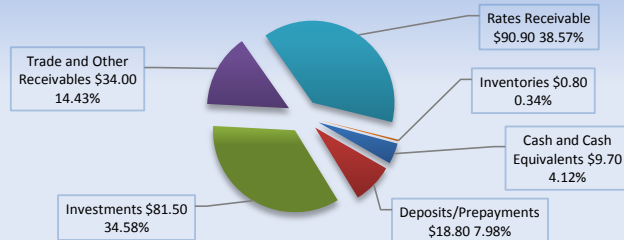


SCHEDULE 4

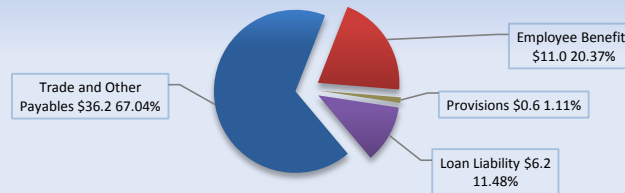
Summary Statement of Financial Position

	31-Jul-16	30-Jun-16
	Actual \$000s	Actual \$000s
Total Current Assets	235,794	123,656
Total Non Current Assets	1,223,781	1,225,790
TOTAL ASSETS	1,459,575	1,349,446
Total Current Liabilities	54,082	34,552
Total Non Current Liabilities	35,105	35,561
TOTAL LIABILITIES	89,187	70,113
NET ASSETS	1,370,388	1,279,333
COMMUNITY EQUITY		
Accumulated Surplus	737,549	629,641
Asset Revaluation Reserve	560,560	560,560
Reserves (Cash Backed)	72,279	89,132
TOTAL EQUITY	1,370,388	1,279,333

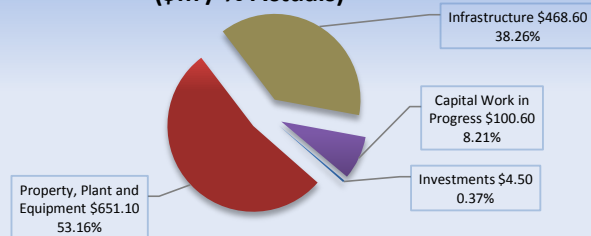
Current Assets Jul-16
(\$m / % Actuals)



Current Liabilities Jul-16
(\$m / % Actuals)



Non-Current Assets Jul-16
(\$m / % Actuals)



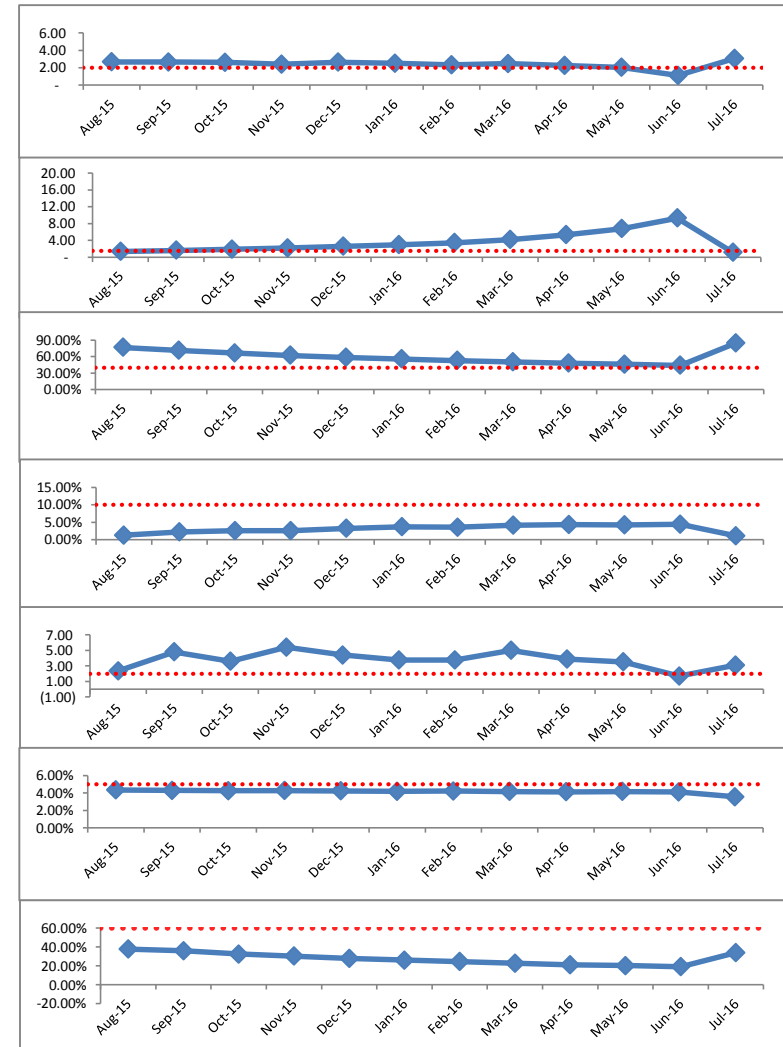
Non-Current Liabilities Jul-16
(\$m / % Actuals)



