



City of Perth

**Ordinary Council Meeting
Minutes**

**26 November 2019
6.00pm**

**Council Chamber
Level 9
Council House**

APPROVED FOR RELEASE

**MURRAY JORGENSEN
CHIEF EXECUTIVE OFFICER**



City of Perth

**Ordinary Council Meeting
Minutes**

**26 November 2019
6.00pm**

**Council Chamber
Level 9
Council House**

Present

Chair Commissioner Andrew Hammond
Commissioner Gaye McMath
Commissioner Len Kosova

Minutes to be confirmed at the next Ordinary Council meeting.

**THESE MINUTES ARE HEREBY CERTIFIED AS
CONFIRMED**

PRESIDING MEMBER'S SIGNATURE

DATE:-----

Minutes of the Ordinary Meeting of the Council of the City of Perth held in the Council Chamber, Ninth Floor, Council House, 27 St Georges Terrace, Perth, on Tuesday, 26 November 2019.

Presiding: **Chair Commissioner, Andrew Hammond**

Commissioners in Attendance:

Commissioner Gaye McMath
Commissioner Len Kosova

Officers in Attendance:

Mr Jorgensen	Chief Executive Officer
Mr Parker	General Manager Corporate Services
Mr Kopec	General Manager Infrastructure and Operations
Ms Banks-McAllister	General Manager Community Development
Mr Miragliotta	General Manager Planning and Economic Development
Mr Ridgwell	Manager Governance
Ms Smith	Alliance Manager Development Approvals
Ms Rutigliano	Governance Officer

Observers:

Eight members of the public
Six members of staff
No members of the media

1. Prayer / Acknowledgment of Country

The Chief Executive Officer read the prayer.

The Chair Commissioner read the Acknowledgement of Country.

2. Declaration of Opening

6.03pm The Chair Commissioner declared the meeting open.

3. Apologies

Nil

4. Question Time for the Public and Notification of Deputations

4.1 Question Time for the Public

Nil

4.2 Notification of Deputations

Item 13.1 - 98-100 (Lot 81) Brown Street, East Perth – Proposed Outdoor Dining Area ('Dining and Entertainment') in the Forecourt of the Property including Associated Minor External Works to an Existing Microbrewery ('Light-Industry') and Tavern ('Dining and Entertainment')

The Presiding Member approved a Deputations from Vicki Lee, 115 Brown Street, East Perth (CM 307136/19) and Ingrid Maher from Planning Solutions (CM 307133/19).

5. Members on Leave of Absence and Applications for Leave of Absence

Nil

6. Confirmation of Minutes

Moved Commissioner Kosova, seconded Commissioner McMath

That Council CONFIRM the minutes of the Ordinary Council Meeting held on 29 October 2019 as a true and correct record.

The motion was put and carried

The votes were recorded as follows:

For: Commissioners Hammond, McMath and Kosova

Against: Nil

7. Announcements by the Chair Commissioner**Recruitment of the Chief Executive Officer**

The Commissioners are about to appoint an external consultant to oversee the recruitment of a new Chief Executive Officer (CEO). This certainly does not come as a result of the performance of the existing CEO, who has done an outstanding job in what have been incredibly difficult circumstances. The process we are now going through is the process of normalisation, where the Commissioners will move toward the transition to an elected Council and we have now a full suite of highly qualified General Managers which are running the overall departments. It is now time to pursue the recruitment of a new CEO who will guide the City of Perth over what will be a very exciting period over the next five or so years and in doing so be able to do that in an Administration and Governance Framework to which the Commissioners believe to be much improved from days gone by.

We will be fully transparent with the process involved with the recruitment of the next CEO and at the next Council meeting you will find the process, contract of employment and other relevant information will be placed on the public record and from there recruitment will

commence late January / early February. The Commissioners will then undertake the necessary due diligence, interviews, reference checks etc facilitated by the qualified executive consultant. We would expect to make an appointment to the position late March to early April. With an expected period of giving notice we would expect someone will commence in the role early in the 2020/21 financial year.

As Commissioners, we see that as our most important task and one that we hope will carry on the legacy of the good work not only of the staff, but the Commissioners in restoring good governance to the City of Perth.

8. Disclosures of Members' Interests

A disclosure of interest was received from Commissioner Kosova in relation to Item 13.18 - Moore Stephens Financial Management Review.

Commissioner/Officer	Item No. and Title	Nature/Extent of Interest
Commissioner Len Kosova	Item 13.18 – Moore Stephens Financial Management Review	Nature: Impartiality Interest Extent: Insignificant – A close friend of Commissioner Kosova’s (Shaun Williams) is a Director in the Audit Team at Moore Stephens, Perth.

9. Questions by Members of which due notice has been given

Nil

10. Correspondence

The Chief Executive Officer advised that correspondence had been received from Australian Hotels Association in relation to Item 13.22 - Northbridge Special Entertainment Area Key Elements (CM 308684/19).

11. Petitions

Nil

12. Matters for which the Meeting may be Closed

In accordance with section 5.23(2) of the *Local Government Act 1995*, to preserve the confidentiality of attachments **13.12B**, **13.13B**, **13.14C**, **13.15A**, **13.15B**, **13.20B**, **13.20D**, **13.21A**, **13.21B** and **13.21C**, it is recommended that the meeting be closed to the public prior to consideration of the matters.

Item and Attachment No.	Item No. and Title	Reason
Confidential Attachment 13.12B	Item 13.12 - Appointment of Members and Deputy Members to the Design Advisory Committee	s5.23(2)(e)(iii)

Confidential Attachment 13.13B	Item 13.13 - Event Grants Round 2 - 2019/20	s5.23(2)(e)(ii)
Confidential Attachment 13.14C	Item 13.14 – Adoption – City of Perth Outdoor Dining Amendment Local Law 2019	s5.23(2)(e)(iii)
Confidential Attachment 13.15A and 13.15B	Item 13.15 - Recruitment Consultant - Chief Executive Officer Recruitment Process	s5.23(2)(e)(ii)
Confidential Attachment 13.20B and 13.20D	Item 13.20 – Risk Management Quarterly Update – November 2019	s5.23(f)(ii) and s5.23(f)(iii)
Confidential Attachments 13.21A, 13.21B and 13.21C	Item 13.21 – Internal Audit Plan 2019/20 – Cyber Security Review	s5.23(2)(f)(ii)

13. Reports

En Bloc Motion

Moved Commissioner McMath, seconded Commissioner Kosova

That Council:

1. ***ADOPTS the Officer and Committee Recommendations for items 13.2, 13.3, 13.6, 13.7, 13.8, 13.9, 13.16, 13.17 and 13.18; and***
2. ***CONSIDERS items 13.1, 13.4, 13.5, 13.10, 13.11, 13.12, 13.13, 13.14, 13.15, 13.19, 13.20, 13.21 and 13.22 separately.***

The motion was put and carried

The votes were recorded as follows:

For: Commissioners Hammond, McMath and Kosova

Against: Nil

Item 13.1 98-100 (Lot 81) Brown Street, East Perth – Proposed Outdoor Dining Area (‘Dining and Entertainment’) in the Forecourt of the Property including Associated Minor External Works to an Existing Microbrewery (‘Light-Industry’) and Tavern (‘Dining and Entertainment’)

FILE REFERENCE: 2019/5348
REPORTING OFFICER: Jasmine Hancock, Senior Statutory Planner
REPORTING UNIT: Development Approvals
RESPONSIBLE ALLIANCE: Planning and Economic Development
REPORT AUTHOR DISCLOSURE OF INTEREST: Nil
DATE: 11 November 2019
ATTACHMENT/S: Attachment 13.1A - Site Location Plan
Attachment 13.1B – Development Plans
Attachment 13.1C – Advertising Map
Attachment 13.1D – Neighbour Submissions

3D MODEL PRESENTATION: Nil
LANDOWNER: H M V Investments Pty Ltd
APPLICANT: Planning Solutions
ZONING: (MRS Zone) Urban
(Local Planning Scheme Precinct) EP6 - Boans
APPROXIMATE COST: \$76,400

Council Role:

- Advocacy *When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.*
- Executive *The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.*
- Legislative *Includes adopting local laws, town planning schemes and policies*
- Quasi-Judicial *When the Council determines an application/matter that directly affects a person’s right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.*
- Information *For the Committee to note.*

Legislation / Strategic Plan / Policy:**Legislation**

Planning and Development Act 2005
Planning and Development (Local Planning Schemes) Regulations 2015
 Metropolitan Region Scheme
 City of Perth City Planning Scheme No. 2
 City of Perth Local Planning Scheme No. 26

City of Perth Act 2016**Objects of the City of Perth**

8(1)(j) - to strike an appropriate balance among civic, economic, social, cultural and environmental considerations

Integrated Planning and Reporting Framework Implications**Strategic Community Plan**

Strategic Priority - Built Environment

Policy

Policy No and Name:

4.1 City Development Design Guidelines
 5.1 Parking Policy
 5.2 Loading and Unloading
 5.3 Bicycle Parking and End of Journey Facilities
 State Planning Policy 7.0 – Design of the Built Environment

Purpose and Background:

The purpose of this report is to assess and provide recommendations on an application for an outdoor dining area for the existing Bright Tank Brewing Co. microbrewery and tavern, as well as associated minor external alterations. The outdoor dining area will be located in the forecourt of the property on Brown Street and will accommodate up to a maximum of 40 patrons.

The site is located on the northern side of Brown Street between East Parade and Fielder Street (Refer to Attachment 13.1A – Site Location Plan). Brown Street comprises of a mixture of medium density residential, commercial and light industrial land uses with the properties on either side of the subject site both being residential developments.

At its meeting held on **11 April 2017**, Council approved subject to conditions a micro-brewery ('Light-Industry') and tavern ('Dining and Entertainment'), shopfront alterations and the display of signage for 'Bright Tank Brewing Co' at the subject site. The applicant submitted minor modifications to the existing approval to include an enclosed bin storage facility in the front forecourt of the property which was cleared under the planning conditions and on 4 April 2018 the City issued the building permit for the proposed tavern and microbrewery and its associated external alterations and on 5 July 2018 the City issued its occupancy certificate.

At its meeting held on **30 July 2019**, Council approved a Business Improvement Grant of \$15,000 (excl GST) to 'Bright Tank Brewing Co.' to assist with the development of an outdoor dining area for the tavern and microbrewery, noting that funding recipients are required to obtain all relevant approvals before the funding is released by the City.

Details:

Approval is sought for a new outdoor dining area in the eastern portion of the front forecourt area of the Bright Tank Brewing Co tavern and micro-brewery.

The applicant is proposing to operate the new outdoor dining area between the hours of 4pm to 10pm on Wednesdays, 12pm to 10pm on Thursdays, Fridays and Saturdays and 10am to 10pm on Sundays. To accommodate the new outdoor dining area, the following works are proposed, as detailed in the development plans (Refer to Attachment 13.1B – Development Plans):

- conversion of a portion of the hardstand area in the front forecourt of the property into an outdoor dining area ('Dining and Entertainment'), accommodating up to a maximum of 40 patrons;
- installation of a permanent roof canopy structure over the northern portion of the proposed outdoor dining area measuring 7.31 metres in width, 4.71 metres in depth and 4.81 metres in height;
- installation of a 'swing' acoustic fence panel of approximately 4.6 metres in width, 1.8 metres in height which operates like a gate to allow service vehicle access to the site outside of business hours;
- installation of fixed timber seating along the eastern boundary, removable timber planter boxes along the western side of the outdoor dining area, a new bicycle parking storage area and in-ground landscaping to the car park and entrance; and
- replacement of the existing 4 metre wide crossover with a new 5.2 metre wide crossover and the associated removal of an existing small on-street car parking bay on Brown Street.

Compliance with Planning Scheme:

The objectives of Local Planning Scheme No. 26 (LPS26) include:

- delivering sustainable development within the Scheme Area, with outcomes such as compact growth, mixed land use, good design, primacy of public spaces, heritage conservation and reduced motor vehicle usage;
- delivering vibrant and attractive urban environments which infuse the city with vitality, life and character;
- delivering development excellence through high quality design by connecting people and places, and ensuring a successful mixture of land uses and activities;
- increasing the residential population, facilitate increased employment opportunities and a diverse range of businesses, facilities, services, amenities and infrastructure.

The scheme principles of the LPS26 include:

- creating places for people – development must be planned, designed and managed to ensure the city is an appealing and welcoming place for people to live, work, play and visit;

- achieving critical mass – development will increase the number of residents, businesses and jobs in the city and will provide facilities, services, amenities and infrastructure to support ongoing growth;
- encouraging quality design – development will deliver high quality design of places which responds to local context and develops Perth as a distinct, world class, liveable city. Design excellence in development will focus on innovation, aesthetics, function and materials, and the development of attractive, efficient and adaptable places and buildings;
- providing for diversity – development will support diversity of people, places, buildings, land uses, events and transport through the design and use of places, to create choice and flexibility in a compatible manner;
- providing connectivity – development will deliver a well-designed and service urban environment which integrates people, land uses, and transport modes in an efficient, convenient and safe manner; and
- seeking environmental integrity – development will conserve and enhance the natural and built environment and minimise resource consumption, carbon emissions, pollution, waste production and other detrimental environmental impacts.

Land Use

The subject site is located within the Boans Precinct (EP6) and Brown Street and Kensington West Design Guideline Area (EP Area 31) under Local Planning Scheme No. 26 – Normalised Redevelopment Areas (LPS26). This Precinct is intended to house a mix of moderately scaled enterprises and residential development. Whilst currently containing a mixture of small scale light industrial and commercial uses, it is anticipated that Brown Street will become predominantly residential in nature.

The Statement of Intent for the Boans Precinct is to continue the medium density residential and mixed land use function of the Project Area, while ensuring a high quality, connected pedestrian network through the Precinct. The proposed new outdoor dining area is an addition to the approved tavern which is a 'Dining and Entertainment' land use, which is a contemplated use within the Boans Precinct under Local Planning Scheme No. 26 and, therefore, can be considered for approval.

Whilst Brown Street is predominately residential in nature, the Statement of Intent for the precinct promotes the continuation of the mixed land use function of the area as well as medium density residential development. The proposed expansion of the tavern use ('Dining and Entertainment') into the forecourt of the property is, therefore, consistent with the existing approved use of the site and the mixed-land use function of Brown Street and the Boans Precinct.

In determining an application for development approval for a land use within the Dining and Entertainment land use category, in addition to the matters listed under clause 67 of the Deemed Provisions and other provisions of the Scheme, Council shall have regard to the following objectives:

- (a) enhancing lifestyle, character and vibrancy;
- (b) achieving effective venue management, including venue operation, patron management, and customer and public safety; and

- (c) ensuring the operation of land use does not negatively affect the amenity of the locality, including operating hours, traffic, noise or other emissions, and is compatible with surrounding land uses.

The proposed use of the forecourt area for outdoor dining purposes will also provide improved visual surveillance and interaction of the property with the street, in accordance with the amenity and community design principles of State Planning Policy 7.0 – Design of the Built Environment.

Development Requirements

In determining any application for development approval, the Council will have regard to LPS26, Design Guidelines Section 2.31 'East Perth Area 31 – Brown and Kensington Street West' and other Planning Policies. In general, a consistent built up frontage will be sought for all streets in the precinct. The existing built form and 'grain' will be reinforced through the application of the Design Guidelines. Traditional iron or steel roofing materials will be encouraged. Other materials should reflect a modern interpretation of the warehouse and light industrial building aesthetic

The proposed external modifications including a new canopy addition will be discussed in further detail under the comments section of this report with reference also to the City of Perth's City Development Design Guidelines 4.1 and State Planning Policy 7.0 – Design of the Built Environment.

Comments:

Consultation

The application was advertised to the surrounding land owners for a period of 21 days expiring on Friday, 1 November 2019 (Refer to Attachment 13.1C – Advertising Map). A total of 22 submissions were received during the advertising period with 7 objections to the proposal including one from the Department of Communities who own 15 grouped dwellings at 90-94 Brown Street and 15 letters of support.

The proprietors have also proactively undertaken their own community consultation including notifying properties within a 150-metre radius of the proposal and inviting them to information and feedback sessions at the venue. These sessions were held prior to lodgement of the application on 9 and 10 September 2019. A petition of 190 people who support the proposal (both patrons and neighbours) has also been submitted by the applicant during the advertising period on behalf of Bright Tank Brewing Co.

The main issues raised in objection to the proposal during the advertised period include the following:

- increased noise from patrons drinking and talking within the proposed outdoor dining area that will adversely impact on the amenity of nearby residents;
- on-street parking availability concerns due to additional staff and customers at the venue;
- the removal of the dedicated smoking area which will result in smoking to occur on the street adversely impacting on nearby residential properties;

- anti-social behaviour and vandalism in the local area resulting from intoxicated patrons exiting the venue; and
- the operational hours of the outdoor dining area should be reduced.

Many of the local residents were supportive of the proposal for the following reasons:

- the outdoor dining area will improve the vibrancy of the locality;
- the venue has improved public perceptions regarding safety on Brown Street with more 'eyes on the street' and created a community hub where residents can meet and form new friendships/networks;
- there have been no negative issues associated with the operation of the venue to date; and
- residents who frequent the venue have observed strict adherence to the responsible service of alcohol by staff and no issues of anti-social behaviour.

Land Use and Development Requirements

From a land use perspective, it is acknowledged that the area is intended to be mixed use and in this instance the land use is existing and the application is for an extension of an outdoor area to the existing use.

It is noted that surrounding landowners have raised some concerns in relation to adverse impacts associated with noise, transport and general amenity. These concerns are addressed in the City's Planning Policy 3.5 (Non-Residential Uses in or Adjacent to Residential Areas) which state that non-residential development on land which abuts land which is or may be used for residential purposes shall only be permitted where the nature of the non-residential use will not cause undue conflict through the generation of traffic or parking or the mission of noise or any other form of pollution which may be undesirable on residential areas. In this case the existing land use was conditionally approved by Council at its meeting held on **11 April 2017**. As discussed below it is considered that the proposed outdoor extension of the existing use will not cause undue conflict and create an undesirable outcome within this mixed used area which includes residential development

External Alterations and Landscaping

The application proposes minor external alterations to accommodate the new outdoor dining use. As noted in the details section of this report, this includes the introduction of a new acoustic canopy structure to the outdoor dining area, a swing acoustic fence panel to the extended outdoor dining area as well as removable and fixed timber seating and in-ground landscaping works. The modifications proposed to the front forecourt of the property are considered of an acceptable design and quality and will visually improve the appearance of the property to the street. The proposed introduction of a canopy roof structure and acoustic swing fence will also serve a functional purpose in terms of mitigating against any potential adverse noise impacts to the surrounding residents and would be consistent with the Design Guidelines Section 2.31 'East Perth Area 31'. The external modifications and landscaping works also satisfy the landscaping, aesthetics,

functionality and build quality and built form and scale Design Principles of State Planning Policy 7.0 – Design of the Built Environment and, therefore, can be supported.

Noise and Antisocial Behaviour

Some concerns have been raised by the neighbouring property owners regarding the potential noise impacts associated with an outdoor dining area, particularly given its proximity to adjacent and nearby residential properties and the hours of operation proposed. To mitigate against any undue adverse noise impacts, the applicant proposes to implement a range of acoustic control measures, in accordance with the recommendations contained within the Environmental Noise Report prepared by acoustic consultants Gabriels Hearn Farrell. The noise modelling conducted as part of the Environmental Noise Report confirms that compliance with the *Environmental Protection (Noise) Regulations 1997* can be achieved by implementing the following noise control elements and strategies:

- patron numbers within the outdoor dining area being limited to 40;
- the outdoor dining area not being used between the hours of 10pm to 7am;
- no external speakers being used within the outdoor dining area;
- a canopy roof being installed above the northern section of the outdoor dining area (4600mm above ground level) with the roof constructed of a solid material such as Danpalon DP8, 6mm glass, colorbond sheeting or a combination of these materials, without any gaps or slots and with a downturn on the western side of the roof;
- a solid infill panel being installed above the existing eastern side gate constructed of fibre cement, colorbond steel, Danpalon sheeting with the top of this panel being at least 3200mm above ground level; and
- a 1800mm high acoustic fence being installed on the southern side of the outdoor dining area constructed of glass, masonry, 18mm timber or a combination of these materials, without any gaps or slots.

City's officers have confirmed that the sound generated by the outdoor dining area can be made to comply with the *Environmental Protection (Noise) Regulations 1997*, as outlined in the supporting acoustic report, however have noted that the Regulations do not provide specific controls to prevent crowd/patron noise. It is recommended that the noise control measures outlined in the Environmental Noise Report be implemented in full and that the control of patron noise be detailed in a venue management plan for the outdoor dining area as a condition of any approval. In addition, the applicant has agreed to a reduction in the proposed operational hours of the outdoor dining area. The modified hours of operation proposed by the proprietor include: 4pm to 9pm on Wednesday; 12pm to 9pm on Thursday; 12pm to 10pm on Friday and Saturday; and 10am to 9pm on Sunday, thereby reducing the operating times from 10pm to 9pm on Wednesday, Thursday and Sunday. In addition, to reduce any adverse impacts to residents on Sunday mornings, it is recommended that the opening time on Sundays is modified to 12pm. The acoustic measures proposed to be implemented, as well the modified operational hours as outlined above, are considered to satisfactorily address any undue adverse noise impacts to the surrounding residents and can be implemented through conditions of any approval. Final details of the design of the gate

panel, canopy roof structure and noise free 'swing' acoustic fence panel should also be submitted as a condition of any approval.

With respect to the concerns regarding antisocial behaviour and the intoxication of patrons, it is noted that the City has not received any complaints to date that are associated with users of the tavern. The only complaint of this nature is from the Bright Tank Brewing Co. operator regarding aggressive behaviour towards staff and patrons of the tavern from three of the local residents. Many of the local residents have also commented on the professional manner in which the venue is managed and that safety within the area has improved as a result of increased 'eyes on the street'. With respect to on-site smoking arrangements for patrons and staff this should be effectively managed through a venue management plan which can be required as a condition of any approval. This should exclude the use of the street as a designated smoking area for patrons.

Vehicle Access, Parking and Deliveries

The application proposes to widen the vehicle entrance crossover on Brown Street from 4 metres to 5.2 metres to allow vehicles to enter and exit whilst the outdoor dining area is in place. This would be subject to a separate application for approval. It would also require approval for the associated loss of a small on-street car parking bay on Brown Street to accommodate the wider vehicle crossover. The City's standard for a new crossover would be restricted to a maximum of 3 metres in width. Concerns were also raised regarding whether there is sufficient space to accommodate vehicle access whilst the extended outdoor dining area is in place as well as room for cyclists to traverse between the car bay and the proposed new bicycle storage area.

In response to the above the applicant has confirmed that the existing crossover will be retained with no vehicle access required whilst the outdoor dining area is in operation on Wednesday through to Sunday. The car park is to provide for one staff car parking bay and a forklift bay. The applicant has confirmed that the staff car parking bay will be allocated to the staff member responsible for setting up and packing up the outdoor furniture each day, therefore no vehicles will enter or exit the car park whilst the outdoor dining area is in use. The applicant has also confirmed that whilst there is sufficient space for cyclist access to the bicycle storage area, with the adjacent forklift being only 1080mm in width, it is proposed relocate the bicycle parking area to vertical bays on the northern wall of the car park with its new location being designed in consultation with the City. Based on the above it is considered that the applicant has sufficiently addressed the issues relating to bicycle storage and vehicle access in accordance with the City of Perth Parking Policy 5.1, Bicycle Parking and End of Journey Facilities Policy 5.3 and the principle of safety design in State Planning Policy 7 – Design of the Built Environment.

Further clarification has also been requested by the City regarding the arrangements for deliveries and unloading/loading, in accordance with the City of Perth's Loading and Unloading Policy 5.3. The applicant has confirmed that there will be no changes to the current delivery arrangements with loading/deliveries to occur within the front forecourt of the property outside of business hours. There will therefore be no conflict arising between the users of the outdoor dining area and loading/deliveries and no requirement for on-street parking or loading zones on Brown Street.

With respect to concerns regarding the availability of on-street parking in the local area to accommodate for the additional patrons as well as the loss of two on-site commercial tenant bays, it is noted that there is no requirement under the Department of Transport's Perth Parking Policy 2014 or the City of Perth's Parking Policy 5.1 to provide on-site commercial tenant parking in this

location, only maximum thresholds. The subject site is well serviced by a range of public transport options including Transperth and the Yellow CAT bus Service, Claisebrook Train Station as well as over 850 public car parking bays located within 600 metres of the venue.

Conclusion

It is acknowledged that many of the surrounding residents originally objected to the change of use to a micro-brewery and tavern at the subject site in 2017, however the business has been operating with no complaints made to the City in terms of noise or other development compliance matters. It is noted that while some residents have raised ongoing concerns about noise and disturbance from the proposed outdoor dining area, other residents support the proposal on the basis that it will improve the vibrancy and safety of the area, noting the professional manner in which it has been managed and the improvements it has made to the local area in terms of facilitating community ties. It is considered that that the proposal meets the general scheme objectives and principles as it will add to vibrancy, vitality and diversity to the area whilst doing so in a compatible manner through the proposed works including acoustic measures and management to address patron behaviour and staff activities.

It is considered that the proposed additions and outdoor dining use of the forecourt area of the existing micro-brewery and tavern is consistent with the Statement of Intent for the Boans Precinct and with the Design Guidelines and will add to the vibrancy and passive surveillance of Brown Street. In terms of the concerns raised regarding patron noise, it is noted that a range of acoustic measures will be implemented to reduce any undue adverse impacts to the surrounding residents. The proprietor of Bright Tank Brewing Co. has also agreed to reduce the hours of operation of the outdoor dining area, and that this could be restricted further through a condition of any approval to reduce any adverse impacts on residents on Sunday mornings.

The proposed external alterations including the introduction of a new canopy structure, acoustic swing fence panel, in-ground landscaping and timber seating in the forecourt of the property are of an acceptable design and quality and will improve the appearance of the building to the street. The introduction of the canopy and acoustic swing fence and panel above the gate will also help to mitigate against any undue adverse noise impacts to the surrounding residents.

With respect to the concerns raised regarding car parking for patrons and staff it is noted that the area is well serviced by a range of public transport options as well as public car parks. The introduction of bicycle racks will also encourage alternative modes of transport to and from the venue. With respect to loading and deliveries the applicant has confirmed that this will occur on-site outside of business hours, as per the current arrangements and therefore there will be no conflict arising between loading and deliveries and patrons utilising the outdoor dining area or any additional requirements for on-street loading/delivery bays on Brown Street.

It is considered that the issues raised by the neighbouring property owners in relation to noise, antisocial behaviour and operating hours has been satisfactorily addressed by the applicant or can be effectively managed through conditions of approval.

Based on the above it is recommended that the application for the proposed outdoor dining area, including the associated minor external works to the existing microbrewery and tavern, should be conditionally approved.