SCHEDULE 4

Ratio Analysis

	Jul-16
Current Ratio (Current Assets minus Restricted Assets/Current Liabilities minus Liabilities associated with Restricted Assets)	3.07
Ability to generate working capital to meet our commitments	
Target is greater than 2.00	
Operating Surplus Ratio (Revenue YTD/Operating Surplus YTD)	1.14
Ability to fund capital and exceptional expenditure	
Target is greater than 1.5	
Rate Coverage Ratio (Net Rate Revenue/Operating Revenue)	84.44%
Ability to reduce rates to ratepayers	
Target is less than 40.00% - The percentage will diminish as the bulk of the rates are raised in July	
Debt Service Ratio (Interest and principal repayments/Available Operating Revenue)	1.15%
Ability to service loans including principal and interest	
Target is less than 10.0%	
Cash Capacity in Months (Cash < 90 days invest / (Cash Operating Costs divided by 1 months)	3.08
Ability to manage cashflow	
Target is greater than 2.0 months	
Gross Debt to Economically Realisable Assets Ratio (Gross Debt / Economically Realisable Assets)	3.56%
Ability to retire debt from readily realisable assets	
Target is greater than 5.0%	
Gross Debt to Revenue Ratio (Gross Debt / Total Revenue)	33.96%
Ability to service debt out of total revenue	
Target is less than 60.0%	



Finalisation of Carry Forward amounts into 2016/17

Directorate / Unit / Project	Carry Forward in Adopted Budget	Required Carry Forward	Budget Adjustment required	Explanation for the budget adjustment
Community & Commercial Services Directorate	2,358,338	3,047,812	689,474	
Commercial Parking	1,646,538	1,809,815	163,277	
0576 - Parking Meters	50,434	50,159	-275	Changes made in commitment and some small outstanding orders cancelled.
0584 - EMV upgrade for parking equipment	130,647	99,927	-30,720	Actual spent in prior year higher than expected resulting in less carry forward required.
1661 - Mobile Application and Internet	0	57,375	57,375	At the time of Feb review, it was anticipated that the projects would have been completed by June 2016. Delays are due to poor contractor performance.
1807 - CO2 Monitoring & Mechanical Ventilation	223,794	223,794	0	
1811 - LED VMS Signs Upgrade and or replacement of signage	0	56,843	56,843	Projects Officer instructed to reserve funds for a digital screen signage trial. Due to a lack of suitable options it is difficult to find a suitable supplier who also offers an appropriate level of support and a software program that meets our requirements.
1812 - Lift Upgrade or Refurbishment	250,000	250,000	0	
1813 - Lighting Installation	107,440	123,190	15,750	Due to changes made in commitments more funds are required to carry forward.
1814 - Lighting Upgrade	300,000	300,000	0	
1815 - Upgrade of Internet, Intranet and Mobile App	0	36,766	36,766	At the time of Feb review, it was anticipated that the projects would have been completed by June 2016. Delays are due to poor contractor performance.
1817 - Boom Gates	90,000	90,000	0	
1819 - CPAMS (Stock Job management system)	44,723	74,512	29,789	It was anticipated that the purchase order will be issued for the enhancement works. Contractual issues have delayed the purchase order issuance.
1821 - Event Ticket Management Systems (Expanding scope of CPAMS)	40,000	40,000	0	
1828 - OSH and Visitor Access Management Systems Trial	90,000	90,000	0	
1829 - Parking Card Management System (Expanding Online Reservation Systems)	119,500	119,500	0	
1832 - Automate Open Air Car Parks	200,000	197,748	-2,252	Small amount spent in 2015/16 reducing amount required to be carried forward.