Officer Recommendation

That Council, in accordance with the provisions of the Local Planning Scheme No. 26, the City Planning Scheme No. 2, the Metropolitan Region Scheme and the Planning and Development (Local Planning Schemes) Regulations 2015 – Deemed Provisions for Local Planning Schemes, APPROVES the application for a proposed outdoor dining area ('Dining and Entertainment') in the forecourt of the property including associated minor external works to an existing microbrewery ('Light-Industry') and tavern ('Dining and Entertainment'), as indicated on the Metropolitan Region Scheme Form One dated 1 September 2019 and as shown on the plans and details received on 12 September 2019 subject to:

1. the operating hours for the outdoor dining area being limited to 4pm to 9pm on Wednesdays, 12pm to 9pm on Thursdays, 12pm to 10pm on Fridays and Saturdays and 12pm to 9pm on Sundays, with any variation to these hours being subject to a separate application for approval by the City;
2. the recommendations contained in the Environmental Noise Report by Gabriels Hearne Farrell dated 17 July 2019, including the design and materials of the canopy structure, being implemented in full prior to the commencement of the approved use with final details being submitted for approval by the City prior to applying for a building permit;
3. the outdoor dining area accommodating a maximum of 40 patrons at any one time;
4. final details of the materials, colours and finishes for the external alterations including the new canopy roof addition, side gate panel and the noise free 'swing' acoustic fence panel, being submitted for approval by the City prior to applying for a building permit;
5. a modified venue management plan including but not limited to: the control of patron noise within the outdoor dining area; on-site patron and staff smoking arrangements; and the handling of any neighbour complaints being submitted for approval by the City prior to applying for a building permit;
6. no external speakers being located and no music or live entertainment occurring within the outdoor dining area or any part of the forecourt of the property, with the front door to the venue remaining closed at all times during operational hours except when staff and patrons are entering and exiting the indoor venue;
7. an updated waste management plan being submitted for approval by the City prior to applying for a building permit;
8. details of the re-location of the bicycle storage racks being submitted for approval by the City prior to their installation providing sufficient space to the adjacent car parking for safe access;
9. a maximum of one commercial tenant bay and one service bay being provided on-site with no vehicles to enter or exit the property whilst the outdoor dining area is in use; and
10. the vehicle crossover from Brown Street being retained in its current location with any modification to the crossover or on-street car parking arrangements not forming part of this approval and requiring a separate application for approval by the City.

COUNCIL RESOLUTION

MOVED WITH AMENDMENT

Moved Commissioner McMath, seconded Commissioner Kosova

That Council amend the Officer Recommendation as follows:

That Council:

- 1. in accordance with the provisions of the Local Planning Scheme No. 26, the City Planning Scheme No. 2, the Metropolitan Region Scheme and the Planning and Development (Local Planning Schemes) Regulations 2015 – Deemed Provisions for Local Planning Schemes, APPROVES the application for a proposed outdoor dining area ('Dining and Entertainment') in the forecourt of the property including associated minor external works to an existing microbrewery ('Light-Industry') and tavern ('Dining and Entertainment'), as indicated on the Metropolitan Region Scheme Form One dated 1 September 2019 and as shown on the plans and details received on 12 September 2019 subject to:***
 - 1.1 the operating hours for the outdoor dining area being limited to 4pm to 9pm on Wednesdays, 12pm to 9pm on Thursdays, 12pm to 10pm on Fridays and Saturdays and 12pm to 9pm on Sundays, with any variation to these hours being subject to a separate application for approval by the City;***
 - 1.2 the recommendations contained in the Environmental Noise Report by Gabriels Hearne Farrell dated 17 July 2019, including the design and materials of the canopy structure, being implemented in full prior to the commencement of the approved use with final details being submitted for approval by the City prior to applying for a building permit;***
 - 1.3 the outdoor dining area accommodating a maximum of 40 patrons at any one time;***
 - 1.4 final details of the materials, colours and finishes for the external alterations including the new canopy roof addition, side gate panel and the noise free 'swing' acoustic fence panel, being submitted for approval by the City prior to applying for a building permit;***
 - 1.5 a modified venue management plan including but not limited to: the control of patron noise within the outdoor dining area; on-site patron and staff smoking arrangements; and the handling of any neighbour complaints being submitted for approval by the City prior to applying for a building permit;***

- 1.6 *no external speakers being located and no music or live entertainment occurring within the outdoor dining area or any part of the forecourt of the property, with the front door to the venue remaining closed at all times during operational hours except when staff and patrons are entering and exiting the indoor venue;*
 - 1.7 *an updated waste management plan being submitted for approval by the City prior to applying for a building permit;*
 - 1.8 *details of the re-location of the bicycle storage racks being submitted for approval by the City prior to their installation providing sufficient space to the adjacent car parking for safe access;*
 - 1.9 *a maximum of one commercial tenant bay and one service bay being provided on-site with no vehicles to enter or exit the property whilst the outdoor dining area is in use; and*
 - 1.10 *the vehicle crossover from Brown Street being retained in its current location with any modification to the crossover or on-street car parking arrangements not forming part of this approval and requiring a separate application for approval by the City.*
2. *INSTRUCTS the Administration to review the local parking restrictions in the vicinity of 98 Brown Street with particular regard for the availability of residential parking within the Boans Warehouse Designated Locality, in accordance with CP22.6 On Street Parking Policy.*

PRIMARY MOTION AS AMENDED

That Council:

1. *in accordance with the provisions of the Local Planning Scheme No. 26, the City Planning Scheme No. 2, the Metropolitan Region Scheme and the Planning and Development (Local Planning Schemes) Regulations 2015 – Deemed Provisions for Local Planning Schemes, APPROVES the application for a proposed outdoor dining area ('Dining and Entertainment') in the forecourt of the property including associated minor external works to an existing microbrewery ('Light-Industry') and tavern ('Dining and Entertainment'), as indicated on the Metropolitan Region Scheme Form One dated 1 September 2019 and as shown on the plans and details received on 12 September 2019 subject to:*
 - 1.1 *the operating hours for the outdoor dining area being limited to 4pm to 9pm on Wednesdays, 12pm to 9pm on Thursdays, 12pm to 10pm on Fridays and*

Saturdays and 12pm to 9pm on Sundays, with any variation to these hours being subject to a separate application for approval by the City;

- 1.2 the recommendations contained in the Environmental Noise Report by Gabriels Hearne Farrell dated 17 July 2019, including the design and materials of the canopy structure, being implemented in full prior to the commencement of the approved use with final details being submitted for approval by the City prior to applying for a building permit;*
- 1.3 the outdoor dining area accommodating a maximum of 40 patrons at any one time;*
- 1.4 final details of the materials, colours and finishes for the external alterations including the new canopy roof addition, side gate panel and the noise free 'swing' acoustic fence panel, being submitted for approval by the City prior to applying for a building permit;*
- 1.5 a modified venue management plan including but not limited to: the control of patron noise within the outdoor dining area; on-site patron and staff smoking arrangements; and the handling of any neighbour complaints being submitted for approval by the City prior to applying for a building permit;*
- 1.6 no external speakers being located and no music or live entertainment occurring within the outdoor dining area or any part of the forecourt of the property, with the front door to the venue remaining closed at all times during operational hours except when staff and patrons are entering and exiting the indoor venue;*
- 1.7 an updated waste management plan being submitted for approval by the City prior to applying for a building permit;*
- 1.8 details of the re-location of the bicycle storage racks being submitted for approval by the City prior to their installation providing sufficient space to the adjacent car parking for safe access;*
- 1.9 a maximum of one commercial tenant bay and one service bay being provided on-site with no vehicles to enter or exit the property whilst the outdoor dining area is in use; and*
- 1.10 the vehicle crossover from Brown Street being retained in its current location with any modification to the crossover or on-street car parking arrangements not forming part of this approval and requiring a separate application for approval by the City.*

2. ***INSTRUCTS the Administration to review the local parking restrictions in the vicinity of 98 Brown Street with particular regard for the availability of residential parking within the Boans Warehouse Designated Locality, in accordance with CP22.6 On Street Parking Policy.***

The motion was put and carried

The votes were recorded as follows:

For: Commissioners Hammond, McMath and Kosova

Against: Nil

Item 13.2 8 (Lots 21, 401 and 400) Parker Street, Northbridge – Proposed 12-Level Mixed-Use Development Containing 42 Hotel Rooms (‘Special Residential’), Four Commercial Tenancies (‘Dining’ and ‘Office’) and 6 Car Parking Bays

FILE REFERENCE:	2019/5247
REPORTING OFFICER:	Jasmine Hancock, Senior Statutory Planner
REPORTING UNIT:	Development Approvals
RESPONSIBLE ALLIANCE	Planning and Development
REPORT AUTHOR DISCLOSURE OF INTEREST:	Nil
DATE:	11 November 2019
ATTACHMENT/S:	Attachment 13.2A - Site Location Plan Attachment 13.2B – Perspectives Attachment 13.2C – Development Plans Attachment 13.2D – Neighbour Submissions Attachment 13.2E – State Heritage Advice
3D MODEL PRESENTATION:	Yes
LANDOWNER:	Power of Attorney O 137547 Craig Anderson
APPLICANT:	(MRS Zone) Central City Area
ZONING:	(City Planning Scheme Precinct) Northbridge Precinct 1
APPROXIMATE COST:	\$14 million

Council Role:

- Advocacy *When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.*
- Executive *The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.*
- Legislative *Includes adopting local laws, town planning schemes and policies*
- Quasi-Judicial *When the Council determines an application/matter that directly affects a person’s right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.*
- Information *For the Committee to note.*

Legislation / Strategic Plan / Policy:**Legislation**

Planning and Development Act 2005
Planning and Development (Local Planning Schemes) Regulations 2015
 Metropolitan Region Scheme
 City of Perth City Planning Scheme No. 2

City of Perth Act 2016**Objects of the City of Perth**

8(1)(c) - to provide a safe, clean and aesthetic environment for the community, city workers, visitors and tourists

Integrated Planning and Reporting Framework Implications**Strategic Community Plan**

Strategic Priority - Built Environment

Policy

Policy No and Name:

Precinct Plan 1 - Northbridge
 3.9 Special Residential (Serviced and Short Term Accommodation) Policy
 4.1 City Development Design Guidelines
 4.4 Building Heights and Setbacks
 4.6 Signs
 4.10 Heritage
 5.1 Parking Policy
 5.2 Loading and Unloading
 5.3 Bicycle Parking and End of Journey Facilities
 State Planning Policy 7.0 – Design of the Built Environment

Purpose and Background:

The purpose of this report is to assess and provide recommendations on an application for a 12-level mixed-use development. The design intent of the proposal is to create an outstanding and contemporary piece of architecture in Northbridge for the world class boutique hotel brand 'Tellus'. The development will incorporate a range of communal facilities for hotel guests including conference areas, a gymnasium and a rooftop infinity swimming pool. The development also proposes two cafés which will front directly onto Parker Street and Mountain Terrace, a privately leased commercial/office tenancy and a fine dining Michelin star restaurant.

The subject site is located on the eastern side of Parker Street, directly opposite Russell Square. It also has frontage onto Mountain Terrace along its eastern boundary and is directly adjacent to 'Tower House' which is listed on the State Register of Heritage Places. The site is 547m² in area and is currently vacant. It is also located directly adjacent to a vacant former food hall to the south.

At its meeting held on **24 November 2015**, Council approved the construction of a 12-level mixed-use development at the site which contained 60 multiple dwellings, three commercial tenancies and 27 car parking bays. This included a transfer of 20% plot ratio (438m²) recorded as 'banked' in the City Planning Scheme No. 2 Transfer of Plot Ratio Register from 47 (Lot 9) Wellington Street, East

Perth. On 20 June 2016, the City approved minor amendments to the 12-level mixed-use development including an increase in the number of car parking bays from 27 to 36 bays, a reduction in the number of scooter bays from 37 to 24 bays and minor internal and external modifications to the building.

Whilst the approved development has not proceeded and all relevant approvals have since lapsed, the transfer of plot ratio process was completed with the additional 20% plot ratio (438m²) being applicable to the site.

Details:

Approval is sought to construct a 12-level mixed-use development incorporating the previously approved transfer of plot ratio (438m²) from 47 Wellington Street, East Perth. The proposed hotel will contain the following:

- 42 hotel rooms including a mixture of one bedroom, two bedroom, two bedroom/dual key and three bedroom apartments (‘Special Residential’);
- 6 commercial tenant car parking bays located at the ground floor level and accessed from Mountain Terrace;
- two cafes (‘Dining’) located at the ground floor level on Parker Street and Mountain Terrace;
- a commercial tenancy (office) located at the first-floor level fronting Mountain Terrace;
- communal facilities for hotel guests and their visitors including a gymnasium, conference rooms located at the first-floor level and an outdoor terrace, lounge, bar and swimming pool on the rooftop (tenth floor level); and
- a restaurant (‘Dining’) open to the public located at the tenth-floor level.

Further details of the proposed development are as follows:

Basement Level	This level contains the back of house facilities including: meeting rooms and offices; male and female shower and change facilities; security and safety deposit; hotel linen storage, baggage storage, food storage, cool room and laundry. The building’s fire services, transformer room, switch room, maintenance storage room and potable water tank are also located at this level. The northern portion of the basement designates space for a potential car stacker to be installed in the future.
Ground Floor Level	This level comprises the main hotel entrance lobby and reception with a separate coffee lounge/bar tenancy (41m ²) accessed from Parker Street. To the rear of the site on Mountain Terrace is the main vehicle entrance into the development with 6 car parking bays, a bin storage and bin wash down area and a separate café tenancy (36m ²).
Level 1	This level contains the hotel guest gymnasium (114m ²), bathroom facilities (35m ²) and communal conference facilities (142m ²) with an

	associated outdoor balcony/courtyard (37m ²). A separate commercial/office tenancy overlooking Mountain Terrace (90m ²) is also provided at this level.
Levels 2 to 7	Each level contains three 1-bedroom apartments (37m ² – 40m ²) fronting Parker Street, two 2-bedroom apartments (64m ²) facing onto Mountain Terrace and one centrally located 2-bedroom dual key apartment (78m ²).
Levels 8 and 9	Each level contains two 3-bedroom apartments (123m ² - 124m ²) facing onto Parker Street and Mountain Terrace and one centrally located 2-bedroom dual key apartment (78m ²).
Level 10	This level contains an outdoor communal terrace and pool (58m ²) and communal bar, lounge and bathroom facilities. A restaurant is also located at this level with a mezzanine level above (426m ²).

Compliance with Planning Scheme:

Land Use

The subject site is located in the City Centre Use Area of the Northbridge Precinct 1 of City Planning Scheme No. 2 (CPS2). The Northbridge Precinct will continue to evolve as a diverse, interesting and dynamic inner-city precinct and will be promoted as an attractive destination for the local population and interstate and overseas visitors. The Precinct will remain Perth's primary entertainment and night life area and provide for a variety of residential and visitor accommodation and commercial services. East of Russell Square, entertainment activities will predominate. A hotel ('Special Residential') is a preferred ('P') use in the Northbridge Precinct 1 and is prohibited ('X') where it fronts the street at pedestrian level unless it provides for pedestrian interest and activity. A café and restaurant ('Dining') uses are preferred ('P') in the Northbridge Precinct and are suitably located fronting onto Parker Street and Mountain Terrace, providing visual surveillance and interaction of the ground floor level of the development with the street.

Development Requirements

New developments in the Northbridge Precinct will continue to have regard to the scale and character of the existing streetscapes. Development will have a nil street setback and be of a low scale along the street frontage with additional building height setback from all boundaries. In addition, the height of buildings must allow for adequate sun penetration into key pedestrian streets and public places including Russell Square. The Precinct will be characterised by versatile building forms which will be easily adaptable to new uses and be able to accommodate a variety of interesting and informative signs. The facades will also add interest and vitality to the street, and be characterised by continuous shopfronts and traditional designs, incorporating verandahs, awnings and artwork.

The proposal’s compliance with the CPS2 development requirements is summarised below:

Development Standard	Proposed	Permitted / Required
Maximum Plot Ratio:	4.8:1 (2,626m ²)	4.8:1 (2,626m ²) inclusive of 20% transfer plot ratio (438m ²) from 47 Wellington Street, East Perth
Building Height:		
<u>Parker Street</u>	33 to 35.8 metres along the street frontage up to a total height of 38.6 metres	Maximum street building height of 14 metres with a 5 metre setback up to a total height of 33 metres
<u>Mountain Terrace</u>	36.7 metres - 38.6 metres along the street frontage up to a total height of 38.6 metres	Maximum street building height of 14 metres with a 5 metre setback up to a total height of 33 metres
Setbacks		
<u>Side – North</u>		
Lower Building Level	Nil (no openings), 0.2 metres – 3 metres (with openings)	Nil (no openings), 4 metres (with openings)
Upper Building Level	Nil (no openings), 0.3 metres - 3 metres (with openings)	3 metres (no openings), 4 metres (with openings)
<u>Side – South</u>		
Lower Building Level	Nil -1.6 metres (no openings), 1.6 metres - 2.1 metres (with openings)	Nil (no openings), 4 metres (with openings)
Upper Building Level	Nil – 1.6 metres (no openings), 1.6 metres – 2.1 metres (with openings)	3 metres (no openings), 4 metres (with openings)
Car Parking:	6 bays	8 bays (maximum)
Bicycle Parking:		
<u>Bicycle Bays</u>	14 bays	15 bays (minimum)

Development Standard	Proposed	Permitted / Required
<u>End of Journey Facilities</u>	1 male and 1 female shower room and 1 male and 1 female change room	2 male and 2 female shower and change room facilities
<u>Lockers</u>	27 male and 27 female lockers	15 lockers

In accordance with the provisions of Clause 36 of the CPS2:

“(3) The Council cannot grant planning approval for a non-complying application unless -

- (c) the Council is satisfied by an absolute majority that:-*
 - (i) if approval were to be granted, the development would be consistent with:-*
 - (A) the orderly and proper planning of the locality;*
 - (B) the conservation of the amenities of the locality; and*
 - (C) the statement of intent set out in the relevant precinct plan; and*
 - (ii) the non-compliance would not have any undue adverse effect on:-*
 - (A) the occupiers or users of the development;*
 - (B) the property in, or the inhabitants of, the locality; or*
 - (C) the likely future development of the locality.”*

Comments:

Consultation

Public Consultation

As the proposed development includes variations to the maximum street frontage height, maximum building height and minimum setback requirements specified under CPS2, the application was advertised to the surrounding land owners for a period of 14 days, closing on 21 August 2019. Four submissions were received during advertising from the properties directly adjacent at 2-6 Parker Street and 115 Francis Street and on the opposite side of Mountain Terrace at 103-105 Francis Street (Refer to Attachment 13.2D - Neighbour Submissions). The following includes a summary of the comments received by the surrounding property owners during advertising: -

- the variations proposed to the upper building level setbacks on the southern elevation may result in design limitations to the redevelopment of the property at 2-6 Parker Street and therefore should be made to comply;
- concerns regarding overshadowing and insufficient setbacks to the property at 103-105 Francis Street;

- concerns regarding the visual amenity impact of any blank walls proposed along the northern and/or southern elevations;
- traffic congestion concerns from vehicles entering and existing the proposed car park on Mountain Terrace;
- concerns regarding any potential damage to the adjacent heritage building at 115 Francis Street from vibrations and dredging whilst earthworks and construction works are taking place;
- concerns regarding the proposed overall height and setbacks of the development and its impact on the adjacent heritage building and character of the heritage precinct;
- a lack of parking for the development which will create further parking issues and traffic congestion in the area; and
- improvements to public safety along Mountain Terrace resulting from the proposed development.

Design Advisory Committee

At its meeting held on 8 August 2019, the City's Design Advisory Committee (DAC) having considered the design of the proposed 12-level mixed-use development advised that it:

1. *commends the developer for proposing to bring this serviced apartment offering to Northbridge and to upgrade this vacant site;*
2. *acknowledges that the form of the building has largely been based on the previous approved development for this site, however, considers that the proposed variations to the street building height, maximum building height and side setback requirements will have an adverse impact on the adjacent heritage property and the character of the streetscape and would set an undesirable precedent for the redevelopment of the adjacent site to the south (former food hall);*
3. *while it is valid to attempt to activate the Mountain Terrace façade, the overall bulk, form, scale of patterning, colours and materials fail to address the context of the site, does not adequately respond to the adjacent heritage building and does not contribute to the character of the street or to Russel Square and, therefore, the overall design and aesthetic quality of the development is not supported.*

In response to the comments above the applicant has prepared revised plans, a supporting Heritage Impact Statement as well as further justification of the design approach and proposed building envelope which will be discussed in further detail in the building design and proceeding sections of this report.

Department of Planning, Lands and Heritage

The subject site is located directly adjacent to Tower House which is listed on the State Register of Heritage Places. As such the application, including the supporting Heritage Impact Statement, was

referred to the Department of Planning, Lands and Heritage (DPLH) for comment. It is advised by the State Heritage Council that Tower House is a significant and rare example of a two-storey residence in the Victorian Italianate style and is a prominent landmark contributing to the picturesque setting of Francis Street and Russell Square in Northbridge. The proposed development will provide a backdrop to Tower House when viewed from the corner of Parker and Francis Streets and will impact somewhat on its landmark status, particularly the prominence of its decorative corner tower.

Notwithstanding the above, the State Heritage Council, having considered the proposed development and its impact on the setting of Tower House have advised that they have no objections to the proposed development subject to minor external modifications at the ground to second floor levels. This includes the redesign of the 1.1 metre northern boundary fence so as not to obstruct views to the heritage property and with fine grain detailing being applied to the ground, first and second floor levels of the western section of the developments northern elevation. Other conditions requested by the State Heritage Council relate to the protection of the structural integrity and fabric of the heritage building during construction works as well as the relocation of the rainwater harvesting tank from the north western portion of the site to avoid any risk of undermining Tower House (Refer to Attachment 13.2E – State Heritage Advice).

In response to the comments above the applicant has prepared revised plans which includes the relocation of the rainwater harvesting tank from the north-west corner of the site to the north east portion of the site, away from the adjacent heritage building. The plans have also been amended to include a 600mm high masonry boundary wall to match the face brickwork and mortar joints of Tower House with clear frameless glass panels above allowing for visual connection and a sense of openness and unobstructed views from Parker Street and Russell Square. Further details of the how the proposed development responds to the adjacent heritage building, including its fine grain detailing, is discussed in further detail under the heritage section of this report.

Heritage Impact

Concerns have been raised by the City's DAC regarding how the proposed design of the building relates to the context of the site, and particularly the extent to which it respects the adjacent heritage listed Tower House and Russell Square. In response to these concerns, the applicant has engaged a heritage architect to prepare a Heritage Impact Statement which is generally supportive of the proposed development subject to minor modifications at the ground to second floor levels, in the north-west corner of the building, adjacent to Tower House. The applicant has incorporated the recommendations of the Heritage Impact Statement and the DAC advice into the final design.

With respect to the materiality and colour scheme, the applicant advises that the new building is of a contemporary design and is not intended to mimic nearby heritage buildings but rather create a distinction between new and old. The materials and colours have been selected to be compatible and complementary to the earthy tones of the adjacent Tower House and the Greek Orthodox Cathedral on Francis Street. This will include the use of an off form washed aggregate concrete wall in the western portion of the northern elevation adjacent to Tower House which will incorporate some of the earthy tones using red/orange gravel stone aggregate within the concrete mix. The materials and colour scheme proposed for the development is also supported in the Heritage Impact Statement. The west elevation (Parker Street) will be predominately glazed and the northern elevation will incorporate glazing and pre-cast panels in grey tones, which are intended to create a neutral backdrop for the adjacent heritage building.

With respect to the bulk and scale it is noted that the development is only marginally over the maximum height limit of 33 metres in the western portion of the development adjacent to Tower House (33 metres to 35.8 metres) with the additional height being mainly towards the eastern portion of the site (36.7 metres to 38.6 metres) along Mountain Terrace. No concerns were raised in the supporting Heritage Impact Statement or by the State Heritage Council regarding the form and scale of the development. The Heritage Impact Statement suggests that the proposal will provide a strong visual form adjacent to a landmark heritage building with the most important interface being predominately at the ground to second floor levels. Both the heritage architect and State Heritage Council agree that ensuring the development incorporates additional fine grain detailing and glazing elements at the lower levels adjacent to Tower House is important.

In response to the recommendations contained in the Heritage Impact Statement and State Heritage Council the revised design incorporates the following design elements at the ground to second floor levels:

- redesign of the angled support wall along the northern elevation to create finer more slender columns with a large glass opening in the centre;
- the use of a slimline awning which angles up along its northern portion helping to frame the heritage building;
- the installation of a low dado wall along north boundary adjacent to Tower House using facebrick to match the heritage building and with clear frameless glazed panels above;
- an open glazed façade to the north-west corner of the ground and first floor of the building which is set back at the ground floor level thereby avoiding a blank façade parapet wall as previously approved and creating improved visual openness and passive surveillance to the adjacent heritage building;
- a low sculptured Zen Garden within the north-west ground floor setback area providing a low manicured green interface and an obstructed connection through to the heritage building;
- open front façade to the first-floor gymnasium which wraps around the north-west corner of the building providing a strong visual connection through to Russell Square as well as the adjacent heritage building;
- external walls to the western portion of the northern elevation to be designed in an off form, washed aggregate with a fine black, grey and brown aggregate stone mix with glazing frames to be designed using a matching neutral powder coat finish; and
- a two-level podium which response to the scale of the adjacent heritage building.

It is considered that the modifications to the north-west corner of the lower building levels adjacent to Tower House satisfactorily addresses the recommendations contained within the supporting Heritage Impact Statement and the advice and conditions recommended by the State Heritage Council. In relation to the other conditions requested by the State Heritage Council regarding the protection of the structural integrity and heritage fabric of Tower House during construction works

(and also raised in the public submissions), these matters can be reasonably addressed as conditions of any approval.

Building Design, Materials and Finishes

The applicant has explained that the proposed development has been designed as a contemporary piece of architecture which combines geometric patterns with greenery to offer a unique fusion of nature and architectural form.

The City Design and Development Policy and State Planning Policy 7.0 - Design of the Built Environment (build quality) requires that new buildings be designed using durable materials, finishes, elements and systems that are easy to maintain and which weather well over time. The proposed development is proposed to be constructed using contrasting render with pre-cast concrete panel finishes in different shades of grey to provide a level of angular axonometry, depth and articulation. The proposed materials include a mix of off form washed aggregate on the northern elevation adjacent to Tower House, pre-cast concrete panels using a combination of UV paint finish contrasted with a micro-mineral concrete or similar stain or coating system and angular glass with an angular aluminium glazing system to the windows and balconies. Balconies also include solid planter elements with greenery contributing to the Biophilic design philosophy. The applicant advises that the proposed materials are durable and will weather well over time. There are however some concerns regarding the use of painted finishes to the pre-cast concrete panels which can result in future maintenance issues. To ensure that high quality and durable materials and finishes are incorporated into the final design, details of the final materials, colours and finishes should be required as a condition of any approval.

The building incorporates a range of well-designed internal and external elements and features which align with the objectives and principles of the City Design and Development Policy 4.1, Northbridge Precinct Plan 1 and State Planning Policy 7.0 - Design of the Built Environment, including but not limited to the following:

- activated ground and first floor levels to both Parker Street and Mountain Terrace which provides for visual surveillance and improved vibrancy including: a café/small bar uses at the ground floor level on Parker Street and Mountain Terrace; a visually permeable and open glazed entrance lobby and first floor gymnasium overlooking Parker Street and Russell Square; and a first-floor commercial/office tenancy fronting Mountain Terrace;
- fine grain detailing to the ground floor front façade adjacent to Parker Street including the use of a full glass façade and Zen Garden with low dado wall and angled awning which responds sympathetically to the adjacent heritage building and provides for visual interest and a comfortable and attractive environment at the street level for pedestrians;
- the incorporation of Biophilic design principles being integrated into the building design to create a sense of connection to nature and improve the visual quality of the development when viewed from the adjacent public realm including plantings in the northern courtyard at Level 1, strategically placed landscaping beds within balconies at levels 2 to 9 and indoor landscaping elements within the lounge and outdoor terrace areas of Level 10;
- sustainable design principles including: the use of solar panels to power all common areas; rainwater harvesting and reuse; Biophilic design principles which provides a strong connection

to nature; waterwise landscaping; emphasis on natural light and ventilation with the rooms being design to allow for cross flow ventilation where possible; the use of low emissions materials and finishes; performance glazing solutions to reduce heat gain and conserve energy use; and electric vehicle charging points within the car park;

- a range of private communal and public facilities for guests and visitors of the development including a café dining, gymnasium, conference facilities fine dining restaurant;
- a distinct spine providing natural air flow and light through the internal building corridors; and
- adaptable design principles incorporated into the commercial tenancies and the hotel rooms, communal facilities and its associated car park to allow for future proofing and alternative uses in the future.

It is considered that the built form elements above which have been incorporated into the design of the building will provide a high quality development for the Northbridge area, consistent with the objectives and principles of the City Development Design Guidelines 4.1 and SPP 7.0 - Design of the Built Environment.

Building Height and Setbacks

The subject site is located in the Northbridge Precinct 1 whereby new developments are to have regard to the scale and character of the existing streetscapes. In accordance with the Precinct Plan, development will have a nil street setback and be of a low scale along the street frontage with additional building height setback from all boundaries. In addition, the height of buildings must allow for adequate sun penetration into key pedestrian streets and public places including Russell Square.

As noted by the applicant, Parker Street comprises a mix of buildings from various eras with no consistency in terms of built form character, height and scale. The site to the south at 2 Parker Street (which is currently occupied by a single storey vacant food hall) is also within the CPS2 Parker Street Special Control Area 19.0 which has its own development standards in place with the potential to be redeveloped to a greater scale in terms of its overall height and bulk. It is also noted that the development proposes a similar building envelope to what was previously approved at the site in terms of its overall height and built form and therefore it is considered that the proposed development does not set a new precedent for the site or for the adjacent site to the south.

The Northbridge Precinct Plan and the City's Building Height and Setback Policy 4.4 envisages a podium and tower form of development for the site (with a maximum street building height of 14 metres followed by a 5 metres setback on both Parker Street and Mountain Terrace up to a maximum of 33 metres and 3 metre minimum side setback required to the upper building levels). Given the narrow lot frontage (13.4 metres) the applicant has advised that is not possible to achieve a functional and well-designed internal building layout without seeking variations to the applicable street and side setback requirements. Furthermore, the location of the property adjacent to a two-storey heritage building on the corner of Parker Street and Francis Street provides the opportunity for the site to be treated as a bookend which frames the heritage building and creates a prominent landmark feature for this street corner, consistent with the guidance for buildings located on prominent sites under the City Development Design Guidelines 4.1. While the intended podium and tower form would respect the form and scale of the adjacent heritage building when viewed along

the streetscape, it can also be reasonably argued that the proposed form, with the absence of a podium, provides a transitional form between the heritage building and the potential building envelope of the site at 2 Parker Street. In addition, the proposed awning and fine grain detailing proposed at the ground to second floor levels in the north-west corner of the development, are considered to allow for sufficient differentiation of the upper and lower building levels and will create an attractive and comfortable environment for pedestrians, in accordance with clause 36 of CPS2 and the objectives and principles of the City's Building Heights and Setbacks Policy 4.1.

The maximum building height of a development should reinforce the established character of an area and allow for adequate sunlight penetration into streets and public places. As noted previously there is a mixed built form character along Parker Street. The site has a maximum height limit of 33 metres with only minor variations being proposed above this, with most of the development being 33 metres – 35.8 metres in height and with additional height towards the rear of the building on Mountain Terrace (36.7 metres to 38.6 metres). As evident in the overshadowing diagrams, the height of the building together with its predominately east-west orientation means there will be no undue adverse amenity impact in terms of overshadowing to the public space opposite at Russell Square or to the property on the eastern side of Mountain Terrace (103 – 105 Francis Street), as raised in one of the neighbour submissions. It is considered that the proposed variations to the maximum built limit can therefore be supported in accordance with the principles of the City's Building Heights and Setbacks Policy 4.4 and clause 36 of CPS2.

Buildings should be set back from its side and rear boundaries to ensure natural light access, ventilation and privacy within and outlook from buildings. Building setbacks should also provide for adequate separation between upper building levels, an attractive city skyline and respect the setbacks of existing heritage buildings. The application proposes variations to both the northern and southern side setback requirements. With respect to the northern elevation only minor side setback variations are sought including a 3 metre setback to its central windows (4 metres required). Given the location of the property adjacent to a heritage site, it is considered that the proposed setbacks along the northern elevation will still meet the principles of the City's Building Heights and Setbacks Policy 4.4 in terms of achieving access to natural light and outlook and privacy from within the development as well as ensuring views to the sky will be maintained. With respect to the variation to the northern corridor windows, although these are shown to be screened with landscaping, these can be conditioned to be obscurely glazed to prevent any loss of privacy to the adjacent property. With respect to the variations to the side setbacks proposed along the southern elevation, including nil side setbacks to the upper floor levels, this was approved as part of the previous development. Whilst the property owner to the south at has raised concerns regarding the impact of the upper building level side setback variation on the future redevelopment potential of this site, there are no habitable windows directly facing onto the site to the south, therefore there will be no impact in terms of a loss of privacy should the site at 2 Parker Street be redeveloped in the future. With respect to the windows at the end of the corridors and internal light well windows to the bedrooms, these can also be conditioned to be obscurely glazed to avoid any issues of overlooking or loss of privacy to the building to the south, in accordance with principles and objectives of the City's Building Heights and Setbacks Policy 4.4 and clause 36 of CPS2.

Based on the above it is considered that the development will meet the principles and intent of the City's Building Height and Setback Policy 4.4 and therefore can be supported in accordance with clause 36 of CPS2.

Traffic, Car Parking and Servicing Arrangements

The original application included the provision of 18 commercial tenant car parking bays in a car stacking arrangement for staff and guests of the hotel with vehicular access into the car park from Mountain Terrace. Given the location of the property within the Perth Parking Management Area, this number has been reduced to 6 car parking bays comply with the maximum threshold for commercial tenant parking specified under the Department of Transport's Perth Parking Policy 2014 and the City of Perth's Parking Policy 5.1 (maximum 8 bays permitted). To allow for flexibility and adaptability of uses within the building (including the potential for residential apartments), the proposal seeks to retain space within the basement level to allow for a car stacker to be installed in the future should the need arise. The allocation of space within the basement level for additional car parking in the future, is consistent the principles of functionality and build quality of SPP 7.0 – Design of the Built Environment. It is also noted that the car park does not include the provision of a universal access bay, as required under the Building Code of Australia, and should be included as a condition of any approval.

Whilst concerns have been raised by the neighbouring property owners regarding the low number of car parking bays provided for the development and the pressure this will place on the availability of on-street parking, there is no requirement under the Perth Parking Policy 2014 or the City's Parking Policy 5.1 to provide commercial tenant parking for Special Residential Development (including both hotels and serviced apartments), only maximum thresholds. In addition, the site has a high level of accessibility to a range of transport and parking options including the CAT bus service, Perth Railway Station, on-street public parking opportunities on Parker Street, James Street, Francis Street, Shenton Street and Aberdeen Street as well as off-street public car parking facilities located within walking distance and access to taxi and rideshare apps such as Uber and Ola. The site is also located within close proximity to a wide range of goods and services and city attractions which are available within walking distance.

In terms of the concerns raised by neighbouring property owners regarding any traffic congestion associated with the development, the low number of on-site car parking bays provided will have negligible (if any) impact on users of Mountain Terrace or Francis Street, as confirmed in the supporting Traffic Impact Statement prepared by Transcore on 5 November 2019. With respect to the picking up and dropping of hotel guests the City's officers have advised that due to the lack of on-street parking availability in the evenings and the issues of double parking the applicant will need to seek approval from the City for the conversion of two of the on-street parking bays in front of the development to a five-minute pick up drop off zone.

In terms of the delivery and serving arrangements the applicant advises this will occur via Mountain Terrace which is a one-way street. As laundry facilities will be provided internally to the development the applicant has indicated that the largest vehicle that will service the building will be a standard sized van which will access the development via the new crossover from Mountain Terrace. With respect to waste collection this will occur via Mountain Terrace with a bin storage area located at the ground floor level adjacent to the rear vehicular entrance into the building. The City's officers have reviewed the preliminary Traffic Impact Statement for servicing and Waste Management Report and are generally supportive of the servicing arrangements for the building. Notwithstanding the above, a Vehicular, Service and Delivery Access Plan as well as a final Waste Management Plan should be submitted to the City as a condition of any approval.

Bicycle Parking and End of Journey Facilities

The City's Bicycle Parking and End of Journey Facilities Policy 5.3 specifies a minimum of 14 bicycle bays for the hotel and 1 bay for the commercial tenancies. The applicant has confirmed that the proposed development will include the provision of 7 double stacking bicycle racks within the ground floor level which can accommodate the storage of up to 14 bicycle bays. Whilst slightly below the minimum requirement the number of bays is considered sufficient for a development of this nature which is predominately short-term accommodation. In addition, there is sufficient space to accommodate extra bicycle storage racks within the ground and basement levels should there be the demand from the hotel and commercial staff and their guests in the future.

The staff of the development will also be well catered for in terms of end of journey facilities, with separate male and female shower and change facilities and 27 lockers within each of the male and female change rooms. Whilst below the minimum requirement, it is noted that hotel guests will not require access to shower or change rooms as these facilities are available within their rooms.

Noise

The sites location within the City's primary entertainment and night life area requires that the development be carefully designed to ameliorate against the noise impacts associated with entertainment uses in the area. This is particularly important given the State Government and City's commitment to supporting and protecting live music and entertainment venues within the Northbridge area through the introduction of new legislative reform measures which are currently under consideration.

The applicant has confirmed that the proposed development can be designed with materials and methods to minimise any impacts of excessive external noise, as well as noise transfer between the rooms, in accordance with the requirements of the *Environmental Protection (Noise) Regulations 1997*, the Australian Standards and the Building Code of Australia. This is supported by the preliminary Acoustic Report prepared by Herring Storer Acoustics dated 24 October 2019. A final Acoustic Report, which addresses the noise amelioration and construction methods and other noise management measures that will be implemented into the design to achieve compliance with the relevant noise legislation, should be required as a condition of any approval.

The applicant also advises that they were involved in the design and construction of the Velo Apartment development located in the heart of the Northbridge entertainment precinct at 89 Aberdeen Street. This development was successfully able to achieve in excess of the minimum acoustic performance requirements, as demonstrated with an acoustic test provided to the City at its completion.

Conclusion

The proposed hotel development will increase the diversity of short-stay accommodation in Northbridge, offering a world class boutique hotel to the area. The development has been designed as a contemporary piece of architecture, in accordance with design principles of State Planning Policy 7.0 – Design of the Built Environment. Whilst concerns were raised regarding the style of architecture and its relationship to the adjacent heritage building at Tower House, the revised design has incorporated additional fine grain detailing at the ground to second floor levels, to be more sympathetic to the heritage building, in accordance with the advice of an independent

heritage architect and the State Heritage Council. With respect to the variations to the overall height and street and side setback requirements, the development is considered to meet the principles and intent of the City's Building Height and Setback Policy 4.4 and therefore can be supported in accordance with clause 36 of CPS2. Based on the above it is recommended that the application should be conditionally approved.

COUNCIL RESOLUTION

Moved Commissioner McMath, seconded Commissioner Kosova

That Council, in accordance with the provisions of City Planning Scheme No. 2, the Metropolitan Region Scheme and the Planning and Development (Local Planning Schemes) Regulations 2015 – Deemed Provisions for Local Planning Schemes, the Council APPROVES the application for a proposed 12-level mixed-use development containing 42 hotel rooms, four commercial tenancies ('Dining' and 'Office') and 6 car parking bays as indicated on the Local Planning Scheme Form and the Metropolitan Region Scheme Form One, dated 15 May 2019 and as shown on the plans and details received on 30 October 2019 subject to:

- 1. the proposed development being restricted to a maximum plot ratio of 4.8:1 (2,626m²) including 438m² of plot ratio floor space which has been transferred from the donor site at 47 (Lot 9) Wellington Street, Perth;*
- 2. the subject lots being amalgamated into one lot on one Certificate of Title prior to the building being occupied;*
- 3. the development being constructed with high quality and durable materials and finishes and to a level of detailing that is consistent with the elevations and perspectives received on 30 October 2019, with particular attention to the fine grain detailing of the interface of the north west corner of the development with the adjacent Tower House heritage building and with final details of the design and a sample board of the materials, colours and finishes being submitted for approval by the City prior to applying for a building permit;*
- 4. the northern corridor window on the western portion of the development and southern corridor window and bedroom window being installed with obscure glazing to prevent any overlooking to the adjacent properties with details being submitted for approval by the City prior to applying for a building permit;*
- 5. any proposed external building plant and services including water tanks, transformers, fire control rooms, lift overruns and air condensers shall be located internally or screened so that they cannot be viewed from any location external to the site and to minimise any visual and noise impact on the adjacent properties, with final details of the location and screening of such plant and services being submitted for approval by the City prior to applying for a building permit;*

6. *the ground floor commercial tenancies being restricted to 'Dining' (Café or Restaurant), 'Mixed-Commercial', 'Retail (General)' or 'Entertainment' (small bar) land uses with any other proposed uses not listed above or external alterations to the tenancies and any subsequent future change of use of the tenancies requiring a separate application for approval;*
7. *prior to any tenancy being occupied for Entertainment ('Small Bar') purposes the applicant shall submit for approval by the City a detailed management plan for the venue outlining the control of noise, patron behaviour, patron queuing, hours and operation and waste management, with the approved management plan being implemented by the proprietor/manager of the premises on an on-going basis;*
8. *a detailed landscaping, reticulation and management plan for the development being submitted to the City for approval prior to applying for a building permit, and with the landscaping being installed prior to the occupation of the development and thereafter maintained to a high standard to the satisfaction of the City;*
9. *a final Waste Management Plan, satisfying the City's waste servicing requirements, being submitted for approval by the City prior to applying for a building permit; with the Plan being implemented by the hotel operator on an ongoing basis to the satisfaction of the City;*
10. *a final Acoustic Report addressing the requirements outlined in the preliminary Acoustic Report prepared by Herring Storer Acoustics dated 24 October 2019 regarding the noise amelioration construction specifications and other noise management measures being implemented in full to the satisfaction of the City with final plans being certified by a qualified acoustic consultant confirming the development incorporates the recommendations and can achieve compliance with the relevant noise legislation, prior to applying for a building permit;*
11. *a Hotel Management Plan addressing the operation of the hotel in accordance with the provisions of the City's Special Residential (Serviced and Short-Term Accommodation) Policy, including but not being limited to the following:*
 - a) *company name and relevant experience of management/operator;*
 - b) *type or extent of room service to be offered;*
 - c) *cleaning and laundry services, where applicable;*
 - d) *opening hours for guest check-ins and check-out including the method of reservations/bookings;*
 - e) *security of guests and visitors;*
 - f) *restriction of the use of the communal facilities located on Levels 1 and 10 to guests and their visitors only and not being open to the general public;*
 - g) *control of noise and other disturbances; and*
 - h) *a complaints management service;*

- being submitted for approval by the City prior to the occupancy of the hotel with the management plan being implemented by the hotel proprietor/manager on an on-going basis and to the satisfaction of the City;*
12. *a maximum of 8 commercial tenant bays and a minimum of one universal access bay being provided on-site for the exclusive use of staff/guests/customers of the development and not being leased or otherwise reserved for use by tenants or occupants of other buildings or sites;*
 13. *the dimensions of all car parking bays, the vehicle entrance, aisle widths and circulation areas complying with the Australian Standard AS2890.1 with final details of the car park being submitted for approval by the City prior to applying for a building permit;*
 14. *a Vehicular, Service and Delivery Access Plan, including arrangements for on-site servicing of the building, commercial tenant car parking and the dropping off and picking up of hotel guests, being submitted for approval by the City prior to the occupation of the development, with the plan being implemented by the hotel proprietor/manager thereafter to the satisfaction of the City;*
 15. *on-site stormwater disposal/management being to the City's specifications with details being submitted to the City for approval prior to applying for a building permit;*
 16. *the proposed floor levels of the pedestrian and vehicle entrances to the building being designed to match the current levels of the immediately adjacent footpath on Parker Street and road reserve on Mountain Terrace, to the City's satisfaction, with details being submitted for approval by the City prior to applying for a building permit;*
 17. *any signage for the development being integrated into the design of the building with details of any signage that is not exempt from approval under the City's Local Planning Policy 4.6 – Signs being subject to a separate application for approval;*
 18. *any works external to the property boundaries of the site, including the proposed awning over Mountain Terrace, not being approved as part of this development and being subject to a separate application(s) for approval by the City;*
 19. *the existing street trees located in the road verge on Parker Street being retained and protected from damage throughout any development works with a tree protection zone being established and maintained during the construction periods in accordance with the Australian Standard S4970-2009 – Protection of Trees on Development sites, to the satisfaction of the City;*
 20. *a dilapidation report for the adjacent heritage building at 115 Francis Street Avenue being prepared by a suitable qualified structural engineer and submitted for approval*

by the City, in consultation with the Director Heritage Development at the Department of Planning, Lands and Heritage, prior to excavation works occurring and prior to applying for a building permit;

- 21. engineering details of the proposed development, ensuring the protection of the adjacent heritage building at 115 Francis Street, being submitted for approval by the City, to the satisfaction of the Director Heritage Development at the Department of Planning, Lands and Heritage, prior to applying for a building permit;*
- 22. a program of monitoring any structural movement and potential vibration impacts on the adjacent heritage property at 115 Francis Street being implemented at the commencement of works with any impacts being immediately brought to the attention of the Director Heritage Development of the Department of Planning, Lands and Heritage and the City, with a recommended course of action by a qualified structural engineer; and*
- 23. a construction management plan for the proposal being prepared in accordance with the City's 'Construction and Demolition Management Pro-Forma' and being submitted to and approved the City prior to applying for a building permit.*

The motion was put and carried en bloc

The votes were recorded as follows:

For: Commissioners Hammond, McMath and Kosova

Against: Nil

Item 13.3 Key Sector Development Sponsorship – XR:WA

FILE REFERENCE: P1037825#02#05
 REPORTING OFFICER: Virginia Withers, Sponsorship Officer
 REPORTING UNIT: Activation and Cultural Experience
 RESPONSIBLE ALLIANCE: Community Development
 REPORT AUTHOR DISCLOSURE OF INTEREST: Nil
 DATE: 14 October 2019
 ATTACHMENT/S: Nil

Council Role:

- Advocacy *When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.*
- Executive *The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.*
- Legislative *Includes adopting local laws, town planning schemes and policies*
- Quasi-Judicial *When the Council determines an application/matter that directly affects a person’s right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.*
- Information *For the Committee to note.*

Legislation / Strategic Plan / Policy:

Legislation Section 8 of the *City of Perth Act 2016*

City of Perth Act 2016 **Objects of the City of Perth**
 8(1)(g) - to strengthen Perth’s reputation as an innovative, sustainable and vibrant city that attracts and welcomes all

Integrated Planning and Reporting Framework Implications **Strategic Community Plan**
 Strategic Priority - Social

Policy
 Policy No and Name: 18.13 – Sponsorship and Grants

Purpose and Background:**Applicant Details**

Entity Name	Revelation Perth International Film Festival Inc
ABN	61 039 339 914
Entity Type	Other Incorporated Entity
ABN Status	Active
ATO Endorsed Charity Type	Not endorsed

Revelation Perth Film Festival Inc is a not for profit organisation that delivers the Revelation Perth International Film Festival annually in July (the Festival has been in operation for 23 years), as well as professional development events for the WA creative industries.

Details:

Sponsorship Category	Key Sector Development Sponsorship
Applicant	Revelation Perth International Film Festival Inc
Project Title	XR:WA 2020
Project Dates	9 – 12 July 2020
Venues	Perth Cultural Centre Precinct (including Blueroom Theatre, PICA Theatre, Art Gallery of WA, State Library of WA, SAE Institute and Alex Hotel, Northbridge)
Total Project Cost	\$362,000
Total Amount Requested	\$40,000 (11% of total project cost)
Recommendation	Approval
Recommended amount	\$32,000 (9% of total project cost)
Assessment Score	50 out of 65 (78%)

Project Description

The City of Perth has received a request for sponsorship of \$40,000 (excluding GST) from the Perth Revelation International Film Festival Inc to support the second annual XR:WA.

XR:WA is a four day festival, that aims to showcase Virtual Reality (VR), Extended Reality (XR), Augmented Reality (AR), Artificial Intelligence / machine learning (AI), games and immersive technologies. The event aims to explore both the commercial and cultural possibilities of the technologies, and will include an industry conference, free public activities and exhibitions.

The 2020 event will be held throughout the Perth Cultural Centre precinct, making use of multiple venues across PICA, the Blue Room Theatre and the State Library.

The event will include local, national and international practitioners and screen artists from sectors including education and training, science and innovation, art and entertainment, mining and resources and technical hardware and software.

Industry Program

XR:WA will include a two-day industry-facing platform geared toward excellence in business and creative practice with a focus on Perth and Western Australian content. It is a central focus of XR:WA to encourage national and international business development for local practitioners and businesses working in the area of immersive technology, games and associated areas.

Organisers aim to generate attention and business for local companies and screen artists. This includes a market focus for international acquisition and the opportunity for delegates to explore facilities in and around Perth. The program will aim to facilitate business-to-business networking opportunities with practitioners and business representatives from around the world.

The program will be complemented professional development for the local industry, including workshops, masterclasses, panels and intensive hot-house sessions.

Public Program

A four day public access program of activities across the Perth Cultural Centre, including Blue Room Theatre, PICA, the Art Gallery of WA, SAE Institute, the WA State Library and Studio Startup, showcasing local and internationally produced works.

The program will include a showcase of games, VR, AR, AI and technology and hybrid arts activity. Organisers aim for over 2,000 people to attend the public activities.

Previous five years City of Perth Support and Acquittals

Year	Amount	Project
2015	\$20,000	Revelation Perth International Film Festival
2016	\$20,000	Revelation Perth International Film Festival
2017	\$90,000	Invigorate Perth.
2018	\$0	
2019	\$35,000	XR:WA
<u>TOTAL</u>	<u>\$165,000.00</u>	

- The City of Perth has received an acquittal for the previous support.
- City Officers can confirm that all previous funding has been satisfactorily acquitted.

Sponsorship Benefits

Organisers would supply the following benefits for the requested sponsorship:

- The City of Perth to be recognised as a Presenting Partner of the event (*Presented in Association with City of Perth*) and recognised:
 - in all XR:WA specific printed and electronic material including printed program, posters, media releases, delegate lanyards, key venue and directional signage, all venue/talks holding slides, pull up banners at all venues and rolling partner slide at Perth Cultural Centre big screen, cinema / web trailers, electronic direct mails and website;
- Full page printed program ad;

- Presentation of Perth: Innovation talk with City-based organisations;
- Presentation of XR Industry functions;
- Complimentary conference floor display booth;
- Presentation banner of one panel/workshop/masterclass session;
- Workshop/panel room banners when session not sponsored by another partner.
- Integration of City of Perth speaker/facilitator into panel/ workshop/masterclass session;
- Presentation and introduction of one keynote address;
- Naming of specific space or event(s) "City of Perth Keynotes", such as the "City of Perth Experimental Lab"; and
- Other elements to be decided largely based on content development.

Assessment Score Card

The application was assessed by a three-person assessment panel and the scoring has been averaged for each outcome.

Key Sector Development Sponsorship -Essential Project Criteria	Score (5)
<i>All applications are assessed on the following criteria:</i>	
Alignment with a Key Sector	
To what extent does the project support the growth and development of an established or emerging key sector that represents importance to the City of Perth's economy?	4.2
To what extent does the project assist the City of Perth in developing a compelling narrative on our unique selling points and raise the profile and reputation of the City of Perth as a premier Capital City to do business within the relevant sector?	4.0
Prestige and Significance	
To what extent does the applicant demonstrate prestige and significance?	3.7
Project Plan and Other Funding Sources	
Has the applicant provided evidence of a robust project plan?	3.2
Has the applicant included a budget detailing investment through a variety of funding sources?	3.8
Has the applicant demonstrated what specific elements the City of Perth funding is supporting and what extra capacity the funding will enable	4.0
Sponsorship Benefits	
Please rate the level of benefits and recognition provided to the City	3.8
Sub total 26.7 out of 35	
Additional Project Outcomes	
<i>Applicants must address at least two of the following six outcome areas. Applicants can address as many outcome areas as are relevant to the project or initiative.</i>	
Project Outcomes addressed: 6	
Outcome 1. Investment Attraction	3.8
Outcome 2. International Business Development	4.0
Outcome 3. Short term Direct Economic Benefits	3.5
Outcome 4. Long term Economic Development	3.5
Outcome 5. Professional Development, Training and Skill Development	4.2

Outcome 6. Linkages and Knowledge Exchange	4.2
Sub total 23.2 out of 30	
<u>TOTAL ASSESSMENT SCORE 50 out of 65 (78%)</u>	

Financial Implications:

The cost of this sponsorship will be split across the Economic Development (Innovation and Technology) and Arts Sponsorship budgets.

ACCOUNT NO: PJ 13955521000007901
 BUDGET ITEM: Innovation and Technology
 BUDGETED AMOUNT: \$155,000
 AMOUNT SPENT TO DATE: \$95,000
 PROPOSED COST: \$19,500
 BALANCE REMAINING: \$40,500
 ANNUAL MAINTENANCE: N/A
 ESTIMATED WHOLE LIFE COST: N/A

ACCOUNT NO: PJ 13958005000007901
 BUDGET ITEM: Arts Annual Sponsorship
 BUDGETED AMOUNT: \$680,500
 AMOUNT SPENT TO DATE: \$668,000
 PROPOSED COST: \$12,500
 BALANCE REMAINING: \$0
 ANNUAL MAINTENANCE: N/A
 ESTIMATED WHOLE LIFE COST: N/A

All figures quoted in this report are exclusive of GST.

This project supports both the City’s economic objectives as well as the strategic outcomes of the City’s Cultural Development Plan. The recommended funding for this project includes contributions from both the Economic Development and Arts Sponsorship budgets, reflecting the cross-organisational alignment of the program.

Comments:

This sponsorship supports the following deliverables from the Cultural Development Plan:

- 3.3 Continue to invest in and leverage the local arts and culture through a strategic arts and cultural sponsorship program;
- 3.6 Identify opportunities to support the local screen sector and implement the “Film Perth” report recommendations;
- 4.4 Create local community arts and cultural activation at strategic spaces throughout Perth city through year-round, high quality arts festivals and events (eg. Winter season, leveraging key strategic arts partnerships); and
- 5.6 Partner with the State Government and Perth Theatre Trust to deliver ongoing cultural activations around key events and campaigns in the Perth Cultural Centre.

The event is aligned with the City's Strategic Community Plan objective 'E 1.2.2 Facilitate a globally connected diverse economy through strategic alliances, cluster development and attraction of investment'. XR: WA is an investment in the City's new and emerging creative and cultural industries. With the industry expected to grow significantly over the next decade, this event is an opportunity for Perth to develop a narrative as a leader in the marketplace.

The inaugural 2019 event was considered a success, with attendance of over 5,000 people. The event is an excellent initiative showcasing emerging talent and expertise in a growing industry sector. XR:WA is a unique event that can present a great platform for those in this emerging industry to learn, develop and engage with industry professionals and network with each other through knowledge sharing and professional development opportunities.

Organisers provide a platform for both the industry and the general public to engage with the program. The event offers a high level of educational and collaborative industry-based opportunities, as well as broad public appeal.

The previous event had a positive response from industry and participants, which is a testament to the quality of the event and the work of the organisers. The proportion of the request to the City is low and significant support is demonstrated from the State Government.