SCHEDULE 5

Finalisation of Carry Forward amounts into 2016/17

Directorate / Unit / Project	Carry Forward in Adopted Budget	Required Carry Forward	Budget Adjustment required	Explanation for the budget adjustment
Community Amenity & Safety	430,000	678,976	248,976	
1611 - Network Replacements	430,000	630,000	200,000	Increase in carry forward required for the purchase of CCTV portable towers and associated equipment as a result of the funding application being unsuccessful.
1612 - In-Field Mobile Computer and Tablets	0	14,000	14,000	Carry forward funds to fund three screens and mobile phones for new Rangers.
0463 - Associated Equipment (Internal Requests) 15/16	0	17,432	17,432	For partial funding of CCTV installation at Langley Park.
1765 - Network Expansion 15/16	0	17,544	17,544	For partial funding of CCTV installation at Langley Park.
Library	187,000	187,000	0	
1862 - Library Server Storage	77,000	77,000	0	
1864 - Library Website Upgrade	110,000	110,000	0	
Parking Services	94,800	372,021	277,221	
1846 - Two Way Radios	0	76,200	76,200	The tender panel has been confirmed. The specifications are being drafted to submit to contracts to initiate the tender process.
1961 - Body Worn Cameras	0	75,475	75,475	The formal quotation EOI has been completed. The panel members have been confirmed. The specifications are being drafted to be submitted to Contracts to commence the formal quotation process.
1969 - PDA's	0	125,546	125,546	The tender panel members have been confirmed. The tender EOI has been completed. The specifications are being drafted to submit to Contracts to initiate the tender process.
1970 - Vehicle Detection Sensors	94,800	94,800	0	
Construction & Maintenance Directorate	7,967,761	10,440,095	2,472,334	
Construction	1,042,500	1,131,132	88,632	
1113 - Wellington Street Stage 2	100,000	100,000	0	
1646 - Wellington Street Stage 2A	250,000	250,000	0	
1781 - Wellington Street Stage 2A-Phase 2	42,000	42,000	0	
1798 - Beaufort Street - Pedestrian Crossing	138,000	226,632	88,632	Main Roads WA gave approval for adjacent intersections, increased the risk to the City.
1801 - Wellington Street (Perth City Link Project)Stage 2B	162,500	162,500	0	
1956 - Harvest Terrace Cycle Infrastructure	200,000	200,000	0	
1962 - Riverside Drive Footpath	150,000	150,000	0	

Finalisation of Carry Forward amounts into 2016/17

Directorate / Unit / Project	Carry Forward in Adopted Budget	Required Carry Forward	Budget Adjustment required	Explanation for the budget adjustment
Parks	20,000	20,000	0	
1869 - Queens Gardens - Replace Perimeter Fencing	20,000	20,000	0	
Plant & Equipment	674,742	674,742	0	
0153 - Sanitation - Household Refuse	537,000	537,000	0	
0296 - Mobile Hardware - Depot	47,742	47,742	0	
1923 - Lubricant Management System	50,000	50,000	0	
1924 - Stores Management Systems	40,000	40,000	0	
Properties	5,494,529	7,437,943	1,943,414	
0125 - New Perth City Library	500,000	500,000	0	
0474 - Install Two APTs	0	181,339	181,339	Carry forward to cover financial commitments due to delays in manufacturing.
0528 - Council House Upgrade Driveway and Associated Drainage	200,000	211,978	11,978	Increase in carry forward requested as the project is yet to be completed.
0590 - Citiplace Rest Centre Replace Hand Basins	79,991	81,305	1,314	Increase in carry forward requested as the project is yet to be completed.
0594 - Public Plaza Project	700,000	700,000	0	
1558 - Wellington St Car Park Retaining Wall and Drainage Upgrade	50,000	50,000	0	
1622 - City Station Concourse Replace Air Conditioning	100,000	616,942	516,942	Increase in carry forward requested as the project is yet to be completed.
1634 - Council House Water Feature Refurbishment	98,580	98,580	0	
1668 - Car Park Switchboard Upgrade	0	20,000	20,000	Fault finding has extended project timeline however cost savings are expected as re-cabling will not be required.
1671 - Fire Equipment Upgrades	280,000	466,578	186,578	Increase in carry forward requested as the project is yet to be completed.
1672 - Ground Floor External Foyer Upgrade	0	50,000	50,000	Project not completed in 2015/16, hence carry forward request.
1675 - Lift Motor Room Economy Cycle System	0	61,500	61,500	Carry forward to cover remaining commitments, to be closed out early 16/17.
1678 - Council House New Emergency Generator	80,000	150,000	70,000	Carry forward due to delayed tender progress.
1679 - Council House Office Reconfigurations	200,000	200,000	0	
1681 - Council House Upgrade Lift Equipment and Controls	39,158	739,520	700,362	Carry forward to cover current financial commitments.