COUNCIL RESOLUTION

Moved Commissioner McMath, seconded Commissioner Kosova

That Council:

- 1. APPROVES a Key Sector Development Sponsorship of \$32,000 (excluding GST) to Revelation Perth International Film Festival Inc for XR:WA; and***
- 2. AUTHORISES the Chief Executive Officer (or an appointed delegate) to negotiate with the applicant the final list of sponsorship benefits according to the Council approved funding amount.***

The motion was put and carried en bloc

The votes were recorded as follows:

For: Commissioners Hammond, McMath and Kosova

Against: Nil

Item 13.4 Business Event Sponsorship Round 2 - 2019/20

FILE REFERENCE: P1037825#01#02
 REPORTING OFFICER: Virginia Withers, Sponsorship Officer
 REPORTING UNIT: Activation and Cultural Experience
 RESPONSIBLE ALLIANCE: Community Development
 REPORT AUTHOR DISCLOSURE OF INTEREST: Nil
 DATE: 23 October 2019
 ATTACHMENT/S: Attachment 13.4A – Detailed Officer Assessment

Council Role:

- Advocacy *When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.*
- Executive *The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.*
- Legislative *Includes adopting local laws, town planning schemes and policies*
- Quasi-Judicial *When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.*
- Information *For the Committee to note.*

Legislation / Strategic Plan / Policy:

Legislation Section 8 of the *City of Perth Act 2016*

City of Perth Act 2016**Objects of the City of Perth**

8(1)(e) - to promote awareness of the facilities and events provided and encourage use of them and participation

Integrated Planning and Reporting Framework Implications**Strategic Community Plan**

Strategic Priority - Economic

Policy

Policy No and Name: 18.13 – Sponsorship and Grants

Purpose and Background:

The Business Event Sponsorship program is aimed at encouraging organisers to stage their business event in Perth and ensure delegates are encouraged to explore and patronise local businesses. The program aims to market the city as a leading business event destination.

Applicants must demonstrate:

- economic impact, attendance and the potential to generate significant direct economic benefit to the city economy and local businesses;
- sector and business development; and
- event profile and organisational capacity.

Details:

The following applications were received and considered by the assessment panel for Business Event Sponsorship Round 2 (projects between 1 March 2020 and 31 October 2020).

RANK	APPLICANT	PROJECT	REQUESTED AMOUNT	SCORE	RECOMMENDATION
1	Encanta Event Management	24th Annual Human Genome Meeting	\$30,000	47.83 (80%)	\$10,000
2	The Australasian Institute of Mining & Metallurgy	Underground Operators Conference 2020	\$40,000	47.17 (79%)	Decline
3	The Australasian Institute of Mining & Metallurgy	International Lithium and Battery Metals Conference 2020	\$20,000	38.83 (65%)	\$5,000
4	Exercise and Sports Science Australia Limited	Research to Practice 2020 Conference	\$15,000	35.67 (59%)	Decline
5	Nursery & Garden Industry Australia Limited	Greenlife Industry Australia, National Conference 'Healthy Plants Healthy People'	\$15,000	31.00 (52%)	Decline
TOTAL			\$120,000 Requested		\$15,000 Recommended

Financial Implications:

ACCOUNT NO:	PJ 1395-80130-0000-7901
BUDGET ITEM:	Business Event Sponsorship
BUDGETED AMOUNT:	\$75,000
AMOUNT SPENT TO DATE:	\$48,000
PROPOSED COST:	\$15,000
BALANCE REMAINING:	\$12,000
ANNUAL MAINTENANCE:	N/A
ESTIMATED WHOLE LIFE COST:	N/A

All figures quoted in this report are exclusive of GST.

This is the second Business Event round for the 2019/20 Financial Year. The remaining budget will be allocated in the third and final sponsorship round in the first quarter of 2020.

Comments:

The recommended sponsorships support the vision of the City's Strategic Community Plan to achieve strategic economic growth through positioning the city as a thriving centre of business (E1.2); strengthen the city's role as the capital city of Western Australia for business (E1.2.1); a great vibrant place to visit (E2.1); and facilitate a globally connected diverse economy through strategic alliances, cluster development and attraction of investment (E 1.2.2).

The Human Genome Meeting aligns with the City's Economic Development objectives to raise the profile of the medical, bio-tech and life sciences potential in Perth, as well as providing visibility of opportunities for investment, encouraging more a sustainable industry.

The International Lithium and Battery Metals Conference 2020 has direct relevance to the WA economy. The event will showcase local success and promoting Perth as a critical business hub to visiting decision makers. Trade investment opportunities will also be facilitated between WA companies, suppliers and the global industry.

Although it received a high score under the assessment criteria, the Panel unanimously recommended the application for the Underground Operators Conference 2020 is declined due to the following reasons:

- The applicant has projected a substantial profit from the event in their application, indicating the event does not require further financial investment;
- The conference has been held in the City of Perth for fifteen years without any financial support from the City, and it is reasonable to expect the conference will continue to be held in Perth without City sponsorship;
- the City of Perth provides a substantial annual sponsorship to the Perth Convention Bureau (PCB) to support its work in attracting large business events to Perth, and the applicant has received financial support from PCB towards this event;
- The sponsorship benefits proposed do not appear to represent value for money when compared to the packages offered commercially via the applicant's website; and
- The assessment panel considered it reasonable to conclude that Officer's recommendation to decline the sponsorship would have no bearing on any of the planned event components.

The events Exercise and Sports Science Australia Limited 'Research to Practice 2020 Conference' and Nursery & Garden Industry Australia Limited 'Greenlife Industry Australia, National Conference 'Healthy Plants Healthy People' have both been recommended for decline as they did not score above the 65% threshold required for support.

COUNCIL RESOLUTION

Moved Commissioner McMath, seconded Commissioner Kosova

That Council:

1. **APPROVES** *Business Event Sponsorships totalling \$15,000 (excluding GST) to the following applicants:*
 - 1.1 *Encanta Event Management for the 24th Annual Human Genome Meeting (\$10,000); and*
 - 1.2 *The Australasian Institute of Mining & Metallurgy for International Lithium and Battery Metals Conference 2020 (\$5,000).*

2. **DECLINES** *sponsorship of the following applicants:*
 - 2.1 *Australasian Institute of Mining & Metallurgy for the Underground Operators Conference 2020;*
 - 2.2 *Exercise and Sports Science Australia Limited for the Research to Practice 2020 Conference;*
 - 2.3 *Nursery & Garden Industry Australia Limited for the Greenlife Industry Australia, National Conference 2020.*

3. **AUTHORISES** *the Chief Executive Officer (or an appointed delegate) to negotiate with the applicant the final list of sponsorship benefits according to the Council approved funding amount.*

The motion was put and carried

The votes were recorded as follows:

For: Commissioners Hammond, McMath and Kosova

Against: Nil

Item 13.5 Designated Site - City of Perth Accreditation of Homelessness Services within the Public Realm - 12 Month Trial

FILE REFERENCE: P1033574
 REPORTING OFFICER: Emma Landers, Alliance Manager Community Services
 REPORTING UNIT: Community Services
 RESPONSIBLE ALLIANCE: Community Development
 REPORT AUTHOR DISCLOSURE OF INTEREST: Nil
 DATE: 11 November 2019
 ATTACHMENT/S: Attachment 13.5A - City of Perth Accreditation of Homelessness Services in the Public Realm - Site Evaluation Report

Council Role:

- Advocacy *When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.*
- Executive *The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.*
- Legislative *Includes adopting local laws, town planning schemes and policies*
- Quasi-Judicial *When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.*
- Information *For the Committee to note.*

Legislation / Strategic Plan / Policy:

Legislation N/A

City of Perth Act 2016

Objects of the City of Perth

8(1)(d) - to continuously improve the services and facilities provided to the community, visitors and tourists

Integrated Planning and Reporting Framework Implications

Strategic Community Plan

Strategic Priority - Social

Policy

Policy No and Name: N/A

Purpose and Background:

The City has developed an accreditation process for homeless services operating within the public realm and is seeking Council endorsement of a site to trial the process for 12 months. The process involves the accreditation of homelessness service providers and goodwill groups to operate within the City of Perth from a designated site in accordance with conditions.

Identified in the *Homeless Sector Review*, a Mobile Free Food Distribution concept was created to coordinate the goodwill food and volunteer support provided by homelessness services in the inner city. The aims of this concept were to reduce duplication of services provided, identify gaps in service delivery and to effectively utilise the sectors' finite resources to support people experiencing homelessness.

This concept was further refined by the City Homeless Framework Committee's (CHFC) working group 'Unsolicited Distribution of Goods and Services in the Inner City'. Key themes and opportunities were captured and summarised into an action plan to assist in the coordination of service provision within the inner city.

The Accreditation of services is intended to collectively support the City, the Perth homelessness sector, the community and people requiring support. Accreditation follows a structured process to ensure the coordinated delivery of homeless support services that incorporates collaboration, transparency, sustainability and safety. A 12-month trial has been proposed in recognition of the development of the Department of Communities 10-year Homelessness Strategy, which is anticipated to vary current state government procurement of services, and subsequently service delivery of which the City of Perth Accreditation of services' long-term objectives will need to be responsive to.

Details:

Accreditation will address the provision of all services delivered by homelessness services and groups from sites within the public realm, including established not-for-profit groups, non-government organisations and goodwill community groups. In doing so, the City will ensure that all groups and services providing support to people within the inner city have consistent standards in their service delivery and closely align to the needs of the Perth Homelessness Sector and importantly people experiencing homelessness.

The City engaged homeless sector service providers and internal stakeholders to inform the development of the Accreditation Process.

Outcomes from the external engagement and feedback from service providers informed the development of the:

- Application process;
- Assessment process;
- Monitoring and outcomes measurements;
- Proposed sites for service delivery; and
- Risk Management Plan and Project Risk Registers.

The City evaluated seven shortlisted sites as potential sites for service delivery. As outlined in the Site Evaluation Report (Attachment 13.5A), each site was assessed against criteria specified by the sector. Following the assessment of each site and community engagement with external stakeholders, one site was deemed suitable for service delivery. The recommended site for service delivery is City owned land adjacent the recently closed Moore Street railway crossing.



Diagram 1: Aerial view of Moore Street site

Current amenities at the Moore Street site includes power, public toilets and water. Additional amenities required will include bins, cleansing services, lighting and security.

The table below outlines costs for use of the Moore Street site:

Item	Cost (12 months)
Infrastructure – 1 x 240 landfill bin	\$1,285
Infrastructure – 1 x 240L co-mingled bin	\$840
Service – 2 security guard’s x 4 hours for PM service delivery (3 months only)	\$18,796
Infrastructure – drink fountain	\$12,000
Service – Installation of drink fountain	
Product – Diesel to operate lighting tower	\$10,000
Infrastructure – Lighting tower (Solar LED – quote based on 12 months hire)	\$19,008
Service – Traffic Management and Plan	\$82,417.18
Total Cost	\$144,346.18

The Public Transport Authority (PTA) has recently closed the Moore Street Level Crossing which has seen a significant change in function for the road, particularly vehicle numbers. With the creation of a cul-de-sac at the railway junction, the City will now look to reconfigure the road to reflect the lower volumes which will include reducing the width of the road from four lanes to two lanes. The use of the Moore Street as a designated site for delivery of homeless services will be incorporated into the design of the area.

In addition to the major infrastructure works, the PTA has provided the City with funding to upgrade lighting and CCTV in the area to reflect the reduced passive surveillance by passing vehicles. The use of this area for homeless services will also add additional passive surveillance during operating days. Once completed there will no longer be a requirement for traffic management and temporary lighting, which will reduce the ongoing cost to the City.

Throughout the 12-month trial, internal and external stakeholders will be required to report on the outcomes of the trial on a quarterly basis, the evaluation will be inclusive of outcomes, operations and impact. The Accreditation process will be reviewed regularly in reflection of these evaluations and will inform the ongoing coordination of services within the inner city at the completion of the trial.

Stakeholder Engagement:

The City conducted community engagement with the homelessness services sector through July – September 2018 via the City Homeless Framework Committee working group. The City then conducted 3 workshops with homeless services and goodwill groups operating within the public realm through May – August 2019 to inform the design of the Accreditation process and create awareness of the City’s proposal and need to coordinate services within the inner city.

Following community engagement with the sector, the City conducted community engagement with stakeholders surrounding the shortlisted sites through September – October 2019 to inform the site selection.

Financial Implications:

ACCOUNT NO:	1075701200000
BUDGET ITEM:	Homelessness
BUDGETED AMOUNT:	\$0
AMOUNT SPENT TO DATE:	\$0
PROPOSED COST:	\$144,350
BALANCE REMAINING:	-\$144,350

All figures quoted in this report are exclusive of GST.

The cost to facilitate the use of Moore Street as a designated site for the provision of accredited homelessness services operating within the public realm will be accommodated within the 2019/20 budget, sourced from savings identified throughout the organisation.

Comments:

The City is taking a lead role in homelessness and supports the Perth Homelessness Sector with the goal of ending homelessness in Western Australia.

By coordinating the community goodwill within the broader sector, the City will work to reduce duplication of services provided, identify gaps in service and best utilise the sectors' finite resources, to more effectively support people experiencing homelessness.

Subject to Council's endorsement of the designated site, the 12-month trial of the Accreditation of homelessness services operating within the public realm will be launched in December 2019 and services operating within the City of Perth public realm will be required to be Accredited and operating from approved sites.

An evaluation report will be submitted to the next Council meeting following the end of the 12 month trial.

COUNCIL RESOLUTION

Moved Commissioner McMath, seconded Commissioner Kosova

That Council:

- 1. ENDORSE the use of City of Perth land located at Moore Street West, as outlined in Diagram 1 within this report, as the preferred site for homeless service delivery during a 12 month trial of City of Perth Accredited homeless services operating within the public realm; and***
- 2. APPROVE that an amount of \$144,350 be allocated to fund the Accreditation of Homelessness Services within the public realm trail, funded from the Targeted Cost Savings Initiative.***

The motion was put and carried

The votes were recorded as follows:

For: Commissioners Hammond, McMath and Kosova

Against: Nil

Meeting Note: Chair Commissioner Hammond acknowledged the efforts of Commissioner McMath in regard to this matter.

Item 13.6 Agreement for Installation of Catenary Anchor Points to Private Buildings as Part of the East End Revitalisation Program

FILE REFERENCE: P1033804
 REPORTING OFFICER: Lucy Wilson, Urban Designer
 RESPONSIBLE UNIT: Infrastructure and Assets
 RESPONSIBLE ALLIANCE: Infrastructure and Operations
 REPORT AUTHOR DISCLOSURE OF INTEREST: Nil
 DATE: 26 November 2019
 ATTACHMENT/S: Nil

Council Role:

- Advocacy *When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.*
- Executive *The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.*
- Legislative *Includes adopting local laws, town planning schemes and policies*
- Quasi-Judicial *When the Council determines an application/matter that directly affects a person’s right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.*
- Information *For the Committee to note.*

Legislation / Strategic Plan / Policy:

Legislation	N/A
City of Perth Act 2016	Objects of the City of Perth 8(1)(d) - to continuously improve the services and facilities provided to the community, visitors and tourists
Integrated Planning and Reporting Framework Implications	Strategic Community Plan Strategic Priority - Built Environment
Policy	
Policy No and Name:	10.9 – City of Perth Common Seal and Document Signing Authority

Purpose and Background:

The East End Revitalisation Program, which will improve the environment, character and permeability of Hay, Pier and Irwin Streets, ensuring they are great places to be as well as being safe and easy to get around, was endorsed by Council at the Ordinary Council Meeting held on **29 May 2018**. Following this the detailed design, including associated cost estimates and stakeholder engagement strategy was endorsed by Council on **30 April 2019**.

This report is to request that Council authorise the Chief Executive Officer to negotiate and execute final agreement between the City and various building owners within the East End Revitalisation Program area to achieve a suitable outcome on behalf of the City of Perth. This will facilitate the installation of catenary wiring systems (overhead wiring) that supports lighting and temporary artwork as outlined within the East End Revitalisation Program 2018 Masterplan.

Details:

As part of the East End Revitalisation Program catenary systems have been included to allow for permeant festoon style lighting and allow for events based activities such as temporary artwork.

Since receiving Council approval in April 2019, the City has been liaising with various building owners throughout the East End Revitalisation Program area to facilitate the installation of catenary wiring via anchor points to privately owned buildings within the east end. It is estimated that agreement will be required from between two and five building owners within the East End Revitalisation Masterplan area.

The life expectancy of the catenary system is 20 – 25 years, and during this time maintenance will be undertaken by the City as required. The agreement also ensures that building owners must reinstate the catenary if any works to the building require its temporary removal.

Stakeholder Engagement:

The East End Revitalisation 2018 Masterplan has been through three phases of community consultation in 2014, 2017 and 2018. The consultation was presented to Council in April 2019.

Ongoing consultation with the required building owners will occur as part of the legal agreement.

Financial Implications:

There are no financial implications related to this report.

Comments:

The installation of overhead catenary systems is included within the East End Revitalisation Program 2018 Masterplan, and the City is now working through final agreements with the required building owners to allow installation of the catenary wiring.

When Policy 10.9 – City of Perth Common Seal and Document Signing Authority, is next reviewed, the limitation on the CEO signing documents that have a commitment period over 10 years without

Council approval will be reviewed to ensure the limitation does not cause unnecessary Administration inefficiencies.

COUNCIL RESOLUTION

Moved Commissioner McMath, seconded Commissioner Kosova

That Council AUTHORISES the Chief Executive Officer to negotiate and execute a final agreement between the City and various buildings owners, to achieve a suitable outcome on behalf of the City of Perth for the installation of catenary wiring systems as part of the East End Revitalisation Program.

The motion was put and carried en bloc

The votes were recorded as follows:

For: Commissioners Hammond, McMath and Kosova

Against: Nil

Item 13.7 Financial Statements and Financial Activity Statement for the Period Ended 30 September 2019

FILE REFERENCE: P1014149-25
 REPORTING OFFICER: Neil Jackson, Acting Senior Management Accountant
 REPORTING UNIT: Finance
 RESPONSIBLE ALLIANCE: Corporate Services
 REPORT AUTHOR DISCLOSURE OF INTEREST: Nil
 DATE: 11 November 2019
 ATTACHMENT/S: Attachment 13.7A - Financial Statements and Financial Activity Statement for the period ended 30 September 2019

Council Role:

- Advocacy *When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.*
- Executive *The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.*
- Legislative *Includes adopting local laws, town planning schemes and policies*
- Quasi-Judicial *When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.*
- Information *For the Committee to note.*

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*

City of Perth Act 2016

Objects of the City of Perth

8(1)(d) - to continuously improve the services and facilities provided to the community, visitors and tourists

Integrated Planning and Reporting Framework Implications

Strategic Community Plan
 Leadership

Policy

Policy No and Name: N/A

Comments:

The Financial Activity Statement commentary compares the actual results for the three months to 30 September 2019 with the budget approved by Council on **23 July 2019**.

COUNCIL RESOLUTION

Moved Commissioner McMath, seconded Commissioner Kosova

*That Council **RECEIVES** the Financial Statements and the Financial Activity Statement for the period ended 30 September 2019 as detailed in Attachment 13.7A of this report.*

The motion was put and carried en bloc

The votes were recorded as follows:

For: Commissioners Hammond, McMath and Kosova

Against: Nil

Item 13.8 Payments from Municipal and Trust Funds – July 2019

FILE REFERENCE:	P1036562-9
REPORTING OFFICER:	Susan Brown, Accounts Payable Supervisor
REPORTING UNIT:	Finance
RESPONSIBLE ALLIANCE:	Corporate Services
REPORT AUTHOR DISCLOSURE OF INTEREST:	Nil
DATE:	11 November 2019
ATTACHMENT/S:	A detailed list of payments made under delegated authority for the month ended 31 July 2019 can be accessed by the Commissioners via the Council Hub. Members of the public can access the list of payments on request.

Council Role:

- Advocacy *When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.*
- Executive *The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.*
- Legislative *Includes adopting local laws, town planning schemes and policies*
- Quasi-Judicial *When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (e.g. under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.*
- Information *For the Committee to note.*

Legislation / Strategic Plan / Policy:

Legislation Regulation 13(1) of the *Local Government (Financial Management) Regulations 1996*

City of Perth Act 2016**Objects of the City of Perth**

8(1)(d) - to continuously improve the services and facilities provided to the community, visitors and tourists

Integrated Planning and Reporting Framework Implications**Strategic Community Plan**

Strategic Priority - Economic

Policy

Policy No and Name: N/A

Comments:

Payments for the month of July 2019 included the following significant items, but exclude payroll and payroll taxation payments to the Deputy Commissioner of Taxation:

- \$17,653,979.85 to The Commissioner of State Revenue for payments of \$11,869,202.65 for the Perth parking licence assessment fee 2019/2020 for the State Library and \$5,784,595.20 for the Perth parking licence renewal for 2019/2020;
- \$2,159,271.53 to the Western Australian Treasury Corporation for loan payments of \$711,834.69 for the Perth City Library and Public Plaza, \$541,200.68 for the Elder Street Carpark, \$560,574.81 for the Perth Convention and Exhibition Centre Carpark, \$32,774.82 for the Goderich Street Carpark and \$244,464.23 for the Perth City Library and Public Plaza and \$68,422.36 for the Government Guarantee Fee;
- \$1,867,157.78 to Marsh Pty Ltd for payments of \$1,834,157.78 for the GC Workers Compensation policy for 2019/2020 and \$33,000.00 for Marsh Broker fee for 2019/2020;
- \$918,314.12 to Insight Electrical Technology Pty Ltd for the Council House lighting upgrade;
- \$619,206.82 to WA Hino Sales and Services for payments of \$280,601.00, \$128,393.20 and \$99,631.05 & \$107,301.35 for purchases of Long Auto vehicles and the remaining \$3,387.52 being for repairs and maintenance;
- \$584,258.81 to Department of Local Government, Sport and Cultural Industries for payments of \$476,835.70 for the Car Park Revenue 2017/2018 as per the lease agreement the recoup of wages for the Commissioners of \$84,145.68 for the period 3 May 2019 to 13 June 2019 and \$23,277.43 for State Library of WA & Art Gallery of WA Sub-meters electricity from 29 March 2019 to 27 May 2019; and
- There were three fortnightly payroll payments made in the month of July 2019.

Due to an administrative oversight, this report relating to the July 2019 period is being submitted to the November Ordinary Council meeting.

COUNCIL RESOLUTION

Moved Commissioner McMath, seconded Commissioner Kosova

That Council, in accordance with Regulation 13(1) of the Local Government (Financial Management) Regulations 1996, RECEIVES the list of payments made under delegated authority for the month ended 31 July 2019 and recorded in the Minutes of the Council, the summary of which is as follows:

<i>FUND</i>	<i>PAID</i>
<i>Municipal Fund</i>	<i>\$ 42,231,032.73</i>
<i>Trust Fund</i>	<i>\$ 82,022.67</i>
<i>TOTAL:</i>	<u><u><i>\$ 42,313,055.40</i></u></u>

The motion was put and carried en bloc

The votes were recorded as follows:

For: Commissioners Hammond, McMath and Kosova

Against: Nil

Item 13.9 Payments from Municipal and Trust Funds – October 2019

FILE REFERENCE:	P1036562-9
REPORTING OFFICER:	Reshma Janmeerbacus, Acting Manager Finance
REPORTING UNIT:	Finance
RESPONSIBLE ALLIANCE:	Corporate Services
REPORT AUTHOR DISCLOSURE OF INTEREST:	Nil
DATE:	8 November 2019
ATTACHMENT/S:	A detailed list of payments made under delegated authority for the month ended 31 October 2019 can be accessed by the Commissioners via the Council Hub. Members of the public can access the list of payments on request

Council Role:

- Advocacy *When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.*
- Executive *The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.*
- Legislative *Includes adopting local laws, town planning schemes and policies*
- Quasi-Judicial *When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.*
- Information *For the Committee to note.*

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*

City of Perth Act 2016 **Objects of the City of Perth**
8(1)(d) - to continuously improve the services and facilities provided to the community, visitors and tourists

Integrated Planning and Reporting Framework Implications **Strategic Community Plan**
Strategic Priority - Leadership

Policy
Policy No and Name: N/A

Comments:

Payments for the month of October 2019 included the following significant items, but exclude payroll and payroll taxation payments to the Deputy Commissioner of Taxation:

- \$4,400,000.00 to the Trustee for Industry Superannuation Property (supplier 07852) for the Forrest Chase redevelopment works in accordance with the development management Forrest Chase Redevelopment;
- \$711,834.69 for payment of the loan to the Western Australian Treasury for the Perth City Library and Public Plaza; and
- There were three fortnightly payroll payments made in the month of October 2019.

COUNCIL RESOLUTION

Moved Commissioner McMath, seconded Commissioner Kosova

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 October 2019 to be RECEIVES and recorded in the Minutes of the Council, the summary of which is as follows:

<i>FUND</i>	<i>PAID</i>
<i>Municipal Fund</i>	<i>\$20,544,463.38</i>
<i>Trust Fund</i>	<i>\$ 0</i>
<i>TOTAL:</i>	<i>\$ 20,544,463.38</i>

The motion was put and carried en bloc

The votes were recorded as follows:

For: Commissioners Hammond, McMath and Kosova

Against: Nil

Item 13.10 Budget Review - Targeted Cost Savings Initiative

FILE REFERENCE: P1037120
 REPORTING OFFICER: Michael Kent, Project Director Strategic Finance
 REPORTING UNIT: Strategic Finance
 RESPONSIBLE ALLIANCE: Corporate Services
 REPORT AUTHOR DISCLOSURE OF INTEREST: Nil
 DATE: 6 November 2019
 ATTACHMENT/S: Attachment 13.10A - Operational Savings (Detailed)
 Attachment 13.10B - Details of Capital Budget variations

Council Role:

- Advocacy *When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.*
- Executive *The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.*
- Legislative *Includes adopting local laws, town planning schemes and policies*
- Quasi-Judicial *When the Council determines an application/matter that directly affects a person’s right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.*
- Information *For the Committee to note.*

Legislation / Strategic Plan / Policy:

Legislation Section 6.2 of the *Local Government Act 1995*, and Part 3 of the *Local Government (Financial Management) Regulations 1996*.

City of Perth Act 2016 **Objects of the City of Perth**
 8(1)(d) - to continuously improve the services and facilities provided to the community, visitors and tourists

Integrated Planning and Reporting Framework Implications **Strategic Community Plan**
 Strategic Priority - Leadership

Policy
 Policy No and Name: 9.6 - Budget Variation Policy

Purpose and Background:

The purpose of this report is to present to Council the results of the targeted cost savings initiative undertaken by the City Administration in response to previous direction from Council to critically review and constrain operational expenditure.

Council had previously recognised that the City's operational costs in particular, had been growing at a disproportionate and unsustainable rate. As a result, Council requested the Administration to review operational costs and to re-prioritise savings identified in operational service areas.

Simultaneously, in response to community feedback, Council has introduced a number of new strategic initiatives to stimulate retail activity in the CBD, address issues such as homelessness and make the CBD a more attractive destination of choice. Council were, however, also very clear that in delivering on these strategic initiatives, further impost on the City's ratepayers was not an acceptable outcome. The challenge to the City Administration was to become more targeted and efficient with the available resources to deliver better community outcomes - as new or additional resource would not be forthcoming.

To prioritise previously planned activity in a responsible way that reflected this greater rigour in budgeting, the administration undertook a targeted cost savings exercise. The purpose of the exercise was to identify funding sources to facilitate the delivery of the new Council initiated activities with minimal impact to the endorsed 2019/20 annual budget.

The organisation has critically reviewed budgets to explore potential operational efficiencies and to re-prioritise projects to optimise resource allocations. The executive team and management team have been actively engaged in the review, critically evaluating suggested expenditure cuts and identifying any unintended consequences and service impacts resulting from the proposed reductions in the 2019/20 budget.

The exercise also took into account organisational capacity to deliver the planned initiatives versus strategic aspiration. This targeted cost savings initiative builds upon the previous \$3M cost reduction from the 2019/20 draft budget to the 2019/20 adopted budget.

Through the targeted cost savings exercise the City has sought to:

1. Balance the delivery of services to agreed standards against available financial resources to effectively deliver desired stakeholder and community outcomes.
2. Reduce the discretionary spend on operational projects.
3. Generate a funding source to support CBD retail activation initiatives such as free parking in identified precincts, provide the major Christmas / New Year retail activation event and to establish a Homelessness response.

Details:

The following table outlines the indicative funding requirements for the delivery of the new initiatives.

Initiative	Cost Range	Budget \$
One Hour Free Parking Trial	\$600K - \$2.5M	2,500,000
Homelessness Response		500,000
Christmas and New Year Activation Campaign		1,435,000
Mobile Surveillance Upgrades		156,000
Available for Other Discretionary Council Priorities/Activations *		3,808,955
Total Anticipated Cost for New Initiatives		\$8,399,955

It should be noted that the impacts of the free parking initiatives are very difficult to actively model as they depend on changes in customer behaviour, so the top end of the financial impact range has been used.

* The balance of the identified savings resulting from the targeted cost savings initiative of \$3.81M will be held in a specified budget line item to be deployed as and when further new Council initiatives are prioritised.

The table below summarises the savings identified by the Administration as part of the targeted operational cost savings exercise. These savings will be used to fund the initiatives identified above.

Summary of Reductions classified by Impact of Savings and by Category

One off operating cost savings (projects)	\$ 3,628,927
Sustainable (ongoing) service delivery savings	\$ 2,223,573
Reduction of minor IT operating budgets (ongoing savings)	\$ 131,239
Capital project deferral (current year saving only)	\$ 2,416,216
Total Savings	\$ 8,399,955

Employee Expenses (Including Indirect salary expenses)	\$ 2,528,541
Materials & Contract Expenses	\$ 2,672,986
Other Expenses	\$ 447,551
Parking Revenue Increase	\$ 334,661
Capital Expenditure Forfeited	\$ 2,416,216
Total Savings	\$ 8,399,955

Financial Implications:

Refer to summary table in Details section and attachments to report.

Comments:

The City has identified operational cost savings of \$5.98M plus a further \$2.42M of capital projects that will not be delivered in 2019/20 making a total of \$8.4M available in the 2019/20 year to support the new Council initiated CBD activation activities.

COUNCIL RESOLUTION

Moved Commissioner Hammond, seconded Commissioner Kosova

That Council:

1. ***AMENDS the 2019/20 Adopted Budget (as subsequently amended by resolutions of Council to the date of this report) by endorsing the budget variations detailed in Attachments 13.10A and Attachment 13.10B to this report; and***
2. ***APPROVES the transfer of \$1,435,000 to the Enterprise and Initiative Reserve in accordance with the resolution from Item 7.1 from the Special Council meeting held on 3 October 2019.***

The motion was put and carried

The votes were recorded as follows:

For: Commissioners Hammond, McMath and Kosova

Against: Nil

Item 13.11 Adoption of Strategic Community Plan 2019-2029

FILE REFERENCE:	P1028810#03
REPORTING OFFICER:	Chris Noble, Corporate Strategy and Planning Advisor
REPORTING UNIT:	Strategy and Recovery
RESPONSIBLE ALLIANCE:	CEO Alliance
REPORT AUTHOR DISCLOSURE OF INTEREST:	Nil
DATE:	7 November 2019
ATTACHMENT/S:	Attachment 13.11A – City of Perth Strategic Community Plan (2019 – 2029)

Council Role:

- Advocacy *When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.*
- Executive *The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.*
- Legislative *Includes adopting local laws, town planning schemes and policies*
- Quasi-Judicial *When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.*
- Information *For the Committee to note.*

Legislation / Strategic Plan / Policy:

Legislation	Section 5.56 of the <i>Local Government Act 1995</i>
City of Perth Act 2016	Objects of the City of Perth 8(1)(j) - to strike an appropriate balance among civic, economic, social, cultural and environmental considerations
Integrated Planning and Reporting Framework Implications	Strategic Community Plan Strategic Priority - Leadership

Purpose and Background:

In 2017, the City conducted the Share to Shape campaign that sought engagement and information from the City's stakeholders and community members to guide its future direction. The engagement took place over a six-month period, which resulted in the development of the City's Strategic Community Plan, Shaping Our Capital City.

Upon reflection, and due to the appointment of Commissioners, it was identified that whilst the Shaping Our Capital City Plan was informed by community input, there was little oversight from

Council regarding the ability for the administration to have the resources to deliver on the planned objectives. On 29 May 2018, it was requested that a further review of the Strategic Community Plan was conducted, to translate this community directed plan into a feasible, Council financed, Strategic Community Plan.

An external consultant was subsequently commissioned in late August 2018 to conduct a process to articulate the strategic priorities, within the Strategic Community Plan, through an external desktop review and internal stakeholder consultations. The process involved one-on-one meetings with the City's Commissioners, Executive and Management teams to understand the perceived priorities, balanced with information gathered from community through the Share to Shape Campaign, with the outcome informing the development of a new Strategic Community Plan, which was endorsed at the Ordinary Council Meeting **28 May 2019**.

Upon reflection, enhanced by the change in City's leadership at the Commissioner level, a review was requested to ensure the City had further clarity on the future direction. This reviewed Strategic Community Plan is provided for Commissioner consideration.

Details:

The City's Strategic Community Plan presents a community aspiration that the city will be: Vibrant, connected, progressive.

This revised Strategic Community Plan clarifies the City's objectives and priorities, to achieve a further refined set of aspirations. The aspirations have been grouped into several key areas of focus for the City to align with. These areas are:

- **People**
A safe, activated and welcoming City that celebrates its diversity and sense of community, providing a unique educational, cultural, sporting and lifestyle offering.
- **Place**
A well planned and functional built form environment, promoting world class architecture, appreciation of heritage, diversity of land use and a sustainable, affordable and accessible integrated transport system.
- **Planet**
A City that respects, protects and fosters its natural environment, embraces the principles of sustainability, and acknowledges the impacts of our changing climate.
- **Prosperity**
A City with a diverse and resilient economy capitalising upon its unique competitive advantages and creative reputation, attracting sustainable investment in education tourism, entertainment, commerce, technology and trade.
- **Performance**
A City led by a Council and supported by an Administration that is committed to sound strategy and governance, excellence in customer service and effective and sincere engagement with all stakeholders.

- **Partnership**

A City that has earned the respect and support of the local industry through strong partnerships with State bodies, industry and community groups, and other key stakeholders.

Financial Implications:

There are no financial implications related to this report.

Comments:

It is recommended that Council endorse the City’s Strategic Community Plan as detailed in Attachment 13.11A, to provide strategic direction to the City’s decision-making processes, services, projects and financial commitments.

Following adoption of the Strategic Community Plan 2019 – 2029, it will be promoted and shared with the community. Issue specific strategies and legislated plans to achieve the Strategic Community Plan’s identified aspirations, will be developed and implemented. Feedback will be given on a regular basis with regards to the progress with the implementation of these strategies and plans.

COUNCIL RESOLUTION

Moved Commissioner Kosova, seconded Commissioner McMath

That Council ADOPT the City’s Strategic Community Plan, as detailed in Attachment 13.11A.

The motion was put and carried

The votes were recorded as follows:

For: Commissioners Hammond, McMath and Kosova

Against: Nil

Change of Order of Business of the Agenda

Meeting Note: Council agreed that the order of business detailed in the agenda be amended so the attachments, for which the Presiding Member advised are confidential, can be considered last for the benefit of the public as the items need to be considered behind closed doors:

1. Item 13.12 – Appointment of Members and Deputy Members to the Design Advisory Committee;
2. Item 13.13 – Event Grants Round 2 - 2019/20;
3. Item 13.14 – Adoption – City of Perth Outdoor Dining Amendment Local Law 2019;
4. Item 13.15 – Recruitment Consultant - Chief Executive Officer Recruitment Process;
5. Item 13.20 – Risk Management Quarterly Update – November 2019; and
6. Item 13.21 - Internal Audit Plan 2019/20 – Cyber Security Review.

Item 13.16 Internal Audit 2019/20 – Fraud and Corruption Controls Review July 2019

FILE REFERENCE: P1026043-2
 REPORTING OFFICER: Mario Cheldi, Internal Auditor
 REPORTING UNIT: CEO Alliance
 RESPONSIBLE ALLIANCE: CEO
 REPORT AUTHOR DISCLOSURE OF INTEREST: Nil
 DATE: 23 July 2019
 ATTACHMENT/S: Attachment 13.16A – Fraud and Corruption Controls Review Report July 2019

Council Role:

- Advocacy *When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.*
- Executive *The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.*
- Legislative *Includes adopting local laws, town planning schemes and policies*
- Quasi-Judicial *When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.*
- Information *For the Committee to note.*

Legislation / Strategic Plan / Policy:

Legislation *Local Government (Audit) Regulations 1996*

City of Perth Act 2016

Objects of the City of Perth

8(1)(a) - to provide for the good government of persons in the City of Perth, including residents, ratepayers and visitors

Integrated Planning and Reporting Framework Implications

Strategic Community Plan
 Strategic Priority - Leadership

Policy

Policy No and Name: 19.1 – Risk Management

Purpose and Background:

Approval of the Fraud and Corruption Controls Review completed in accordance with the Internal Audit Plan 2019/20.

Details:

The results of this review are detailed in Attachment 13.16A.

Financial Implications:

There are no financial implications related to this report.

Comments:

Nil

COUNCIL RESOLUTION

Moved Commissioner McMath, seconded Commissioner Kosova

That Council APPROVES the Fraud and Corruption Controls Review July 2019 as part of the Internal Audit Plan 2019/20 as detailed in Attachment 13.16A.

The motion was put and carried en bloc

The votes were recorded as follows:

For: Commissioners Hammond, McMath and Kosova

Against: Nil

Item 13.17 Compliance Audits – City of Perth and New South Wales/Victorian Government Transport Authority Agreements

FILE REFERENCE: P1026043-2
 REPORTING OFFICER: Niloha Mendoza, Assistant Internal Auditor
 REPORTING UNIT: CEO Alliance
 RESPONSIBLE ALLIANCE: CEO
 REPORT AUTHOR DISCLOSURE OF INTEREST: Nil
 DATE: 23 July 2019
 ATTACHMENT/S: N/A

Council Role:

- Advocacy *When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.*
- Executive *The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.*
- Legislative *Includes adopting local laws, town planning schemes and policies*
- Quasi-Judicial *When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.*
- Information *For the Committee to note.*

Legislation / Strategic Plan / Policy:

Legislation	Regulation 17 of the <i>Local Government (Audit) Regulations 1996</i>
City of Perth Act 2016	Objects of the City of Perth 8(1)(a) - to provide for the good government of persons in the City of Perth, including residents, ratepayers and visitors
Integrated Planning and Reporting Framework Implications	Strategic Community Plan Strategic Priority - Leadership
Policy	
Policy No and Name:	19.1 – Risk Management

Purpose and Background:

Access to interstate vehicle registration details is required by the City of Perth (the City) for the purposes of enforcing parking infringements incurred by interstate vehicle owners and drivers within the City's boundaries.

In 2014 the City entered into two agreements to access and use interstate vehicle registration details. These agreements are as follows:

- DRIVES24 Terms of Access Agreement (NSW Roads and Maritime Services (RMS)); and
- Information Protection Agreement (Roads Corporation of Victoria (VicRoads)).

The above agreement with VicRoads was superseded by a new agreement on 1 April 2019.

New South Wales (NSW) and Victoria are the only states or territories which the City has an agreement with for accessing motor vehicle registration details. These agreements are a result of the NSW and Victoria transport authorities' obligations to protect customer personal information (vehicle owner and driver details) as required by their respective state privacy legislation.

The City is required by the abovementioned state government authorities to have a review undertaken for each financial year with respect to its compliance with the relevant agreement. Failure to carry out these audits by the due date may result in access to vehicle registration detail information being suspended by the relevant government authority, which in turn affects the ability of the City to enforce and collect revenue from parking infringements incurred by NSW and Victorian drivers and vehicle owners.

The City's parking infringements are managed by the Legal Compliance and Infringement Services section (previously Infringement Support section) of the Parking Services Unit. In 2014, Internal Audit was requested by the Infringement Support section to carry out audits in relation to compliance with the abovementioned agreements. These compliance audits were undertaken by Internal Audit for the 2014/15 financial year and have been included within the approved Internal Audit Plan for each financial year since.

This report provides a summary of the abovementioned compliance audits completed for the 2018/19 financial year.

As per Pathway system records, during the 2018/19 financial year the City issued 243 parking infringements to NSW vehicle owners and drivers, and 533 parking infringements to Victorian vehicle owners and drivers which raised revenue of \$20,635 and \$42,745 respectively.

Details:**Compliance with DRIVES24 Terms of Access Agreement (RMS)**

The NSW Roads and Maritime Services (RMS) is the NSW Government agency responsible for the registration of vehicles and the issuing of driver's licences in New South Wales.

The RMS vehicle registration and driver licensing system, known as DRIVES, is the electronic records management system operated by the RMS to process and record NSW vehicle registrations and driver's licences. RMS use and disclosure of personal information contained on DRIVES is subject to the *Privacy Act 1988* (Cth), *Privacy and Personal Information Protection Act 1998* (NSW), and the confidentiality provisions of the *Road Transport Act 2013* (NSW).

DRIVES24 is the interface by which the City obtains read-only access to DRIVES. An agreement to access DRIVES24 to obtain NSW vehicle registration information was entered into by the City on 29 May 2014.

Access to the DRIVES24 interface and the use of DRIVES information has been granted by RMS and is restricted to staff within the Legal Compliance and Infringement Services section of Parking Services with a legitimate need for DRIVES information (i.e, to facilitate the issue of parking infringements) and who have signed a DRIVES External User Account Request Form (Authorised Users). Under the DRIVES24 Terms of Access Agreement with RMS (the 'DRIVES24 Agreement'), the Infringement Support Team Leader is the Security Administrator. This position title has now changed to Supervisor, Legal Compliance & Infringement Services.

The DRIVES24 Agreement provides for Authorised Users to access the records held in DRIVES24 for the purpose of enforcing the following legislation listed within the agreement:

- *Road Traffic Act 1974* (WA); and
- *City of Perth Parking Local Law 2017*.

This audit comprised a review of the City's compliance with the requirements of the agreement, categorised under the following broad guidelines:

- Use of DRIVES24 and DRIVES information;
- Internal guidelines and procedures;
- Personnel security checks;
- Premises (local and remote access);
- Records, audit and inspection; and
- Review of access audit logs for users for annual compliance certificate.

As per the a DRIVES24 Agreement, RMS provided the City with access logs for three out of eight Authorised Users who accessed the DRIVES24 interface from February to May 2019. Those access logs were required to be reviewed as part of this audit to confirm that access to DRIVES24 information is in accordance with the permitted purpose contained within the agreement. A total of 41 searches were reviewed on the access logs and compliance with this permitted purpose was confirmed. No issues of concern were identified.

The audit has found that the City has complied with the RMS DRIVES24 Terms of Access Agreement and Guidelines for the 2018/19 financial year.

As per the DRIVES24 Agreement, an annual audit report template and Compliance Audit Certificate (provided by RMS) were completed and submitted to RMS prior to the 29 May 2019 deadline.

Compliance with Information Protection Agreement (VicRoads)

The Roads Corporation of Victoria (VicRoads) is the road and traffic authority in Victoria, and is responsible for driver licensing and vehicle registration in that state. Use and disclosure of information maintained by VicRoads is subject to the *Privacy Act 1988* (Cth), *Primary and Data Protection Act 2014* (Vic), and confidentiality provisions of the *Road Safety Act 1986* (Vic).

The City's access to VicRoads information (the 'Information') was agreed on 12 February 2014 as per the Information Protection Agreement (IPA). This agreement was replaced by a new IPA on 1 April 2019. Access and use of the Information is granted by VicRoads and is restricted to only those employees who have a genuine operational need to use the Information. Under the current IPA the Supervisor, Legal Compliance & Infringement Services is the Organisation Representative. The City is required to have a review undertaken for each financial year to assess compliance with the IPA.

The City obtains the Information (i.e. vehicle owner names and addresses) from VicRoads via email containing a secure file attachment in order to enforce infringements as per the following legislation listed within the current IPA:

- *Local Government Act 1995* (WA);
- *Fines Penalties and Infringement Notice Enforcement Act 1994* (WA);
- *Road Traffic Act 1974* (WA); and
- *Road Traffic (Administration) Act 2008* (WA).

Under the current IPA, VicRoads has adopted a risk-based audit approach. A template was provided by VicRoads for the City to assess its compliance with the following broad areas:

- Privacy and Data Security;
- Records and Change Management (employee changes);
- Breach Management; and
- Subcontractors (not applicable for the City of Perth).

The City was required to provide its controls under each of the above areas and these were listed on the IPA Annual Audit Report template. In addition, the City was required to rate its controls under a VicRoads maturity rating scale (zero to three). The Internal Audit Team has rated relevant controls at an average of just over two. Under the VicRoads maturity rating scale two means "The Recipient's controls are designed and approaching maturity, with only minor improvements needed, but only partially implemented."

IPA Annual Audit Report template also requested recommendations for improvements to controls as required. A number of recommendations were made on the template and are summarised as

follows:

- City's VicRoads policy and procedure to be updated in line with the new VicRoads IPA (including Australian Privacy Principles contained within *Privacy Act 1988* (Cth));
- Records of in-house VicRoads IPA training provided to Nominated Persons (employees who are authorised to access the information) including training on the Australian Privacy Principles contained in the *Privacy Act 1988* (Cth) to be maintained by the Organisational Representative;
- Periodic review of the City's Register of Nominated Persons to identify changes to these persons and timely notification of these changes to VicRoads to be undertaken by the Organisational Representative; and
- Documentation of spot checks (refer below) to be carried out by the Organisational Representative.

Recommended improvements were agreed with the Organisational Representative as well as the Manager Parking Services.

In addition, the IPA Annual Audit Report template requires spot checks to be undertaken to test whether the "Information is requested, accessed, used or disclosed for the Purpose [of the IPA] only".

Under the IPA the City requires the VicRoads information for the following purpose: "The prevention, detection, investigation and prosecution of offences and enforcement of penalties in relation to parking, traffic, abandoned vehicles and other local matters, where the council is the law enforcement agency, including the preparation for and conduct of related proceedings or the protection of public revenue."

A sample of 203 (out of 279) access requests for VicRoads vehicle registration details were reviewed for the period 1 July 2018 to 30 June 2019. Sample testing has confirmed that this information was accessed and used for the abovementioned purpose by Nominated Persons (refer above). No issues of concern were identified.

The overall conclusion of this audit is that there is evidence to provide assurance that existing controls over the management of VicRoads information security and access requirements as per the IPA are adequate and being observed by the City of Perth. However, there is scope for improvement in these controls as per the recommendations summarised above.

The completed and signed off annual audit report template was submitted to VicRoads prior to the 31 July 2019 deadline.

Financial Implications:

There are no financial implications related to this report.

Comments:

The cooperation and assistance received from a number of relevant staff within the Legal Compliance and Infringement Services section to enable the completion of these audits is appreciated.

COUNCIL RESOLUTION

Moved Commissioner McMath, seconded Commissioner Kosova

That Council APPROVES the Compliance Audits - City of Perth and New South Wales/Victorian Government Transport Authority Agreements, as part of the Internal Audit Plan for 2018/19 and 2019/20.

The motion was put and carried en bloc

The votes were recorded as follows:

For: Commissioners Hammond, McMath and Kosova

Against: Nil

Item 13.18 Moore Stephens Financial Management Review

FILE REFERENCE: P1037237
 REPORTING OFFICER: Mario Cheldi, Internal Auditor
 REPORTING UNIT: CEO Alliance
 RESPONSIBLE DIRECTORATE: CEO
 REPORT AUTHOR DISCLOSURE OF INTEREST: Nil
 DATE: 13 September 2019
 ATTACHMENT/S: Attachment 13.18A – Moore Stephens Financial Management Review September 2019
 Attachment 13.18B – Findings Implementation Planning Sheet
 Attachment 13.18C – Risk and Audit Response

Council Role:

- Advocacy *When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.*
- Executive *The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.*
- Legislative *Includes adopting local laws, town planning schemes and policies*
- Quasi-Judicial *When the Council determines an application/matter that directly affects a person’s right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.*
- Information *For the Committee to note.*

Legislation / Strategic Plan / Policy:

Legislation Regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996*

Integrated Planning and Reporting Framework Implications **Strategic Community Plan**
 Strategic Priority - Leadership

Policy
 Policy No and Name: 19.1 - Risk Management

Purpose and Background:

Regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996* states that the CEO is to “undertake reviews of the appropriateness and effectiveness of the financial

management systems and procedures of the local government regularly (and not less than once in every 3 financial years) and report to the local government the results of those reviews”.

Moore Stephens were engaged by the City to undertake a Financial Management Review as required by the above legislation. The results of this review are provided within their final report (Attachment 13.18A).

Details:

The Financial Management Review was carried out by Moore Stephens between February and March 2019.

Financial systems and procedures examined by Moore Stephens are outlined on page six of their final report (Attachment 13.18A). An examination of these financial systems and procedures for the period 1 July 2018 to 31 January 2019 was undertaken.

Draft reports on the Financial Management Review were provided by Moore Stephens in March and May 2019. Management comments to the findings within the draft report were received from the former Manager Finance in August 2019. The final report was issued by Moore Stephens in September 2019.

On page five of their final report, Moore Stephens have provided the following conclusion in respect of their Financial Management Review:

“Based on our work described in this report, nothing has come to our attention to indicate the City of Perth has not established and maintained, in all material respects, appropriate and effective financial management systems and procedures during the period covered by our review being 1 July 2018 to 31 January 2019.”

A number of opportunities for improvement (findings) were identified by Moore Stephens and these are described within sections 3 and 4 of their final report. The former Manager Finance accepted the findings and provided comments including proposed actions to address these findings. However, persons responsible for actions to address findings and timeframes for completion of actions were not included within these management comments. The management comments have been incorporated into the final report by Moore Stephens (Attachment 13.18A).

A Findings Implementation Planning Sheet (Attachment 13.18B) has been prepared by the Internal Auditor which summarises the findings and risk rating given to these findings by Moore Stephens. This sheet provides an equivalent City of Perth risk rating for the findings. Based on the City of Perth risk rating, the Risk and Audit Response Matrix (Attachment 13.18C) was used to determine a timeframe for completion of action for addressing the findings using a baseline date of 28 August 2019 (the date that management comments to the findings were received from the former Manager Finance).

It should be noted that confirmation was obtained that the high-risk findings within the Findings Implementation Planning Sheet (Attachment 13.18B) have already been implemented. The status of findings within this sheet will be reported to the next Audit and Risk Committee meeting (to be scheduled in February 2020) as part of the Outstanding Audit Items Report.

Financial Implications:

There are no financial implications related to this report.

Comments:

Confirmation was obtained from the Risk Management Coordinator that the Risk and Audit Response Matrix (Attachment 13.18C), as approved by the Audit and Risk Committee at its meeting held 20 May 2019, is to apply to the findings of reviews carried out by external parties.

COUNCIL RESOLUTION

Moved Commissioner McMath, seconded Commissioner Kosova

That the Council RECEIVES the report on the Moore Stephens Financial Management Review.

The motion was put and carried en bloc

The votes were recorded as follows:

For: Commissioners Hammond, McMath and Kosova

Against: Nil

Item 13.19 Internal Audit 2019/20 – Investments Audit

FILE REFERENCE: P1026043-2
 REPORTING OFFICER: Niloha Mendoza, Assistant Internal Auditor
 REPORTING UNIT: CEO Alliance
 RESPONSIBLE ALLIANCE: CEO
 REPORT AUTHOR DISCLOSURE OF INTEREST: Nil
 DATE: 24 October 2019
 ATTACHMENT/S: Attachment 13.19A – Investments Audit Report October 2019

Council Role:

- Advocacy *When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.*
- Executive *The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.*
- Legislative *Includes adopting local laws, town planning schemes and policies*
- Quasi-Judicial *When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.*
- Information *For the Committee to note.*

Legislation / Strategic Plan / Policy:

Legislation *Local Government (Audit) Regulations 1996*

City of Perth Act 2016**Objects of the City of Perth**

8(1)(a) - to provide for the good government of persons in the City of Perth, including residents, ratepayers and visitors

Integrated Planning and Reporting Framework Implications

Strategic Community Plan
 Strategic Priority - Economic

Policy

Policy No and Name: 19.1 – Risk Management

Purpose and Background:

Approval of the Investments Audit completed in accordance with the Internal Audit Plan 2019/20.

Details:

The results of this review are detailed in Attachment 13.19A.

Financial Implications:

There are no financial implications related to this report.

Comments:

Nil

Officer Recommendation

That Council APPROVES the Investments Audit October 2019 as part of the Internal Audit Plan 2019/20, as detailed in Attachment 13.19A.

COUNCIL RESOLUTION

MOVED WITH AMENDMENT

Moved Commissioner Hammond, seconded Commissioner McMath

That Council amend the Officer Recommendation as follows:

That Council:

1. ***APPROVES the Investments Audit October 2019 as part of the Internal Audit Plan 2019/20, as detailed in Attachment 13.19A; and***
2. ***REQUESTS a review of the Investment Policy and the investments contained therein to be brought back via a discussion paper.***

PRIMARY MOTION AS AMENDED

That Council:

1. ***APPROVES the Investments Audit October 2019 as part of the Internal Audit Plan 2019/20, as detailed in Attachment 13.19A; and***
2. ***REQUESTS a review of the Investment Policy and the investments contained therein to be brought back via a discussion paper.***

The motion was put and carried

The votes were recorded as follows:

For: Commissioners Hammond, McMath and Kosova

Against: Nil

Item 13.22 Northbridge Special Entertainment Area Key Elements

FILE REFERENCE:	P1034633#02
REPORTING OFFICER:	Siobhan Linehan, Senior Urban Planner
REPORTING UNIT:	City Planning
RESPONSIBLE ALLIANCE:	Planning and Economic Development
REPORT AUTHOR DISCLOSURE OF INTEREST:	Nil
DATE:	19 November 2019
ATTACHMENT/S:	Attachment 13.22A – Map of the Special Control Area - Key elements Attachment 13.22B - Map of the Special Control Area – current statutory planning responsibilities

Council Role:

- Advocacy *When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.*
- Executive *The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.*
- Legislative *Includes adopting local laws, town planning schemes and policies*
- Quasi-Judicial *When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (e.g. Proposed Northbridge under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.*
- Information *For the Committee to note.*

Legislation / Strategic Plan / Policy:**Legislation**

Environmental Protection Act 1986
Environmental Protection (Noise) Regulations 1997
Planning and Development Act 2005
Planning and Development (Local Planning Schemes) Regulations 2015
 City of Perth City Planning Scheme No. 2
 City of Perth Local Planning Scheme No. 26 (Normalised Redevelopment Areas)
 Metropolitan Redevelopment Scheme Central Perth
 Redevelopment Scheme 2012

City of Perth Act 2016**Objects of the City of Perth**

8(1)(f) - to promote environmentally sustainable development, while ensuring Perth's role as a thriving

business, cultural and entertainment centre, considering the flow-on impact to the Perth metropolitan area

Integrated Planning and Reporting Framework Implications

Strategic Community Plan
Strategic Priority - Built Environment

Policy

Policy No and Name:

City of Perth:

Precinct Plan No. 1 – Northbridge

Precinct Plan No. 3 – Stirling

William Street Heritage Area Design Guidelines

Northbridge Area 36 – Lake Street Design Guidelines

Northbridge Area 35 – Russell Square Design Guidelines

Metropolitan Redevelopment Authority:

Central Perth Development Policy 3 – Sound and Vibration Attenuation

Purpose and Background:

The purpose of this report is to seek endorsement from Council on the direction and key elements to inform the proposed amendment to the City of Perth's City Planning Scheme No. 2 (CPS2) to introduce a Special Control Area (SCA) to establish a Northbridge Entertainment Precinct.