Finalisation of Carry Forward amounts into 2016/17

Directorate / Unit / Project	Carry Forward in Adopted Budget	Required Carry Forward	Budget Adjustment required	Explanation for the budget adjustment
Properties - Continued				
1872 - Rest Centre Toilet and Shower Refurbishment	0	30,000	30,000	Project not completed in 2015/16, hence carry forward request.
1873 - Fire Audit Works	269,300	270,287	987	Increase in carry forward requested as the project is yet to be completed.
1874 - Electrical Works	667,500	702,532	35,032	Increase in carry forward requested as the project is yet to be completed.
1876 - Mechanical Services Works	1,495,000	1,512,382	17,382	Increase in carry forward requested as the project is yet to be completed.
1878 - Pedestrian Walkways	700,000	700,000	0	
1880 - Langley Park Toilet and Changing Room Refurbishment	20,000	80,000	60,000	Awaiting outcome of Langley Park Pump Station EOI to inform this project's scope requirements.
1882 - Perth Town Hall New Bin Store	15,000	15,000	0	
Street Presentation & Maintenance	735,990	1,176,278	440,288	
1615 - Plaistowe Mews Replacements	100,000	100,000	0	
1652 - Litter Bin Enclosures	100,000	100,000	0	Delays in supply due to issues with procurement of suitable raw materials
1850 - New Street or Park Lighting	0	50,000	50,000	Delayed due to change in design and consequently manufacturing of adaptor for existing poles. In progress now.
1851 - Lighting Replacement - Various Locations	20,000	85,540	65,540	Delayed due to Western Power delayed the construction. In progress now.
1891 - Adelaide Terrace - Bennett St to Hill St - Both Sides	100,000	100,000	0	
1905 - Victoria Avenue - Riverside Dr to Victoria Sq - Both Sides	225,000	143,680	-81,320	Carry forward required due to delays in pit adjustments being undertaken by external contractors on behalf of pit owners (Telecommunication companies). Reduced carry forward due to some adjustments being made and paid for in 15/16.
1907 - Adelaide Terrace (WB) - Burt Way to Hill St	79,750	79,750	0	
1916 - Newcastle Street (WB) - Palmerston St to Fitzgerald St	86,240	86,240	0	
1947 - Medians - Plain Street - Adelaide Tce to Hay St	0	9,000	9,000	Carry forward required due to WaterCorp works causing unavoidable delays.
1948 - Medians - Adelaide Terrace - Plain St to De Vlamingh Ave	0	13,000	13,000	Carry forward required due to WaterCorp works causing unavoidable delays.
1971 - Trafalgar Bridge Lighting Project	0	349,068	349,068	Carry forward to 2016-17 due to delayed tender progress.
1972 - DUP - Narrows east to MRWA	0	60,000	60,000	15/16 funds were allocated to internal design works and external consultants but not utilised in the 15/16 financial year. Funding will be required in 16/17.

Finalisation of Carry Forward amounts into 2016/17

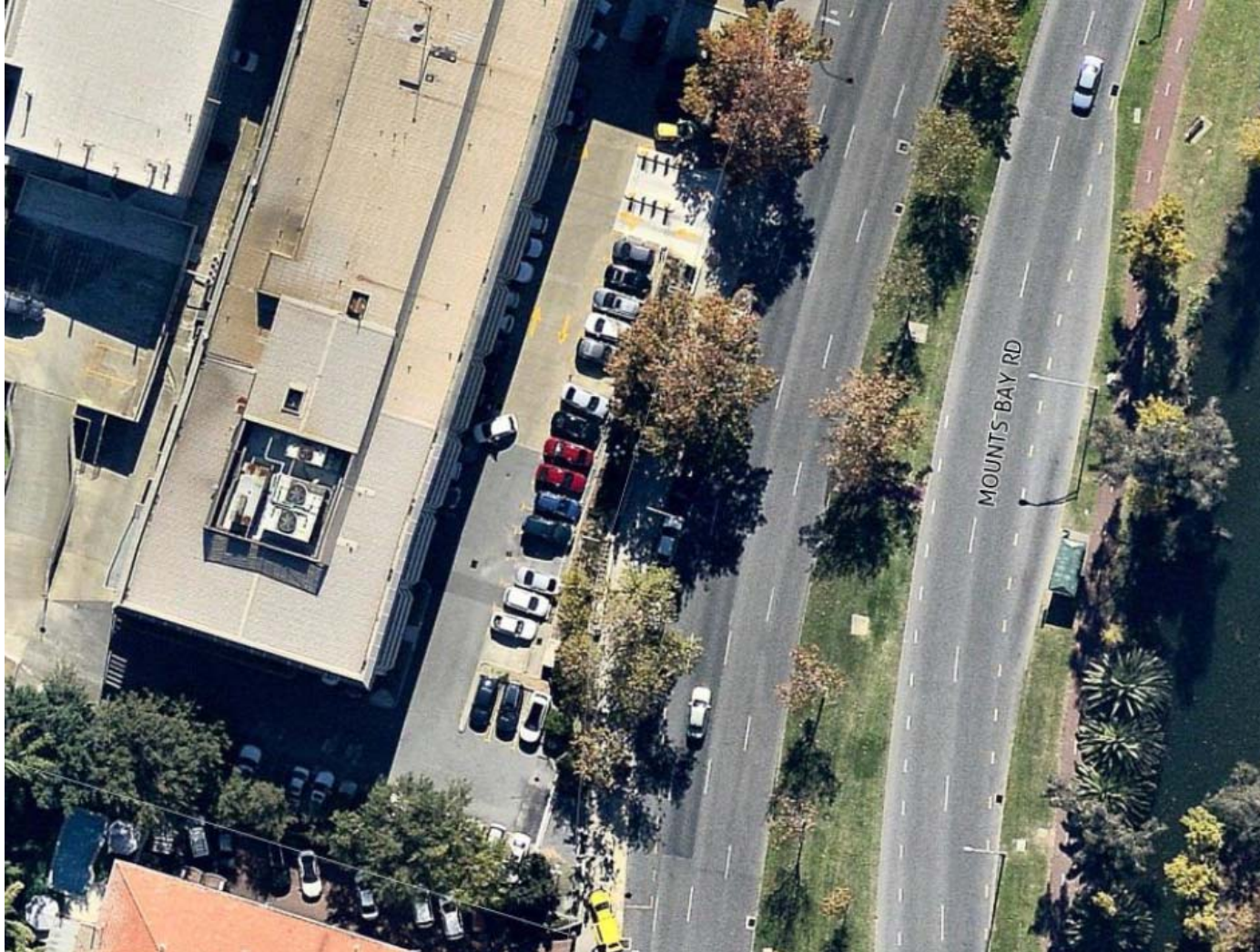
Directorate / Unit / Project	Carry Forward in Adopted Budget	Required Carry Forward	Budget Adjustment required	Explanation for the budget adjustment
Corporate Services Directorate	2,095,556	2,009,363	-86,193	
Finance	20,600	43,038	22,438	
1958 - H8 Advanced Asset Valuation Module	20,600	43,038	22,438	To cover existing commitments and additional consultation required.
Information Technology	2,074,956	1,966,325	-108,631	
0376 - Card Payments (PCI) Security Review	322,083	209,521	-112,562	Actual spent in prior year higher than expected resulting in less carry forward required.
1602 - HR and Payroll System Review and Implementation	276,710	474,710	198,000	Reinstating the budget from the previous year, project is still currently active and will progress through to 2017.
1695 - Public WIFI Network	94,353	27,821	-66,532	Actual spent in prior year higher than expected resulting in less carry forward required.
1697 - Server Refresh Or Replacement	210,000	210,000	0	
1698 - Storage Refresh Or Replacement	588,000	588,000	0	
1699 - System Monitoring and Reporting	140,000	130,310	-9,690	Actual spent in prior year higher than expected resulting in less carry forward required.
1855 - Business Recovery Site	193,810	193,810	0	
1861 - Depot Work Order System	100,000	112,153	12,153	Project was delayed and is expected to be completed in 2016/17.
1968 - Business Continuity Site(City Place) Build	50,000	20,000	-30,000	Actual spent in prior year higher than expected resulting in less carry forward required.