The proposed Scheme Amendment forms part of a broader package of noise management reforms which the City has been working on with the Department of Planning, Lands and Heritage (DPLH) and the Department of Water and Environmental Regulations (DWER). It is anticipated that this package of reforms will be released for public comment in the near future.

The State Government's key deliverables include the following:

1. Western Australian Planning Commission Position Statement - a WAPC Position Statement proposed to provide guidance to local government on the establishment of designated special entertainment precincts.
2. Amendment to Environmental Protection (Noise) Regulations 1997 - the Amendment has yet to be drafted however it is understood that it will enable:
 - a) local governments to define special entertainment precinct/s for the purposes of noise management in their local planning schemes;
 - b) entertainment venues situated within a designated Entertainment Precinct to have an option to apply to the local government for a Venue Approval to emit noise levels beyond the current assigned levels under regulation 7 of the Noise Regulations for its day to day operations. The issuing of a Venue Approval will be guided by nominal or strategic noise

levels established for the special entertainment precinct under the local government's local planning scheme; and

- c) the Venue Approval would specify a maximum allowable noise level at the venue boundary, or a defined location, for compliance purposes and may have other conditions attached, such as requiring an Acoustic Report.

DWER has prepared preliminary drafting instructions for the proposed Amendment to the Noise Regulations and a Regulatory Impact Statement (RIS) which is a prerequisite to amending the Noise Regulations.

At its meeting held on **29 October 2019** the Council resolved to DEFER consideration of Amendment No. 41 to City Planning Scheme No. 2 to enable further information to be provided to Commissioners to address:

- i. Commissioner feedback on the drafting, structure and application of the proposed Special Control Area provisions;*
- ii. The impacts on and risks for existing entertainment venues within the Scheme Amendment area;*
- iii. The impacts on and risks for future noise sensitive premises within the Scheme Amendment area, particularly future residential and mixed-use developments; and*
- iv. The reasons for including the Perth Cultural Precinct and nearby existing entertainment venues in the Frame rather than the Core area, and the options, consequences, benefits and dis-benefits of revising that approach.*

These matters are addressed at a high level in this report.

Prior to initiation of a scheme amendment, it is considered important that the purpose and key elements of the proposal are confirmed. These are set out under the 'Details' Section of this report. These key elements are based on the proposal that has previously been presented to the Council on 29 October 2019 and further consideration on the purpose of the amendment and the orderly and proper planning of the city.

Details:

Key Elements

1. Purpose of creating a Special Entertainment Precinct

To provide effective planning controls to support entertainment venues in the Northbridge Special Entertainment Precinct in a manner that supports an active night time economy, with associated high external amplified music noise levels, while addressing land use conflicts between entertainment venues and noise sensitive premises.

2. Boundary

The changes to the *Environment Protection (Noise Regulations) 1997* require an area to be defined in the City Planning Scheme so it is clear as the area that the provisions will apply.

Identifying a boundary provides certainty to business, the community, landowners and the development industry. Please refer to Attachment 13.22A.

3. Core and Frame

Creation of a Core and Frame Entertainment Areas that reflects the long-term concentration of entertainment venues.

Enable a level of containment of higher noise levels to a specific area and a transition area for the broader city area.

Implement a nominal external amplified music noise level of **95 dB** in the 63 Hz octave band within the Core Entertainment Area and **79 dB** in the 63 Hz octave band within the Frame Entertainment Area.

4. New Entertainment Venues

New entertainment venues located in the **Core Entertainment Area** to be designed and constructed to incorporate noise attenuation measures to ensure that a level of **95 dB** in the 63 Hz octave band is not exceeded outside of the entertainment venue.

New entertainment venues located in the **Frame Entertainment Area** to be designed and constructed to incorporate noise attenuation measures to ensure that a level of **79 dB** in the 63 Hz octave band is not exceeded outside of the entertainment venue.

5. Existing Entertainment Venues in the Proposed Frame Entertainment Area

Provide certainty to existing entertainment venues in the Frame Entertainment Area.

Enable noise attenuation standards for entertainment venues situated within the proposed Frame Entertainment Area, that existed at the time of gazettal of the proposed Special Control Area, to be based on a nominal external amplified music noise level of up to **90 dB** in the 63 Hz octave band.

If the entertainment venue:

- (i) ceases operation for at least 6 consecutive months; and/or
 - (ii) is destroyed or damaged to the extent of at least 75% of its value;
- then the requirements for new entertainment venues in the Frame Entertainment Area shall apply.

Create a register of these entertainment venues in the planning scheme:

- (i) a description of each area of land that is being used as an entertainment venue;
- (ii) a description of any building on the land; and
- (iii) a description of the entertainment venue.

6. Building Extensions

The application for development approval involving an extension or addition, the applicable noise attenuation standards shall only apply to the new or substantially modified component of an entertainment venue or noise sensitive premise.

7. Noise Sensitive Development

The noise attenuation standards for new noise sensitive premises to be designed to achieve a maximum internal level of **47 dB** in the 63 Hz octave band.

New noise sensitive premises to have notifications placed on Certificates of Title/ Strata Titles that they are purchasing in the Northbridge Special Entertainment Precinct.

8. Residential Growth

Maintain existing planning incentives in the Northbridge neighbourhood to support continued residential population growth in the city.

9. Existing Entertainment Venues Outside the Northbridge Special Entertainment Precinct

No change is proposed for existing entertainment venues situated outside of the proposed Special Entertainment precinct/SCA. These venues will have to align with the assigned noise levels prescribed under regulation 7 of the *Environmental Protection (Noise) Regulations 1997* (as amended).

10. Planning Governance

Prior to the transfer of planning authority from Development WA to the City of Perth for the Perth Cultural Centre and properties along William Street, Development WA's planning scheme is updated to reflect the provisions of the City of Perth Special Control Area for the Northbridge Special Entertainment Precinct.

11. Environmental Protection (Noise) Regulations

The proposed changes to the Noise Regulations to include the ability for the local government to apply discretion in the application of the nominal amplified music noise levels when issuing a Venue Approval.

Future Supporting Documents

Separate to the Scheme Amendment, the City will prepare a number of supporting documents including:

- a) A Local Planning Policy - Noise Attenuation – which will cover the whole of the city and aim to clarify and consolidate current provisions, as well as incorporating additional provisions for the Special Entertainment Precinct/SCA. This will be prepared subsequent to the initiation of the proposed Scheme Amendment.

- b) A Council Policy – to address the compliance and enforcement matters associated with noise management within the city and to provide guidance around the issuing of Venue Approvals within the Special Entertainment Precinct/SCA. This will be prepared once the City has visibility of the proposed Amendment to the Noise Regulations.

Stakeholder Engagement:

In late August 2019, the City sent a letter to landowners situated within the proposed Special Entertainment Precinct/SCA to inform them of the work the City and the State Government had been undertaking on the proposed planning and environmental regulatory reforms within Northbridge. No action was requested from landowners and only one landowner contacted the City with a query.

Financial Implications:

There are no financial implications associated with this report. Any costs will be reported as part of the future Scheme Amendment initiation report.

Comments:

In response to the matters raised at the Council meeting held on 29 October 2019 the following information is provided as well as a recap on key information that has guided the approach.

- i) Quick Recap - Core Entertainment Area

There are approximately 40 existing entertainment venues, in addition to 149 residential premises and several short stay accommodation premises situated within the proposed Core Entertainment Area.

The ambient noise levels measured by Lloyd George Acoustics in 2019 (over 4 nights) outside of 27 (out of a total of 40) entertainment venues within the Core Entertainment Area indicated a ranged from **75.2 – 104.2 dB** in the 63Hz octave band. The ambient noise levels measured outside of six noise sensitive premises residential buildings ranged from **74.2 – 89.6** in the 63Hz octave band.

However, the findings of the survey indicate that the noise levels can fluctuate from one night to the next depending on the type of music on the night, patron numbers and whether any external glazing is kept closed or not.

A nominal external amplified music noise level of **95dB in the 63 Hz octave band** is proposed for the Core Entertainment Area. 62% or 17 out of the 27 entertainment venues surveyed currently operate at this level or below.

- ii) Quick Recap – Frame Entertainment Area

There are approximately 20 existing entertainment venues situated throughout the proposed Frame Entertainment Area, in addition to approximately 609 residential premises and 12 short stay accommodation premises.

A significant portion of this area comprising the Perth Cultural Centre and Perth City Link is under the planning authority of Development WA (formerly the Metropolitan Redevelopment Authority).

There are limited recent measurements of external amplified music noise levels within the Frame Entertainment Area. The ambient noise levels outside of the three entertainment venues surveyed ranged from **74.2 – 107.9 dB** in the 63Hz octave band whilst the ambient noise levels outside six noise sensitive premises ranged from **72.5 – 92.4** in the 63 Hz octave band.

A nominal external amplified music noise level of **79 dB** at the 63 Hz octave band is proposed for the Frame Entertainment Area.

The intent behind the Frame Entertainment Area is to act as a transitional area between the Core Entertainment Area and the area outside of the SCA and provide for a greater mix of land uses, including noise sensitive premises.

Having regard to these matters are a high-level overview of the advantages and disadvantages of the current proposal on existing entertainment venues and noise sensitive premises situated within the proposed Core and Frame Entertainment Areas is provided below.

Question 1 - the impacts on and risks for existing entertainment venues within the Scheme Amendment area.

The City has recently received correspondence from two owners of well - established entertainment venues proposed to be situated within the Frame Entertainment Area. The owners expressed serious concern regarding the maximum external amplified music noise level of **79 dB** in the 63 Hz octave band for the Frame Entertainment Area – (should they choose to ‘opt in’ and apply for a Venue Approval) would seriously compromise the viability of their business. One owner stating that such action may result in the closure of their entertainment venues due to costly attenuation works and higher operating costs. Should this occur the City is mindful of the impact on the cultural, economic and vibrancy of the locality which would undermine the intent of establishing a Special Entertainment Precinct/SCA.

It is also noted that the City has received correspondence from a resident situated within the proposed Special Entertainment Precinct/SCA seeking further information on the proposed planning and environmental regulatory reforms and the potential impact of the proposal on residents.

A balance will need to be found between the concerns raised by the owners of the entertainment venues and what the City considers would be an acceptable level of acoustic amenity for noise sensitive premises, particularly those which are existing.

With regard to the implications for entertainment venues situated within the Core and Frame Entertainment Areas the following information is provided:

Advantages

- a) Increased certainty - entertainment venues with a Venue Approval will have increased certainty about the maximum amplified music noise level they can emit which is higher than what would be permitted under the current provisions of the Noise Regulations.

In this regard, the current Noise Regulations do not provide certainty for entertainment venues as the noise levels that they must comply with are determined at each noise receiver and compliance should be achieved at each receiver. As a result, the allowable noise levels

for entertainment venues change as new noise sensitive development occurs in the area. Additionally, under the current approach only the noise emitter is responsible for ameliorating noise impacts.

- b) Noise complaints - any additional attenuation measures adopted by an entertainment venue is done with certainty that it will provide greater protection against noise complaints.
- c) Stronger night time economy - establishing a shared expectation of street vibrancy which will assist to future - proof the Northbridge Special Entertainment Precinct and have flow on benefits for surrounding business, visitors and residents seeking a vibrant entertainment, dining and cultural experience.

An economic analysis of the proposed Northbridge Special Entertainment Precinct undertaken by Lucid Economics in 2018 on behalf of Tourism WA, demonstrated that the value of tourism generated within the precinct equated to \$174 million in Gross State Product and approximately 1,600 jobs (both directly and indirectly). The report stated that late night activity (10pm – 4am) is responsible for 40% of total activity in the precinct, generating \$70 million in Gross State Product and supporting 639 jobs (both directly and indirectly).

In addition, DWERs research into the economic value of the Fortitude Valley special entertainment precinct (which has a maximum external amplified music noise level of **90dB** in the 63 Hz octave band) found that Brisbane’s night time economy was growing faster than the rest of Brisbane economy in terms of sales revenue, employment and numbers of businesses.

Disadvantages

- a) Higher attenuations costs - number of existing entertainment which are emitting higher external amplified music noise level may have to alter their day to day operations and/or invest in additional noise attenuation measures to accord with the lower assigned level. In some instances, the level of noise reduction and associated attenuation costs with entertainment venues situated within the Frame Entertainment Area will be much greater than that required for existing entertainment venues situated within Core Entertainment Area.

The City understands that there are a number of ways an entertainment venue can reduce the acoustic impact it has on surrounding noise sensitive premises including:

- limiters on sound equipment;
- the installation of newer technology speakers/sound systems allowing fully programmable sound generation;
- reduction of lower frequencies levels in music (at a cost of sound quality);
- noise reduction panelling, cladding etc;
- constant self-monitoring and adjustment;
- staff training, entertainer controls, feedback and monitoring;
- reduction of hours, restriction of louder music to only certain areas of a venue or times;
- construction of structures to contain sound such as walls, roofs, bass bins etc; and
- change in operations (which may result in loss of trade).

However, it is acknowledged that many of these methods are costly, difficult to be retrospectively fitted to a premise or require additional staffing or operational measures.

- b) Proximity to the Core – it may be difficult for existing entertainment venues situated in close proximity to the Core Entertainment Area to comply with the assigned level for the Frame Entertainment Area due to external amplified music emissions emitting from the Core Entertainment Area.
- c) Potential venue closures – the flow on effect of costly attenuation works and higher operating costs may have a detrimental impact on the viability of the business and may lead to the potential closure of some existing entertainment venues. The impact of such an outcome on the character, the economy and vibrancy of the locality would undermine the intent of establishing a Special Entertainment Precinct/SCA.

Question 1 - Potential Way forward

The City's administration is mindful of the potential impact that significant attenuation costs and/or modifying the existing operations may have on the viability of the existing entertainment venues to continue to operate, particularly within the proposed Frame Entertainment Area. Accordingly, a new clause will be proposed in the Special Control Area scheme amendment that will enable those entertainment venues that existed at the time of gazettal of this SCA will be based on a nominal external amplified music noise level of up to **90 dB** in the 63 Hz octave band until the entertainment venue:

- (i) ceases operation for at least 6 consecutive months; and/or
- (ii) is destroyed or damaged to the extent of at least 75% of its value.

The level of attenuation required and associated costs to achieve this higher assigned level would be reduced. New entertainment venues would however, have to comply with the nominal external amplified music noise level of **79 dB** in the 63 Hz octave band.

It should be noted that the proposed higher assigned level is similar to the maximum external amplified music level adopted in the Fortitude Valley entertainment area in Brisbane.

- a) Targeted approach – the above targeted approach to address the potential financial and operational impact on the established entertainment venues situated within the Frame Entertainment Area are considered more appropriate from a planning perspective than the other option of expanding the Core Entertainment Area where the full impact on existing noise sensitive uses, nor land situated within an adjacent local government (City of Vincent) has yet to be fully determined. The expansion of the Core Entertainment Area would also compromise the ability of new sensitive premises or mixed-use development (which incorporates noise sensitive uses) proposed within the reduced Frame Entertainment Area (and potentially the area immediately outside of the SCA) from being constructed.

Additionally, it is not considered appropriate to extend the boundary of the Core Entertainment area to align between lot boundaries rather than the street, given the potential for greater noise impact on existing noise sensitive premises.

- b) Venue Approval – should the proposed amendments to the Noise Regulations allow the City to apply some discretion in granting a Venue Approval, this may allow the City to apply a higher external amplified music noise level for existing entertainment venues (on a temporary basis) where it can be demonstrated that the proposed level will not create a greater impact on existing noise sensitive uses than the nominal levels specified above. However, any proposed attenuation works would still need to accord with the provisions of the SCA in order to future proof the entertainment venue.
- c) Further clarity on new additions - the applicable noise attenuation standards shall only apply to the new or substantially modified component of an entertainment venue.

Question 2 - the impacts on and risks for future noise sensitive premises within the Scheme Amendment area, particularly future residential and mixed-use developments

- a) Impact on existing noise sensitive premises – the external amplified noise music levels will be reduced in some areas of the Core Entertainment Area which will benefit existing residents. However, in other areas the noise levels may increase either via the establishment of new entertainment venues or existing entertainment venues which opt in to obtain a Venue Approval to operate at higher levels than they are currently.
- b) Impact on future noise sensitive premises - a key finding of the Gabriel's Hearne Farrell study indicated that the higher noise attenuations standards required to meet a transmission loss for new noise sensitive development over **79 dB** in the 63Hz octave band would be impractical and financially unviable.
- c) Protection for new noise sensitive premises – new noise sensitive development will be designed and constructed with the aim of achieving internal levels of no more than **47dB** in the 63 Hz octave band. This can be achieved where external noise levels are up to **79 dB** in the 63Hz octave band. DWER has advised that these levels are consistent with protection and health and amenity for residents.
Whilst the higher noise attenuation standards will add to the cost to new noise sensitive development, it will lead to higher quality construction projects which will enable future residents and guests to enjoy their inner city living experience.
- d) Future urban infill - attenuation standards for proposed noise sensitive development within the Frame Entertainment Area will also have to account for noise emissions emitting from the Core Entertainment Area. The higher the assigned level in the Core Entertainment Area (or the expansion of the Core Entertainment Area), the less likely new noise sensitive development will be able to occur within certain areas of the Frame Entertainment Area due to the higher costs associated with requiring a greater transmission loss to achieve acceptable internal noise levels.

Ideally, the City is hoping to achieve a more balanced land use mix within the proposed Frame Entertainment Area to align with other strategic planning priorities such as encouraging more residents within the city to enhance the vitality of the area as outlined in the City's draft City Planning Strategy and reiterated in the Federal and State Government's recent announcement on City Deals.

- e) Day/Night Time Economy/Vibrancy – existing and future noise sensitive premises will contribute to the day/night time economy, vibrancy and perceived safety of the local area.

Question 2 - Potential Way forward

- a) Council Policy – as outlined in the report of 29 October 2019, the World Health Organisation (WHO) has carried out research which concluded that exposure to noise, including low frequency noise, can have negative impacts on a person's health and well-being, particularly when they are exposed over a long-time period.

In view of the above matters and the potential longer term health impacts on existing residents, the proposed level for the Core Entertainment Area is recommended on the basis that the overall external amplified noise level steps down to a level of **90 dB** in the 63 Hz octave band after a certain period of time (e.g. 1am) and possibly also on particular days of the week (e.g. some week days) to provide an acceptable level of acoustic amenity for existing noise sensitive premises. This approach is similar to that adopted in the Fortitude Valley entertainment area in Brisbane (albeit that their maximum external amplified music level is 90dB(C)). As outlined above, this could be incorporated into the Council Policy which the City will need to prepare following consultation with key stakeholders and the community - should the proposed Amendment to the Noise Regulations allow for this.

- b) Retaining Bonus Plot Ratio – it is acknowledged that there is value in retaining the existing Residential and Special Residential bonuses within the Core Entertainment Area and within the portion of the Frame Entertainment Area between Beaufort and Stirling Street to allow for future economies of scale, should improvements to the current building design and construction methods achieve the required building attenuation standards.

Whilst the Gabriels Hearne Farrell study advises that an overall increase of 8 per cent building cost may be required to achieve the required transmission loss for new noise sensitive premises to achieve the **79 dB** in the 63 Octave band, it is acknowledged there may be other innovative acoustic solutions, including triple glazing which have yet to be investigated.

- c) No. 2 -6 (Lot 40) Parker Street – in view of the above, it is also considered that SCA relating to No. 2 -6 (Lot 40) Parker Street which enables the City to grant bonus plot ratio where development incorporates a new Special Residential use could be retained. The draft SCA provisions will incorporate a clause which permits the local government to refuse a development application relating to a noise sensitive premises where the local government is not satisfied that the development can be acoustically attenuated to meet the applicable Transmission Loss levels.

- d) Notification of Title - although Northbridge is well known as a lively entertainment precinct with music spilling into the street from various entertainment venues, new residents may still move into the area without fully appreciating, or being prepared, for the noise environment

that they will experience. As such it is recommended, that a notification on the certificate of title (pursuant to section 70A of the *Transfer of Land Act 1893*) be imposed upon all noise sensitive to inform prospective owners of potential noise impacts.

- e) Noise sensitive premises situated immediately outside of the SCA – as part of the preparation of the local planning policy for noise attenuation, it is recommended that any new noise sensitive premises proposed adjacent to the proposed Special Entertainment Precinct/SCA but outside of this area, be required to be designed and constructed as if they were situated within the proposed Frame Entertainment Area.

Question 3 - The reasons for including the Perth Cultural Centre Precinct and nearby existing entertainment venues in the Frame rather than the Core area, and the options, consequences, benefits and dis-benefits of revising that approach.

The Perth Cultural Centre (PCC) Precinct is situated within the eastern portion of the Special Entertainment precinct/SCA, bound by William, Aberdeen, Beaufort and Roe Streets and covers an area of approximately 8.5 hectares. It incorporates a mix of fine-grain low scale heritage buildings (accommodated within the MRA's William Street Conservation Precinct) through to medium-scale cultural administrative and education buildings. The State's major cultural and educational institutions including the new W.A Museum (under construction), Art Gallery of WA, Perth Institute of Contemporary Arts, The Blue Room Theatre, State Library of WA, State Records Office, North Metropolitan TAFE and the State Theatre Centre of WA are accommodated within this area.

- a) Distinct role and function - PCC has a distinct character and function which distinguishes it from the proposed Core Entertainment Area.

Consideration should be afforded to existing uses within the PCC such as the State Library of WA, the new W.A Museum and the North Metropolitan TAFE, whereby a higher level of amplified music level may not be appropriate.

- b) Planning authority - PCC is currently under the MRA's planning authority and is subject to the provisions of the MRA's Central Perth Redevelopment Scheme 2012 (the MRA Scheme). Please refer to Attachment 13.22B.

Section 4.17 of the MRA's Scheme incorporates a Special Control Area to establish a 'Northbridge Entertainment Precinct' which also accommodates Core and Frame Areas. The majority of the PCC (with the exception of a properties situated on the east side of William Street between Francis and Roe Streets) is also included within the Frame Area.

- c) Vision - The vision for the PCC outlined in the MRA's Scheme is to realise the potential of the State's principle cultural hub in the heart of the city centre. Additionally, the MRA Scheme states the area will develop "with a rich mix of cultural facilities and creative industries, supported by educational, entertainment, retail and residential development and an engaging public realm". An objective of the MRA's William Street Precinct Design Guidelines 2010 is to promote the establishment of a residential population within the William Street Precinct through the provision of affordable and diverse housing opportunities, particularly for students, creative industry workers and hospitality workers.

However, it is noted that under the MRA's Scheme 'Residential' land use (including permanent and transient) is a 'Contemplated' Use and 'Dining and Entertainment' land uses are 'Preferred'.

- d) Future proofing urban infill – should the State Government wish to continue to provide opportunities for increasing the student and workforce populations within the PCC as outlined in the MRA Scheme, the proposed lower external amplified music noise level will require less stringent building attenuation measures than that proposed for the Core Entertainment Area. Noting anything above 79 dB in the 63Hz octave band may be cost prohibitive for new noise sensitive development.
- e) Existing amenity – the lower external amplified music noise level proposed for the PCC will assist to provide an acceptable level of acoustic amenity for the existing noise sensitive premises situated within the PCC (e.g. Alex Hotel).

Additionally, the lower external amplified music noise level proposed for the PCC will assist to achieve one of the objectives for the area which is to *'ensure acoustic comfort in internal spaces and provide for minimal transfer of noise between uses within the precinct'*.

- f) Ability to host events - it is noted that the PCC has hosted a number of major events including Fringe World, the Perth International Arts Festival and the Awesome International Arts Festival. The proposal to accommodate the PCC within the Frame Entertainment Area will not compromise its ability to continue to provide festivals, micro-festivals or one-off public events, as suitable case-by case-approvals processes already exist under the Noise Regulations.
- g) Creating a transitional area – the PCC will assist to provide a significant transitional/buffer area between the higher external amplified music noise levels being emitted from the Core Entertainment Area and the area to the east of the PCC which has been identified under the draft City Strategy as a residential growth area, as well as existing noise sensitive premises situated to the north of PCC within the MRA's New Northbridge Area.
- h) Nearby entertainment venues - similarly, nearby entertainment venues situated in the Frame Entertainment Area are also located in well-established mix use areas which accommodate noise sensitive uses.

Accordingly, as discussed above a targeted approach to address the potential financial and operational impact on the established entertainment venues situated within the Frame Entertainment Area is considered more appropriate from a planning perspective than the other option of expanding the Core Entertainment Area where the full impact on existing noise sensitive uses has yet to be fully determined.

- i) Normalisation - DPLH advised on 1 November 2019 that the Minister for Lands has formally approved commencement of 'normalisation' for the PCC Precinct with planning control for a portion of the area (including some properties on the eastern side of William Street) to be handed back to the City on 1 July 2020.

The normalisation involves an amendment of the City's planning framework using sections 35 and 57 of the MRA Act to be generally consistent with the existing framework. Accordingly, it is recommended that the Council request Development WA to amend the MRA's Central Perth

Redevelopment Scheme to incorporate planning provisions similar to those proposed as part of Amendment No. 41 to the City's CPS2 for the areas of the Northridge Special Entertainment Precinct currently under its planning control, and for this amendment to be gazetted by the proposed normalisation date of the precincts within the Northbridge Special Entertainment Precinct.

Question 3 - Potential Way Forward

For the reasons outlined above, on balance it is recommended that the PCC and nearby entertainment venues be retained in the proposed Frame Entertainment Area identified in Attachment 13.22A.

Council may consider convening a Special Council Meeting to initiate Amendment 41 to the City Planning Scheme No.2 to introduce a Northbridge Special Entertainment Precinct.

Officer Recommendation

That Council:

1. ENDORSES the direction and key elements for the Proposed Northbridge Special Entertainment Precinct as detailed in this report to inform the preparation of Amendment No. 41 to the City Planning Scheme No.2 to introduce a Northbridge Special Entertainment Precinct;
2. REQUESTS Development WA to amend the Metropolitan Redevelopment Authority's Central Perth Redevelopment Scheme to incorporate planning provisions in accordance with those proposed as part of Amendment No. 41 to the City Planning Scheme No. 2 for the areas of the Northridge Special Entertainment Precinct currently under its planning control, and for this amendment to be gazetted prior to normalisation of the precincts within the Northbridge Special Entertainment Precinct; and
3. REQUESTS that the Department of Water and Environmental Regulation incorporate in its drafting instructions for the proposed amendments to the Environmental Protection (Noise) Regulations 1997 (as amended), the provision for a head of power to provide the CEO of the Local Government with the discretion to modify assigned nominal external amplified music noise levels established for a Special Entertainment Precinct through a Venue Approval.

COUNCIL RESOLUTION

ALTERNATE MOTION

Council resolved to adopt an alternate motion as follows:

Moved Commissioner Kosova, seconded Commissioner McMath

That Council:

1. ***ENDORSES*** the following key elements that will inform the preparation of Amendment No. 41 to the City Planning Scheme No. 2 to introduce a Northbridge Special Entertainment Precinct:
 - a. *The boundary and Core and Frame Entertainment Areas of the Special Entertainment Precinct to be as depicted in Attachment 13.22A;*
 - b. *Implement an external amplified music noise level of 95 dB within the Core Entertainment Area and 79 dB within the Frame Entertainment Area;*
 - c. *Existing entertainment venues situated within the proposed Frame Entertainment Area, that existed at the time of gazettal of the proposed Special Control Area, shall have an external amplified music noise level of up to 90 dB;*
2. ***ENDORSES*** the convening a Special Council Meeting on 4 December 2019 to consider initiation of Amendment. 41 to the City Planning Scheme No. 2; and
3. *immediately ENGAGE* with property owners, stakeholders and occupiers on the proposed Northbridge Special Entertainment Precinct.

The motion was put and carried

The votes were recorded as follows:

For: Commissioners Hammond, McMath and Kosova

Against: Nil

Reason: To provide the City of Perth the opportunity to engage with stakeholders before the Special Council Meeting to be held on 4 December 2019.

MOTION TO CLOSE THE MEETING TO THE PUBLIC

Moved Commissioner Kosova, seconded Commissioner McMath

That Council RESOLVES to close the meeting to the public to consider Confidential Attachments to Items 13.12, 13.13, 13.14, 13.15, 13.20 and 13.21 in accordance with section 5.23(2) of the Local Government Act 1995.

The motion was put and carried

The votes were recorded as follows:

For: Commissioners Hammond, McMath and Kosova

Against: Nil

6.50pm The meeting was closed to the public.

Item 13.12 Appointment of Members and Deputy Members to the Design Advisory Committee

FILE REFERENCE:	P1030366
REPORTING OFFICER:	Margaret Smith
REPORTING UNIT:	Development Approvals
RESPONSIBLE ALLIANCE	Planning and Economic Development
REPORT AUTHOR DISCLOSURE OF INTEREST:	Nil
DATE:	6 November 2019
ATTACHMENT/S:	Attachment 13.12A - Terms of Reference for the Design Advisory Committee Confidential Attachment 13.12B – Confidential Schedule of nominees CV's available to Commissioners on request <i>Confidential Attachments are distributed to Commissioners under separate cover</i>

Council Role:

- | | | |
|-------------------------------------|----------------|---|
| <input type="checkbox"/> | Advocacy | <i>When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i> |
| <input checked="" type="checkbox"/> | Executive | <i>The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i> |
| <input type="checkbox"/> | Legislative | <i>Includes adopting local laws, town planning schemes and policies</i> |
| <input type="checkbox"/> | Quasi-Judicial | <i>When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i> |
| <input type="checkbox"/> | Information | <i>For the Committee to note.</i> |

Legislation / Strategic Plan / Policy:

Legislation	Sections 5.8, 5.9(2), 5.10, 5.11A and 5.11 of <i>the Local Government Act 1995</i> Schedule A of the City Planning Scheme No. 2 - Clause 66A of the Supplemental Provisions to the Deemed Provisions
City of Perth Act 2016	Objects of the City of Perth 8(1)(c) - to provide a safe, clean and aesthetic environment for the community, city workers, visitors and tourists

**Integrated Planning and
Reporting Framework
Implications****Strategic Community Plan**
Strategic Priority - Built Environment**Purpose and Background:**

The purpose of this report is to seek Council's approval to appoint suitably qualified and experienced professionals as members and deputy members to the City's Design Advisory Committee for a two-year term. A full complement of DAC members will ensure representation of professional expertise in the DAC and also ensures that a quorum can be achieved for meetings so that there are no delays in the application assessment process.

Clause 66A of the Supplemental Provisions to the Deemed Provisions (Schedule A of the City Planning Scheme No. 2) requires the establishment of a Design Advisory Committee (DAC) to provide independent technical advice and recommendations to Council in respect to applications requesting Bonus Plot Ratio and design issues on other applications referred to it for consideration.

The City's DAC is established under Section 5.8 of the *Local Government Act 1995* and is subject to the same legislative requirements as other Committees established by Council. Attachment 13.12A details the current Terms of Reference for the DAC. The membership of the Committee is confirmed by Council every two years following the local government ordinary elections. While there was no ordinary election for the City of Perth this year, the term of the previously appointed DAC members expired on 19 October 2019 and, therefore, the membership for this committee must be confirmed as soon as possible so as not to delay the processing of major development applications submitted to the City.

At the Council meeting held on **29 January 2013**, the DAC membership was confirmed as follows:

1. Two members and one deputy to be selected from a panel of five nominations presented by the Australian Institute of Architects;
2. Two members and one deputy to be selected from a panel of four nominations presented by the Planning Institute of Australia;
3. One member and one deputy to be selected from a panel of two nominations presented by the Landscape Architects Institute of Australia;
4. The State Government Architect or their nominees (ex-officio); and
5. The City of Perth Director Planning and Development (now General Manager Planning and Economic Development) and the City Architect (as Deputy) (ex-officio).

Details:

In October 2019, the City wrote to the WA Chapter of the Australian Institute of Architects, the WA Division of the Planning Institute of Australia and the Landscape Architects Institute of Australia (WA Chapter) seeking nominations for Members and Deputy Members to the City of Perth DAC.

The membership criteria requires members to demonstrate the following:

- central city built environment outcomes;
- good standing in the professional community;
- expertise and interest in green buildings or environmentally sensitive design; and
- experience in built form heritage issues and outcomes.

In response to the City’s request for nominations the Australian Institute of Architects (AIA); the Planning Institute of Australia (PIA) and the Landscape Architects Institute of Australia (LAIA) have provided suitably experienced and qualified nominees, as set out in Confidential Attachment 13.12B.

Financial Implications:

There are no financial implications related to this report.

Comments:

It is important to the effectiveness and status of the City’s DAC that the members of the DAC are respected leaders in their profession, and that they bring broad and extensive experience gained from local, national and even international practice. Experience in inner city development is beneficial.

Conclusion

All nominations for the members of the City’s Design Advisory Committee come with relevant qualifications and experience that would satisfy the membership criteria and would contribute to the DAC’s capacity as a well-regarded and reputable advisory body. To ensure the timely processing of major development applications the Council is requested to appoint the new membership, having reviewed the attached schedule and curriculum vitae of each nominee.

Officer Recommendation

That Council, in accordance with Section 5.10 of the Local Government Act 1995, APPROVES the appointment of members and deputy members of the Design Advisory Committee with the term of appointment to expire on 16 October 2021, as follows:

Organisation	Member	Deputy
Australian Institute of Architects	(name to be inserted)	(name to be inserted)
	(name to be inserted)	
Planning Institute of Australia	(name to be inserted)	(name to be inserted)
	(name to be inserted)	
Landscape Architects Institute of Australia	(name to be inserted)	(name to be inserted)
Office of the Government Architect	Government Architect or Nominee	N/A
City of Perth	General Manager Planning and Economic Development	City Architect

COUNCIL RESOLUTION

ALTERNATE MOTION

Council resolved to adopt an alternate motion as follows:

Moved Commissioner McMath, seconded Commissioner Kosova

That Council, in accordance with Section 5.10 of the Local Government Act 1995, APPROVES the appointment of members and deputy members of the Design Advisory Committee with the term of appointment to expire on 16 October 2021, as follows:

<i>Organisation</i>	<i>Member</i>	<i>Deputy</i>
<i>Australian Institute of Architects</i>	<i>David Karotkin</i>	<i>Peter Hobbs</i>
	<i>Warren Kerr</i>	
<i>Planning Institute of Australia</i>	<i>Chris Melsom</i>	<i>Ben De Marchi</i>
	<i>Andrew Howe</i>	
<i>Landscape Architects Institute of Australia</i>	<i>Stuart Pullyblank</i>	<i>Tony Blackwell</i>
<i>Office of the Government Architect</i>	<i>Geoff Warn</i>	<i>Melinda Payne</i>
<i>City of Perth</i>	<i>Jayson Miragliotta</i>	<i>Craig Smith</i>

The motion was put and carried

The votes were recorded as follows:

For: Commissioners Hammond, McMath and Kosova

Against: Nil

Meeting Note: Commissioner McMath requested a maximum term for Design Advisory Committee members be incorporated in the Terms of Reference in the next review.

Item 13.13 Event Grants Round 2 - 2019/20

FILE REFERENCE:	P1037136#05
REPORTING OFFICER:	Candice Beadle, Sponsorship Officer
REPORTING UNIT:	Activation and Cultural Experience
RESPONSIBLE ALLIANCE:	Community Development
REPORT AUTHOR DISCLOSURE OF INTEREST:	Nil
DATE:	18 October 2019
ATTACHMENT/S:	Attachment 13.13A – Detailed Officer Assessment Confidential Attachment 13.13B – Detailed Officer Assessment for ‘Corporate Function 2020’ <i>Confidential Attachments are distributed to Commissioners under separate cover</i>

Council Role:

- Advocacy *When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.*
- Executive *The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.*
- Legislative *Includes adopting local laws, town planning schemes and policies*
- Quasi-Judicial *When the Council determines an application/matter that directly affects a person’s right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.*
- Information *For the Committee to note.*

Legislation / Strategic Plan / Policy:

Legislation Section 8 of the *City of Perth Act 2016*

City of Perth Act 2016**Objects of the City of Perth**

8(1)(g) - to strengthen Perth’s reputation as an innovative, sustainable and vibrant city that attracts and welcomes all

Integrated Planning and Reporting Framework Implications

Strategic Community Plan
Strategic Priority - Social

Policy

Policy No and Name: 18.13 – Sponsorship and Grants

Purpose and Background:

Event Grants are available to organisations that deliver events which contribute to the vibrancy of the city, activate spaces, deliver social and cultural outcomes in Perth city and increase economic benefit.

The City of Perth conducts two competitive funding rounds for Event Grants in each financial year:

- Round 1 (for projects taking place between 1 August 2019 to 31 January 2020); and
- Round 2 (for projects taking place between 1 February 2020 to 31 July 2020).

Grants are available in two funding categories:

- Up to \$15,000; and
- \$15,001 to \$40,000.

The maximum funding contribution provided by the City cannot exceed 30% of the total event budget. Funding is provided based on the quality of the application, strategic outcomes likely to be achieved and the assessment scores. The applications were assessed against the criteria in the Event Grants and Sponsorship Guidelines, based on goals identified in the City of Perth Strategic Community Plan.

Assessment Criteria for both funding categories (5 points are awarded to each criteria):*Cultural Outcomes*

To what extent does the event celebrate the diversity of Perth as a capital city?

Social Outcomes

To what extent does the event provide opportunities for the local or greater community to connect?

Civic Outcomes

To what extent does the event provide experiences that are unique to the city?

Place Outcomes

To what extent does the event activate private or public spaces with vibrant activity?

Organisational Competency

Does the applicant have a demonstrated capacity to manage all aspects of the program?

Additional Assessment Criteria for the \$15,001 to \$40,000 category (5 points are awarded to each criteria):*Economic Outcomes*

Does the event stimulate the local economy and provide opportunities for local businesses to leverage the event?

Organisational Competency

Does the event demonstrate financial viability through evidence of support from other government agencies, business or community organisations?

Details:

The City received 21 applications in Round 2 of Event Grants 2019/20. Of the 21 applications four withdrew. Those being Brainchild Investments Trust for Big City Hop, Prostate Cancer Foundation of Australia, UN Youth Western Australia for the project State Conference and Type 1 Diabetes Family Centre for the project Dogs for Diabetes.

The remaining 17 applications were considered by the assessment panel:

Under \$15,000

The following 10 applications were considered by the assessment panel for the under \$15,000 category:

RANK	APPLICANT	PROJECT	REQUESTED AMOUNT	ASSESSMENT SCORE	RECOMMENDATION
1	Caroline James Events Pty Ltd	Corporate Function 2020	\$14,999	73.34%	\$14,999
2	West Australian Marathon Club	Bridges Fun Run	\$12,500	70.46%	\$5,000
3	Rowing WA	2 x 2020 Elizabeth Quay Rowing Regattas	\$15,000	70%	\$7,000
4	Japan Festival Inc	Perth Japan Festival Matsuri 2020	\$15,000	69.49%	\$15,000
5	Farming Champions Inc	Farmer on Your Plate	\$10,000	68.11%	\$5,000
6	Tee-Ball Association of W.A.	Tee-Ball State Championships	\$5,000	68.11%	\$5,000
7	Mother's Day Classic Foundation	Perth Mother's Day Classic	\$15,000	66.66%	\$5,000
8	Western Australian Brewers Association	WA Beer Week	\$9,000	65.26%	\$5,000
9	Perth Indonesian Community Incorporated	Forrest Place Multicultural Festival and Food Bazaar	\$13,327	63.8%	Decline
10	Skating At Festival Australia	Skating At Elizabeth Quay	\$14,999	59.03%	Decline
TOTAL			\$124,825 Requested		\$61,999 Recommended

\$15,001 - \$40,000

The following seven applications were considered by the assessment panel for the \$15,001 - \$40,000 category:

RANK	APPLICANT	PROJECT	REQUESTED AMOUNT	ASSESSMENT SCORE	RECOMMENDATION
1	Sports Aircraft Association of Australia	SAAA 65th Birthday Fly-In	\$40,000	90%	\$35,000
2	Brookfield Commercial Operations Pty Ltd	Winter Lights at Brookfield Place	\$40,000	75.93%	\$25,000
3	HBF Health Limited	HBF Run for a Reason	\$40,000	74.08%	\$36,500
4	Buddha's Light International Association of Western Australia Inc.	Buddha's Birthday & Multicultural Festival 2020	\$40,000	73.31%	\$25,000
5	Beerfest No 1 PTY LTD	Beerfest Perth Langley Park	\$40,000	62.24%	Decline
6	Lifeline WA	Lifeline WA Governors Cup and State Fair	\$20,000	61.47%	Decline
7	Perth Glendi Association of WA	Perth Glendi	\$30,000	51.84%	Decline
TOTAL			\$250,000 Requested		\$121,500 Recommended

The 17 applications assessed requested support totalling \$374,825 with an available budget of \$183,499 for Round 2 FY 2019/20. Of the applications assessed, 12 are recommended for approval and five for decline. This is a total support of \$183,499 for this grant round.

All applications scoring 65% and above in assessment are recommended for support. All applications under this threshold are recommended for decline.

All applications were assessed by a three-person assessment panel consisting of members from the City of Perth's Administration. A detailed Officer Assessment of all applications is included in Attachment 13.13A.

Financial Implications:

ACCOUNT NO:	PJ13958044000007901
BUDGET ITEM:	Event Rounds
BUDGETED AMOUNT:	\$265,000
AMOUNT SPENT TO DATE:	\$111,500
PROPOSED COST:	\$153,500

BALANCE REMAINING:	\$0
ANNUAL MAINTENANCE:	N/A
ESTIMATED WHOLE LIFE COST:	N/A

ACCOUNT NO:	PJ13958043000007901
BUDGET ITEM:	Event Annual Sponsorships
BUDGETED AMOUNT:	\$700,000
AMOUNT SPENT TO DATE:	\$600,000
PROPOSED COST:	\$29,999
BALANCE REMAINING:	\$70,001
ANNUAL MAINTENANCE:	N/A
ESTIMATED WHOLE LIFE COST:	N/A

All figures quoted in this report are exclusive of GST.

Budget remaining from the Event Sponsorship program has been allocated to this Event Grant round to support an increased number of applications being supported and ensure funding levels of annual events are maintained. Officers have confirmed the proposed transfer of \$29,999 will not impact the delivery of the Event Sponsorship Program.

Comments:

Assessing the Event Grant applications within a round allows the Administration to benchmark the applications against each other and award funding based on qualitative rankings and return on objectives.

The large number of applications received in this round and the limited budget made the assessment process highly competitive. An assessment score of 65% and above was determined by the panel as the minimum required for support.

Applications recommended for support could demonstrate strong alignment with the Event Grants assessment criteria. The Assessment Panel believes that these events will add to the vibrancy of the city by activating space and will contribute to the social and cultural objectives by providing unique opportunities for the wider community to engage and connect.

The panel is confident applications receiving part-funding will be able to successfully deliver their projects in full or with revised plans.

Officer Recommendation

That Council:

1. **APPROVES** Event Grants totalling \$183,499 (excluding GST) to the following applicants:
 - 1.1 Sports Aircraft Association of Australia for SAAA 65th Birthday Fly-In (\$35,000);
 - 1.2 Brookfield Commercial Operations Pty Ltd for Winter Lights at Brookfield Place (\$25,000);
 - 1.3 HBF Health Limited for HBF Run for a Reason (\$36,500);
 - 1.4 Caroline James Events Pty Ltd for Corporate Function (\$14,999);
 - 1.5 Buddha's Light International Association of Western Australia Inc for Buddha's Birthday & Multicultural Festival 2020 (\$25,000);
 - 1.6 West Australian Marathon Club for Bridges Fun Run (\$5,000);
 - 1.7 Rowing WA for 2 x 2020 Elizabeth Quay Rowing Regattas (\$7,000);
 - 1.8 Japan Festival Inc for Perth Japan Festival Matsuri 2020 (\$15,000);
 - 1.9 Farming Champions Inc for Farmer on your plate (\$5,000);
 - 1.10 Mother's Day Classic Foundation for Perth Mother's Day Classic (\$5,000);
 - 1.11 Tee-Ball Association of W.A. for Tee-Ball State Championships (\$5,000)
 - 1.12 Western Australian Brewers Association for WA Beer Week (5,000)

2. **DECLINES** Event Grants to the following applicants:
 - 2.1 Perth Indonesian Community Incorporated for Forrest Place Multicultural Festival and Food Bazaar;
 - 2.2 Beerfest No 1 PTY LTD for Beerfest Perth Langley Park;
 - 2.3 Lifeline WA for Lifeline WA Governors Cup and State Fair;
 - 2.4 Skating At Festival Australia for Skating At Elizabeth Quay and;
 - 2.5 Perth Glendi Association of WA for Perth Glendi

3. **AUTHORISES** the Chief Executive Officer (or an appointed delegate) to negotiate with the applicant the final list of sponsorship benefits according to the Council approved funding amount.

COUNCIL RESOLUTION

MOVED WITH AMENDMENT

Moved Commissioner McMath, seconded Commissioner Kosova

That Council amend the Officer Recommendation as follows:

That Council:

1. **APPROVES** Event Grants totalling ~~\$183,499~~ **\$181,827.28** (excluding GST) to the following applicants:
 - 1.1 ***Sports Aircraft Association of Australia for SAAA 65th Birthday Fly-In (\$35,000);***

- 1.2 *Brookfield Commercial Operations Pty Ltd for Winter Lights at Brookfield Place (\$25,000);*
 - 1.3 *HBF Health Limited for HBF Run for a Reason (\$36,500);*
 - 1.4 ~~*Caroline James Events Pty Ltd for Corporate Function (\$14,999);*~~ *Perth Indonesian Community Incorporated for Forrest Place Multicultural Festival and Food Bazaar (\$13,327.28);*
 - 1.5 *Buddha's Light International Association of Western Australia Inc for Buddha's Birthday & Multicultural Festival 2020 (\$25,000);*
 - 1.6 *West Australian Marathon Club for Bridges Fun Run (\$5,000);*
 - 1.7 *Rowing WA for 2 x 2020 Elizabeth Quay Rowing Regattas (\$7,000);*
 - 1.8 *Japan Festival Inc for Perth Japan Festival Matsuri 2020 (\$15,000);*
 - 1.9 *Farming Champions Inc for Farmer on your plate (\$5,000);*
 - 1.10 *Mother's Day Classic Foundation for Perth Mother's Day Classic (\$5,000);*
 - 1.11 *Tee-Ball Association of W.A. for Tee-Ball State Championships (\$5,000)*
 - 1.12 *Western Australian Brewers Association for WA Beer Week (5,000)*
2. **DECLINES** *Event Grants to the following applicants:*
- 2.1 ~~*Perth Indonesian Community Incorporated for Forrest Place Multicultural Festival and Food Bazaar; Caroline James Events Pty Ltd for Corporate Function;*~~
 - 2.2 *Beerfest No 1 PTY LTD for Beerfest Perth Langley Park;*
 - 2.3 *Lifeline WA for Lifeline WA Governors Cup and State Fair;*
 - 2.4 *Skating At Festival Australia for Skating At Elizabeth Quay and;*
 - 2.5 *Perth Glendi Association of WA for Perth Glendi*
3. **AUTHORISES** *the Chief Executive Officer (or an appointed delegate) to negotiate with the applicant the final list of sponsorship benefits according to the Council approved funding amount.*

PRIMARY MOTION AS AMENDED

That Council:

1. **APPROVES** *Event Grants totalling \$181,827.28 (excluding GST) to the following applicants:*
 - 1.1 *Sports Aircraft Association of Australia for SAAA 65th Birthday Fly-In (\$35,000);*
 - 1.2 *Brookfield Commercial Operations Pty Ltd for Winter Lights at Brookfield Place (\$25,000);*
 - 1.3 *HBF Health Limited for HBF Run for a Reason (\$36,500);*
 - 1.4 *Perth Indonesian Community Incorporated for Forrest Place Multicultural Festival and Food Bazaar (\$13,327.28);*
 - 1.5 *Buddha's Light International Association of Western Australia Inc for Buddha's Birthday & Multicultural Festival 2020 (\$25,000);*
 - 1.6 *West Australian Marathon Club for Bridges Fun Run (\$5,000);*

- 1.7 *Rowing WA for 2 x 2020 Elizabeth Quay Rowing Regattas (\$7,000);*
 - 1.8 *Japan Festival Inc for Perth Japan Festival Matsuri 2020 (\$15,000);*
 - 1.9 *Farming Champions Inc for Farmer on your plate (\$5,000);*
 - 1.10 *Mother's Day Classic Foundation for Perth Mother's Day Classic (\$5,000);*
 - 1.11 *Tee-Ball Association of W.A. for Tee-Ball State Championships (\$5,000)*
 - 1.12 *Western Australian Brewers Association for WA Beer Week (5,000)*
2. **DECLINES Event Grants to the following applicants:**
- 2.1 *Caroline James Events Pty Ltd for Corporate Function;*
 - 2.2 *Beerfest No 1 PTY LTD for Beerfest Perth Langley Park;*
 - 2.3 *Lifeline WA for Lifeline WA Governors Cup and State Fair;*
 - 2.4 *Skating At Festival Australia for Skating At Elizabeth Quay and;*
 - 2.5 *Perth Glendi Association of WA for Perth Glendi*
3. **AUTHORISES the Chief Executive Officer (or an appointed delegate) to negotiate with the applicant the final list of sponsorship benefits according to the Council approved funding amount.**

The motion was put and carried

The votes were recorded as follows:

For: Commissioners Hammond, McMath and Kosova

Against: Nil

Reason: The Perth Indonesian Community Incorporated for Forrest Place Multicultural Festival and Food Bazaar brings greater vibrancy and cultural diversity.

Item 13.14 Adoption – City of Perth Outdoor Dining Amendment Local Law 2019

FILE REFERENCE:	P1038020
REPORTING OFFICER:	Kathleen O’Brien, Paralegal
REPORTING UNIT:	Governance
RESPONSIBLE DIRECTORATE:	Corporate Services
REPORT AUTHOR DISCLOSURE OF INTEREST:	Nil
DATE:	7 November 2019
ATTACHMENT/S:	Attachment 13.14A - <i>Outdoor Dining Local Law 2019</i> with proposed amendments Attachment 13.14B - Proposed <i>Outdoor Dining Amendment Local Law 2019</i> Confidential Attachment 13.14C – Letter from Joint Standing Committee on Delegated Legislation (subject to parliamentary privilege) <i>Confidential Attachments are distributed to Commissioners under separate cover</i>

Council Role:

- Advocacy *When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.*
- Executive *The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.*
- Legislative *Includes adopting local laws, town planning schemes and policies*
- Quasi-Judicial *When the Council determines an application/matter that directly affects a person’s right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.*
- Information *For the Committee to note.*

Legislation / Strategic Plan / Policy:

Legislation Section 3.12 of the *Local Government Act 1995* (Procedure for making local laws)

City of Perth Act 2016**Objects of the City of Perth**

8(1)(a) - to provide for the good government of persons in the City of Perth, including residents, ratepayers and visitors

Integrated Planning and Reporting Framework Implications**Strategic Community Plan**

Strategic Priority - Leadership

Policy

Policy No and Name: N/A

Purpose and Background:

Following the adoption of the *City of Perth Outdoor Dining Local Law 2019* by Council at its Ordinary Council Meeting held **30 April 2019**, the local law was subsequently published in the *Government Gazette* and reviewed by the Joint Standing Committee on Delegated Legislation (JSCDL). The JSCDL considered the local law at its meeting held on 26 June 2019 and determined to request that the Council provide undertakings to delete clause 2.5(2)(c) when the local law is next amended and in the meantime, not enforce this clause. The reasons for the request are detailed in Confidential Attachment 13.14C.

On **30 July 2019**, Council considered a request by the JSCDL and resolved as follows:

“That Council RESOLVES to undertake to the Joint Standing Committee on Delegated Legislation that the City will:

1. *When the Outdoor Dining Local Law 2019 is next reviewed or amended, amend the Outdoor Dining Local Law 2019 to:*
 - 1.1 *Delete clause 2.5(2)(c); and*
 - 1.2 *Make any further necessary consequential amendments required; and*
2. *Until the Outdoor Dining Local Law 2019 is amended in accordance with part 1:*
 - 2.2 *Not enforce the Outdoor Dining Local Law 2019 in a manner contrary to the undertaking in part 1; and*
 - 2.3 *Where the Outdoor Dining Local Law 2019 is made publicly available, whether in hard copy or electronic form (including on the City's website), ensure that it is accompanied by a copy of these undertakings.”*

The *Outdoor Dining Amendment Local Law 2019* was prepared to give effect to part 1 of the undertakings. At its meeting held on **27 August 2019**, Council resolved to advertise its intention to make the *City of Perth Outdoor Dining Amendment Local Law 2019*. The *City of Perth Outdoor Dining Amendment Local Law 2019* will amend the *City of Perth Outdoor Dining Local Law 2019* by deleting clause 2.5(2)(c).

Clause 2.5(2)(c) of the *City of Perth Outdoor Dining Local Law 2019* provides:

Without limiting the scope of the discretion of the local government or authorised person under subclause (1)(b), the local government or authorised person may refuse an application for a permit if, in their opinion-

- ...
- (c) *the proposed permit holder has been convicted during the preceding 5 years of an offence against-*
 - (i) *this local law;*
 - (ii) *the City of Perth Alfresco Dining Local Law 2009;*
 - (iii) *the Food Act;*
 - (iv) *the Health Act;*
 - (v) *the Public Health Act;*

- (vi) *the Liquor Control Act; or*
- (vii) *any other written Law which affects outdoor dining.*

On deletion of the clause the City will still have the ability to generally determine whether a person is a fit and proper person when granting permits.

Details:

A local public notice seeking public submissions on the proposed local law was published in the Perth Voice on Saturday, 14 September 2019, and was displayed on the City's notice boards and the City of Perth website. A copy of the public notice and the proposed local law were also provided to the Minister for Local Government.

In accordance with section 3.12(4) of the *Local Government Act 1995*, after the last day for submissions, Council is required to consider any submissions received in response to the public notice. No public submissions were received during the public notice period between 14 September 2019 and 6 November 2019.

The Department of Local Government, Sport and Cultural Industries (Department) on behalf of the Minister for Local Government, provided comments on the advertised local law on 15 October 2019.

The Department advised there were no significant issues identified, but it did suggest the following minor formatting suggestions.

Clause	Department Comments	Officer Response
Clause 1.3 –	The clause text can be simplified to read – This local law amends the <i>City of Perth Outdoor Dining Local Law 2019</i> as published in the <i>Government Gazette</i> on 27 May 2019.	Amended
Clause 1.4 -	<ul style="list-style-type: none"> o Change “subclause” to “clause” o delete the phrase “of the principal local law”. 	Amended

The proposed amendments do not change the meaning or effect of the clauses and the proposed local law has been amended in accordance with the drafting style suggested in the Department's comments.