Finalisation of Carry Forward amounts into 2016/17

Directorate / Unit / Project	Carry Forward in Adopted Budget	Required Carry Forward	Budget Adjustment required	Explanation for the budget adjustment
Planning & Development Directorate	1,486,272	1,640,778	154,506	
Co-ordination & Design	1,001,272	1,003,903	2,631	
1534 - CIT Precinct Plan - Museum St	200,000	200,000	0	
1617 - St Georges Tce (King - Milligan)	529,499	470,663	-58,836	Remaining carry forward to allow for construction of Stage 2 - Traffic Lights MFP in combination with Parallel Walks.
1957 - Cliff Street	171,773	171,773	0	\$50,000 to be re-allocated to CW2129 in 2016/17 - Water Labyrinth Digital signage project. Approved by Council in June 2016.
1965 - Thomas Street Median	100,000	133,716	33,716	Additional scoping works required to be undertaken, slight increase on the carry forward is necessary.
1967 - Wellington Square	0	27,751	27,751 survey	Carry forward required as a result of Arboricultural report and works delayed.
Transport	485,000	636,875	151,875	
0179 - Other Cycle Plan Locations to be Determined	185,000	185,000	0	
1637 - 2-Way Murray St (Elder - Thomas)	300,000	451,875	151,875	Project deferred in 10 year plan. Carry forward required to continue refinement of design and scope of works.
Grand Total	13,907,926	17,138,048	3,230,122	

SCHEDULE 6

Capital Works Projects 2016/17 - Request for Adjustments		
Unit	Current Budget	Amended Budget
Transport		
CW2075 - Kensington St City cycle route (to be renamed "East Perth cycle routes")	50,000	225,000
CW2077 - Royal St City cycle route	25,000	0
CW2079 - Victoria Terrace integrated cycle route	25,000	0
CW2085 - Bennett St city cycle route	50,000	0
CW2078 - Fielder St integrated cycle route	25,000	0
CW2128 - East parade City cycle route	50,000	0
Total	225,000	225,000
Construction		
CW1113 - Wellington St Stage 2	100,000	0
CW1646 - Wellington St Stage 2A	250,000	0
CW1781 - Wellington St Stage 2A - Phase 2	42,000	0
CW1801 - Wellington St (Perth City Link) Stage 2B	4,176,063	4,568,063
Total	4,568,063	4,568,063
Properties		
CW1880 - Langley Park Toilet and changing room refurbishment	20,000	1,020,000
CW2022 - Langley Park Toilet and changing room refurbishment	1,000,000	0
CW1872 - Citiplace rest centre - Toilet & shower refurbishment	100,000	179,991
CW0590 - Replace handbasins - Citiplace rest centre	79,991	0
CW1634 - Council House water feature refurbishment	98,580	0
CW0528 - Upgrade driveway and associated drainage - Council House	200,000	748,580
CW2031 - Council House gardens - Water fountain refurbishment	400,000	0
CW1672 - Council House Ground floor external foyer upgrade	50,000	0
Total	1,948,571	1,948,571
Information Technology		
CW1697 - Server refresh or replacement (to be re-named Servers, Storage and Business continuity)	210,000	1,068,810
CW1698 - Storage refresh or replacement	588,000	0
CW1855 - Business Recovery site	193,810	0
CW1862 - Library server storage	77,000	0
Total	1,068,810	1,068,810
CW1699 - System monitoring and reporting	140,000	0
CW2076 - Enterprise Architecture	150,000	290,000
Total	290,000	290,000
CW2121 - Desktop refresh and replacement (to be re-named Desktop Replacement Programme)	60,000	110,000
CW2123 - Unified Comms - refresh and replace telephone system	50,000	0
Total	110,000	110,000
CW2126 - Fibre optic network (to be re-named Fibre Optic Infrastructure)	300,000	450,000
CW2127 - Public Wifi network	150,000	0
Total	450,000	450,000



Schedule 1 – Plan showing location of Mount Hospital and bus stop



Schedule 2 – View of Mounts Bay Road looking south



Schedule 3 – View of Mounts Bay Road looking north



Mount Hospital Petition - Previous Route of Blue CAT and potential route for No. 35 Bus

12/07/2016

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CONFIDENTIAL SCHEDULE 11
ITEM 10 – RISK MANAGEMENT UPDATE – AUGUST 2016

FOR THE COUNCIL MEETING

30 AUGUST 2016

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SEPARATE COVER

CONFIDENTIAL SCHEDULE 12
ITEM 11 – INTERNAL AUDIT 2016/17 – HUMAN
RESOURCES REVIEW

FOR THE COUNCIL MEETING

30 AUGUST 2016

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SEPARATE COVER

CONFIDENTIAL SCHEDULE 13
ITEM 13 – TENDER 111-15/16 – APPOINTMENT OF
EXTERNAL AUDITORS

FOR THE COUNCIL MEETING

30 AUGUST 2016

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