Council may now resolve make the proposed local law. The above amendments are not considered to be significantly different to the originally advertised local law. If significant amendments are now proposed the local law would require readvertising for public comment.

Following adoption, in accordance with sections 3.12(5) and 3.12(6) of the *Local Government Act 1995*, subsequent to Council adoption, the City of Perth is required to:

- Publish the local law in the WA Government Gazette;
- Provide a copy of the gazettal to the Minister for Local Government (and any other relevant Minister);

- Publish a local public notice advising of the local law, its purpose and effect, the day on which it becomes effective and advising it may be inspected via the local government's offices; and
- Publish the local law on its website.

Financial Implications:

The amendment to the local law will result in additional advertising and gazettal costs of approximately \$2000. These costs will be met through existing operating budgets.

All figures quoted in this report are exclusive of GST.

Comments:

The proposed *City of Perth Outdoor Dining Amendment Local Law 2019* will ensure the City's compliance with the undertakings previously provided to the JSCDL.

The amendments proposed by the Department that were incorporated in the proposed *City of Perth Outdoor Dining Amendment Local Law 2019* relate to drafting standards. They do not constitute significant changes to the originally advertised local law.

It is therefore recommended that Council resolve to make the *City of Perth Outdoor Dining Amendment Local Law 2019* as detailed in Attachment 13.14B and gives local public notice of the local law.

In accordance with section 3.14(1) of the *Local Government Act 1995*, the local law will come into effect 14 ordinary days after it is published in the WA Government Gazette.

COUNCIL RESOLUTION

Moved Commissioner McMath, seconded Commissioner Kosova

That Council:

- 1. in accordance with section 3.12(4) of the Local Government Act 1995 NOTES that no submissions were received during the public submission period in response to the proposed City of Perth Outdoor Dining Amendment Local Law 2019;***
- 2. NOTES the comments received from the Department of Local Government, Sports and Cultural Industries in response to the public notice period and amendments made to the local law as detailed within this report; and***
- 3. in accordance with Section 3.12(4) of the Local Government Act 1995, MAKES the City of Perth Outdoor Dining Amendment Local Law 2019 as detailed in Attachment 13.14B.***

The motion was put and carried

The votes were recorded as follows:

For: Commissioners Hammond, McMath and Kosova

Against: Nil

Item 13.15 Recruitment Consultant - Chief Executive Officer Recruitment Process

FILE REFERENCE: P1022898
 REPORTING OFFICER: Mark Ridgwell, Manager Governance
 REPORTING UNIT: Governance
 RESPONSIBLE ALLIANCE: Corporate Services
 REPORT AUTHOR DISCLOSURE OF INTEREST: Nil
 DATE: 14 November 2019
 ATTACHMENT/S: Confidential Attachment 13.15A – Quotation Submissions
 Confidential Attachment 13.15B – Qualitative Selection Criteria Evaluation Matrix
Confidential Attachments are distributed to Commissioners under separate cover

Council Role:

- Advocacy *When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.*
- Executive *The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.*
- Legislative *Includes adopting local laws, town planning schemes and policies*
- Quasi-Judicial *When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.*
- Information *For the Committee to note.*

Legislation / Strategic Plan / Policy:**Legislation**

N/A

City of Perth Act 2016**Objects of the City of Perth**

8(1)(a) - to provide for the good government of persons in the City of Perth, including residents, ratepayers and visitors

Integrated Planning and Reporting Framework Implications**Strategic Community Plan**
Strategic Priority - Leadership**Policy**

Policy No and Name:

9.7 – Purchasing

The policy has been established to ensure efficient,

effective, economical and sustainable procedures in the City's purchasing activities

Purpose and Background:

At its meeting held on **30 July 2019**, it was resolved by Council to extend the Chief Executive Officer's (CEO) tenure for a term to expire 1 August 2020.

Several key focus areas were included in this decision, of relevance to this report was;

"In collaboration with the Commissioners, provide the administrative support and necessary resources to facilitate the recruitment of a new CEO so as the appointee can commence circa last week in July / first week in August 2020 (1st Quarter 2020)."

This item seeks to appoint a suitably qualified and experienced consultant to assist Council to recruit a Chief Executive Officer.

Details:

Recruiting and appointing a CEO is one of the most significant tasks elected members may undertake during their term of office. Choosing the right person is critical to the success of the council and the local government.

There are three sections of the *Local Government Act 1995* that have direct application to the appointment of a CEO. Additionally, the Local Government (Administration) Regulations 1996 also deals with advertising, contracts, selection and the appointment process.

To assist local governments to correctly appoint a CEO, the Department of Local Government, Sport and Cultural Industries developed Local Government Operational Guideline Number 10 - Appointing a CEO.

More recently, the Department has also developed draft standards and guidelines for local government CEO recruitment and selection, performance review and termination. The standards and guidelines are currently with the industry for consultation.

To assist local governments navigate such an important process, an independent recruitment consultant will often be appointed. The consultant should not be associated with the local government or any of its council members and can be an independent human resource professional, recruitment consultant or recruitment agency.

A request for quotation was sent to a number of recruitment consultants on 30 October 2019. The scope of works sought expert advice and guidance to assist Council on the following aspects of the recruitment and selection process:

- Development or review of the position description and contract of employment;
- Development of selection criteria;
- Drafting of the advertisement;
- Determination of marketing strategy to encourage the best applicants;
- Development or review of the information package for interested applicants;

- Preliminary assessment of the applications;
- Final shortlisting;
- Drafting of the questions for interview;
- Coordinating interviews; and
- Finalising reference/background checks and the contract.

Submissions closed Friday, 8 November 2019, with the City receiving six submissions. The submissions were subsequently assessed against the following criteria:

- Demonstrated knowledge of CEO employment provisions as defined in the *Local Government Act 1995* (WA);
- Demonstrated knowledge of the *Salaries and Allowances Act 1975*;
- Demonstrated sound understanding of contractual provisions and salary trends; and
- Holds a WA Employment Agent’s licence under the *Employment Agents Act 1976* (WA).

The submissions are provided as Confidential Attachment 13.15A - Quotation Submissions.

The following table outlines the pricing submission:

Submission	Price (ex GST)	Notes
Lester Blades	\$34,500	Plus advertising
WALGA Recruitment	\$28,000	Plus advertising
Gerard Daniels	\$68,000	Plus advertising
Beilby Downing Teal	\$48,000	Plus advertising
Hays Recruitment	\$30,000	Includes advertising and testing
Chandler Macleod	\$24,669	Plus advertising

Financial Implications:

As outlined in Confidential Attachment 13.15B, four of the submissions ranked very highly when assessed against the selection criteria:

1. Lester Blades
2. WALGA Recruitment
3. Gerard Daniels
4. Beilby Downing Teal

Lester Blades

The submission provided by Lester Blades proposes a flat fee of \$34,500 (ex GST). The fee includes psychometric testing but not advertising.

WALGA Recruitment

The submission provided by WALGA Recruitment proposes a flat fee of \$28,000 (ex GST). The fee does not include psychometric testing (\$200 per candidate) or advertising.

Gerard Daniels

The submission provided by Gerard Daniels proposes a flat fee of \$68,000 (ex GST) or a percentage of the appointee's guaranteed starting compensation depending on the City's preference. For the purposes of the assessment, the City has applied the flat rate, as the starting compensation has not yet been determined.

The fee does not include advertising, travel or accommodation if required.

Beilby Downing Teal

The submission provided by Beilby Downing Teal proposes a flat fee of \$48,000 (ex GST). The fee includes psychometric testing and all internet advertising.

In addition to consultancy fees, it is estimated that advertising both online and print will cost between \$15,000 - \$20,000 depending on the coverage decided.

There is capacity in the 2019/20 budget to cover the costs associated with appointing a recruitment consultant and advertising.

Comments:

All four of the highest-ranking submissions have extensive local government experience. They have all successfully recruited high profile positions in WA Local Government.

Based upon the assessment scores and price, it is recommended that Council appoint Lester Blades to assist Council undertake the CEO recruitment process.

COUNCIL RESOLUTION

Moved Commissioner Kosova, seconded Commissioner McMath

That Council APPOINTS Lester Blades for a flat fee of \$34,500 (ex GST) to assist Council with the recruitment and appointment of a new Chief Executive Officer.

The motion was put and carried

The votes were recorded as follows:

For: Commissioners Hammond, McMath and Kosova

Against: Nil

Item 13.20 Risk Management Quarterly Update – November 2019

FILE REFERENCE: P1013822-3
 REPORTING OFFICER: Tess Jackson, Risk and Business Continuity Officer
 REPORTING UNIT: Strategy and Recovery
 RESPONSIBLE ALLIANCE: CEO Alliance
 REPORT AUTHOR DISCLOSURE OF INTEREST: Nil
 DATE: 30 October 2019
 ATTACHMENT/S: Attachment 13.20A - High and Extreme Risks Report
 Confidential Attachment 13.20B - High and Extreme Risks Report
 Attachment 13.20C - Strategic Risk Register
 Confidential Attachment 13.20D - Strategic Risk Register
 Attachment 13.20E - Risk and Audit Response Matrix
Confidential attachments are distributed to Committee Members under separate cover

Council Role:

- Advocacy *When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.*
- Executive *The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.*
- Legislative *Includes adopting local laws, town planning schemes and policies*
- Quasi-Judicial *When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.*
- Information *For the Committee to note.*

Legislation / Strategic Plan / Policy:

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

City of Perth Act 2016**Objects of the City of Perth**

8(1)(a) - to provide for the good government of persons in the City of Perth, including residents, ratepayers and visitors

Integrated Planning and Reporting Framework Implications

Strategic Community Plan
Strategic Priority - Leadership

Policy

Policy No and Name: 19.1 - Risk Management

Purpose and Background:

This report provides the quarterly update for the City’s operational and strategic risks.

Details:

City of Perth Risk Profile

As at 6 November 2019, there are 143 operational risks and six strategic risks which make up the City’s Risk Profile. Figure 1 highlights the percentage of inadequate controls in place to mitigate the City’s identified risks, at each level, based on the City’s Risk Assessment Criteria.

Figure 1: Percentage of inadequate risk controls in place, as at 6 November 2019.

Operational and Strategic Risks	Inadequate Controls
Extreme Risks – 5 risk	100%
High Risks – 19 risks	79 %
Medium Risks – 104 risks	21 %
Low Risks – 21 risks	0%

The attachments to this report provide the details for all high and extreme risks including the status updates for their respective risk treatment action plans.

Four operational risks previously rated as high have been reviewed down to medium level, due to the work carried out over the past six months. These risks are listed below;

1. Corporate Governance Framework;
2. Cash Handling;
3. Recruitment; and
4. Management of leases, licences and legal agreements.

The details to the risks is provided for in Attachment 13.20A and Confidential Attachment 13.20B of this report.

City of Perth Risk Profile (Operational and Strategic Risks)

	Insignificant	Minor	Moderate	Major	Catastrophic
Almost Certain	M	1 Risk(s)	H	E	E
Likely	M	4 Risk(s)	7 Risk(s)	4 Risk(s)	E
Possible	L	2 Risk(s)	53 Risk(s)	11 Risk(s)	1 Risk(s)
Unlikely	3 Risk(s)	15 Risk(s)	23 Risk(s)	15 Risk(s)	1 Risk(s)
Rare	L	2 Risk(s)	1 Risk(s)	6 Risk(s)	M

City of Perth Risk Acceptance Criteria

Low	Risk acceptable with adequate controls, managed by routine procedures and subject to annual monitoring
Medium	Risk acceptable with adequate controls, managed by specific procedures and subject to semi-annual monitoring
High	Risk acceptable with effective controls , managed by senior management / executive and subject to quarterly monitoring. Quarterly reports will be provided to Council on all high risks
Extreme	Risks only acceptable with effective controls and all treatment plans to be explored and implemented where possible, managed by highest level of authority and subject to monthly continuous monitoring. Quarterly reports will be provided to Council on all Extreme Risks

The City of Perth top 10 operational risks are listed below:

Risk ID	Risk Name	Controls Effectiveness	Risk Rating	Within the City's risk acceptance*
101	Procurement	Inadequate	Extreme	No
105	Electrical and Lighting infrastructure	Inadequate	High	No
60	Management of City Assets	Inadequate	High	No
61	Financial Sustainability of Assets	Inadequate	High	No
103	Protecting Crowded Places from Terrorism	Inadequate	High	No
120	Facilities Management – PCEC Car Park	Inadequate	High	No
124	Public Health Inspections	Inadequate	High	No
108	Licencing and Compliance of Public Health Premises	Inadequate	High	No
112	Event Approvals	Inadequate	High	No
106	Management of new assets (projects) handed over from State Government	Inadequate	High	No

*Risk acceptance is based on the City's Risk Acceptance criteria above.

Attachment 13.20A and Confidential Attachment 13.20B provide detail on the above risks including the other high operational risks.

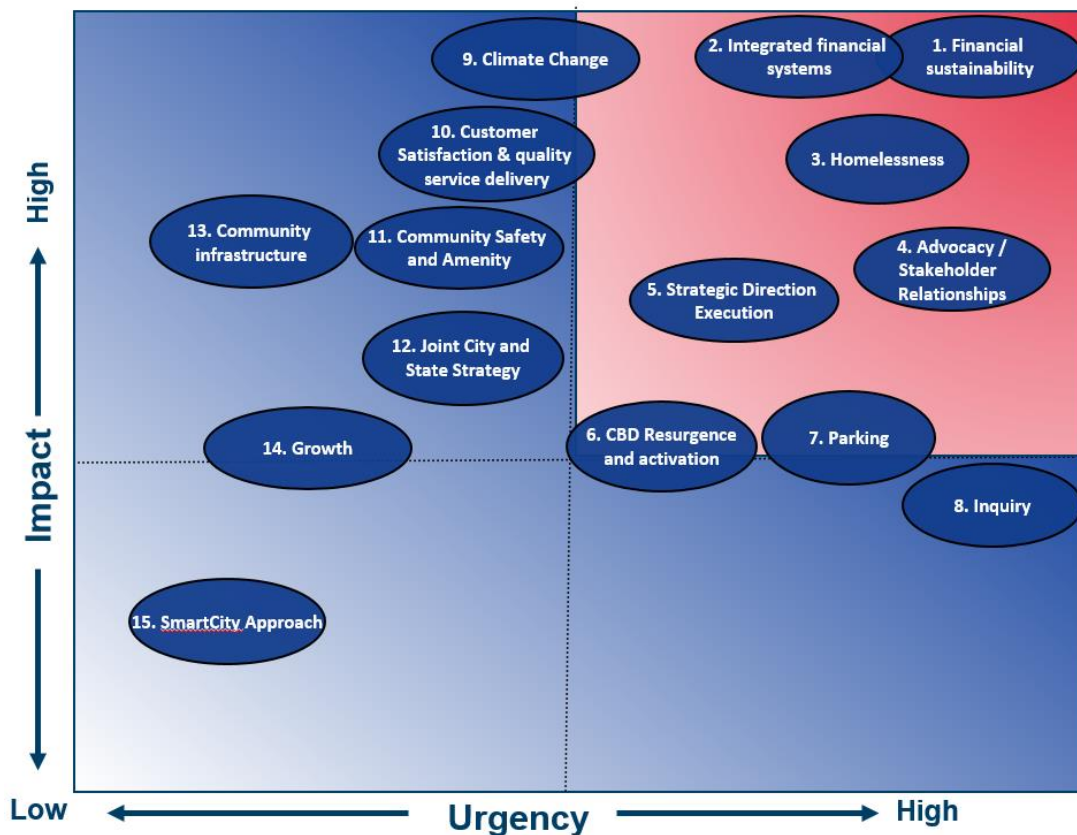
The allocated risk treatment actions have been developed to specifically address the inadequacies of the key preventative and mitigating controls. All risks identified above, with the exception of Procurement, are required to have implemented plans within **one month** to address the risk, with resultant actions implemented, executed within **nine months** from 5 August 2019. The identified Procurement risk is required to have implemented plan(s) **immediately** to address the risk, with resultant actions implemented, executed within **three months** from August 2019. This in line with the Risk Response Matrix (Attachment 13.20E).

Strategic Risk

City of Perth definition of strategic risk:

- Identified through analysis of both the Strategic Community Plan and Corporate Business Plan and key issues that can impede the City from delivering on strategic objectives.
- Risks identified from the external environment, that affect the decisions made around organisational priorities, resource allocation, tolerance and acceptance of risk, as illustrated in the below matrix.

City of Perth - Key Opportunities and Concerns for 2019/20
 (Political, Economic, Socio-demographic, Technological, Environmental, Internal)



The annual review of key opportunities and areas of concern was carried out by the Executive Leadership Team in late July 2019, with the below outcomes achieved;

- Established the City’s strategic priorities for 2019/20;
- Reviewed the strategic risks and their associated causes and impacts;
- Allocated key preventative and mitigating controls to the strategic risks; and
- Aligned the risk treatment actions into the Corporate Recovery Implementation Plan (CRIP).

The updated strategic risks (below) and associated risk treatment actions plans are provided in detail in Attachment 13.20C and Confidential Attachment 13.20D.

Risk ID	Risk Name	Controls Effectiveness	Risk Rating	Within the City’s risk acceptance*
SR1	Strategic Direction Execution	Inadequate	Extreme	No
SR2	Financial Sustainability	Inadequate	Extreme	No
SR3	Stakeholder Relationships	Inadequate	High	No
SR4	Climate Change (NEW)	Inadequate	High	No
SR5	Homelessness (NEW)	Inadequate	Extreme	No
SR6	Integrated Financial Systems (NEW)	Inadequate	Extreme	No

**Risk acceptance is based on the City’s Risk Acceptance criteria*

The allocated risk treatment actions have been developed to specifically address the inadequacies of the key preventative and mitigating controls. The report seeks the Committee’s endorsement of the reviewed strategic risk register, treatment actions and corresponding completion dates (Attachment 13.20C and Confidential Attachment 13.20D).

The report also seeks approval for the exceptions rule to be applied to all strategic risks as these will not be addressed within the timeframes dictated by the risk response matrix.

Business Continuity Update

A crisis exercise was conducted with the Crisis Management Team (CMT) in early July 2019. The objectives of the exercise included the below;

- Familiarise the CMT with the City’s Crisis Management Plan and supporting documentation;
- Enhance understanding of roles and responsibilities in a crisis event; and
- Provide opportunities to further enhance the City’s resilience.

The City’s plans and processes will continue to be updated following recommendations from the exercise, as well as organisation structural changes.

Division of Committee

In October 2018, the City of Perth completed a Risk Maturity Assessment which identified opportunities to enhance Risk Management at the City. It was recommended to split the Corporate

OSH and Risk Committee into two separate committees; one for Safety, Health and Wellbeing and one for Risk Management, Internal Audit and Legislative Compliance.

Separating the Corporate OSH and Risk Committee will allow focus on responsibilities in relation to specific functions including financial reporting, internal control structure, risk management systems, legislative compliance, ethical accountability and the internal and external audit functions, a direct progression to what is required for the Audit and Risk Committee.

The separation has now been enacted and a formal Terms of Reference will be developed for each of the new Committees over the coming month.

Financial Implications:

There are no financial implications related to this report.

Comments:

A review of the City's strategic and operational risks will be conducted following the successful introduction of the City's new Executive in November. The key focus will be on integrating risk into the planning and decision-making processes. Quarterly updates will continue to be provided to the Audit and Risk Committee.

COUNCIL RESOLUTION

Moved Commissioner McMath, seconded Commissioner Kosova

- 1. RECEIVES the Risk Management Quarterly Update for November 2019; and**
- 2. APPROVES the Strategic Risk Register as detailed in Attachment 13.20C and Confidential Attachment 13.20D.**

The motion was put and carried

The votes were recorded as follows:

For: Commissioners Hammond, McMath and Kosova

Against: Nil

Item 13.21 Internal Audit Plan 2019/20 – Cyber Security Review

FILE REFERENCE:	P1026043-2
REPORTING OFFICER:	Mario Cheldi, Internal Auditor
REPORTING UNIT:	CEO Alliance
RESPONSIBLE ALLIANCE:	CEO
REPORT AUTHOR DISCLOSURE OF INTEREST:	Nil
DATE:	28 October 2019
ATTACHMENT/S:	Confidential Attachment 13.21A – ISO 27001:2013 Review (Executive Summary and Introduction) Confidential Attachment 13.21B – Office 365 Connectivity and Performance (Report and Recommendations) Confidential Attachment 13.21C – Office 365 Security Optimisation Assessment (Introduction, Executive Summary and Findings Table) <i>Confidential attachments are distributed to Committee Members under separate cover</i>

Council Role:

- Advocacy *When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.*
- Executive *The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.*
- Legislative *Includes adopting local laws, town planning schemes and policies*
- Quasi-Judicial *When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.*
- Information *For the Committee to note.*

Legislation / Strategic Plan / Policy:

Legislation	Regulation 17 of the <i>Local Government (Audit) Regulations 1996</i>
City of Perth Act 2016	Objects of the City of Perth 8(1)(a) - to provide for the good government of persons in the City of Perth, including residents, ratepayers and visitors

Integrated Planning and Reporting Framework Implications**Strategic Community Plan**
Strategic Priority - Leadership**Policy**

Policy No and Name: 19.1 – Risk Management
13 – End User ICT Information Security
14 – ICT Operational Security

Purpose and Background:

The purpose of this report is to seek approval of the Cyber Security Review completed as part of the Internal Audit Plan 2019/20.

Cyber security is the practice of protecting systems, networks and programs from digital attacks. These attacks are usually aimed at accessing, changing or destroying sensitive information, extorting money from individuals, or interrupting normal business processes. Effective cyber security reduces the risk of attacks and protects organisations and individuals from the unauthorised exploitation of systems, networks and technologies.

The terms “cyber security” and “information security”, are often used interchangeably, however, cyber security refers to protecting data and information from outside sources in cyberspace or the internet. Information security, on the other hand, is a broader term which relates to protection of data and information in general.

At its meeting held 5 November 2018, the Audit and Risk Committee requested that cyber security be embedded in the Risk Plan and considered in the audit process.

In January and February 2019, meetings were held between the Internal Auditor, Risk Management Coordinator, Manager Information Technology (IT) and Coordinator Infrastructure IT in relation to cyber and information security within the City as well as a proposal for Internal Audit to carry out a review in this area.

The inclusion of the Cyber Security Review as part of the Internal Audit Plan 2019/20 was later raised by the Internal Auditor with the Independent Member of the Audit and Risk Committee on 21 March 2019. The Independent Member agreed with the inclusion of this review within this plan. A draft Internal Audit Plan 2019/20 including a Cyber Security Review was subsequently approved by the Audit and Risk Committee and Council in May 2019.

The Cyber Security Review was scheduled within the Internal Audit Plan 2019/20 to be undertaken during September and October 2019. During discussions held in August 2019 with the abovementioned IT staff it was identified that the unit had recently engaged IT consultancy firms to carry out a number of assessments which have provided findings and recommendations to improve information security within the City. The assessments undertaken by the IT consultancies are summarised below. Discussions in relation to these assessments including status of recommendations were held with the Coordinator Infrastructure and Microsoft System Specialist, during September and October 2019. These staff are members of the Infrastructure Team, which plays a key role in the maintenance of IT technical security controls within the City.

Discussions in relation to cyber and information security were also held with the Manager ICT (refer comment on new unit name below) in October 2019. As a result of these discussions it was identified that the City has a number of existing controls in place to mitigate cyber and information security risks. These controls are described below.

Overall conclusion on cyber and information security within the City, based on the findings of this review, is provided in the “Comments” section of this report.

Finally, it should be noted that as part of the new alliance structure within the City, the IT Unit is now known as the Information and Communication Technology (ICT) Services Unit and the IT Manager was appointed as the ICT Services Unit Manager, effective 16 September 2019.

Details:

Information security assessments

The following information security assessments at the City have been undertaken by independent IT consultancy firms during 2019.

ISO 27001: 2013 Review

In May 2019, IT engaged IT security specialist firm ES2 to undertake an ISO 27001:2013 Review at the City. This involved a review of the effectiveness and maturity of information security management processes across the City, utilising ISO 27001:2013 as the baseline standard for comparison. ISO 27001:2013 is the international standard for the management of information security and provides a holistic coverage of information security across the following 14 security domains:

- Information Security Policies;
- Organisation of Information Security;
- Human Resource security;
- Asset Management;
- Access Control;
- Cryptography;
- Physical and Environmental Security;
- Operations Security;
- Communications Security;
- System Acquisition, Development and Maintenance;
- Supplier Relationships;

- Information Security Incident Management;
- Information Security Aspects of Business Continuity Management; and
- Compliance.

The report on the ISO 27001:2013 Review was completed by ES2 in June 2019. As stated within the Executive Summary section of this report (Attachment 13.21A) *"...while not planning to achieve ISO 27001 certification in the near future, this assessment will aid the City of Perth in understanding the Information Security effort required to bring the organisation in line with good security practices, to aid with the remediation of any risks discovered during the engagement, and to provide the building blocks to work towards alignment with ISO 27001."*

ES2 make mention within the Executive Summary of their report that the City has solid information security foundations already in place. A number of positive attributes associated with the City's security practice has been highlighted by ES2 within the Executive Summary as follows:

- Strong technical and procedural controls particularly with respect to the server infrastructure environment which has benefitted from the security uplift activities that were required for PCI DSS compliance. (The Payment Card Industry Data Security Standard (PCI DSS) is an information security standard for organisations that handle branded credit cards from the major card schemes. This standard was created to increase controls around cardholder data to reduce credit card fraud);
- Network segmentation, end-point protection, vulnerability management, and incident and event monitoring (provided by the Symantec Security Operations Centre) are in place and providing good protection for the City of Perth's information assets; and
- The implementation of ITIL processes for operations and service management several years ago have matured to help to control risks before they eventuate (e.g. change management) as well as managing them post-incident (e.g. incident management). (ITIL, formerly an acronym for Information Technology Infrastructure Library, is a set of detailed practices for IT service management that focuses on aligning IT services with the needs of the business. ITIL is the most widely accepted approach to IT service management in the world).

The ES2 report highlights the top five recommendations from their review which upon implementation will provide *"...a considerable increase in the effectiveness and maturity levels of information security across the business"*. These top five recommendations have been summarised from a number of different findings across the report and logically grouped to assist the City better understand the work required to increase their security maturity, and are as follows:

- Develop an Information Security Governance Framework;
- Drive an Information Security Culture Change program;
- Conduct an Information Classification Exercise;
- Implement Technical Controls; and

- Enhance the Security capability within the IT team.

Specific details under each of the above five recommendations are contained within the Executive Summary section of the ES2 report on the ISO 27001:2013 Review (Attachment 13.21A).

The abovementioned recommendations were accepted by IT management following receipt of the ES2 report in June 2019.

The ISO 27001:2013 Review is the first deliverable of an information security program being undertaken by ES2. The second deliverable is a roadmap of key initiatives required to align business and IT operations to the ISO 27001:2013 standard. IT were awaiting the appointment of an ICT Services Unit Manager (refer Purpose and Background section above), prior to inviting ES2 back into the City to develop the abovementioned roadmap. As at the date of this report, ES2 consultants were scheduled to meet with key ICT staff to commence the development of the roadmap in early November 2019.

The last deliverable of the ES2 program is the ISO 27001:2013 Final Audit. After remediation of the identified gaps, ES2 will conduct a final audit of the City's IT security environment and report on the effectiveness of improvement actions and note any outstanding items.

Office 365 Connectivity and Performance Review

In June 2019, IT consultancy firm Dimension Data were engaged to investigate performance issues relating to connecting to the City of Perth Microsoft Office 365 (O365) tenant. These performance issues comprised extensive login times, followed by slow performance whilst connecting both internally and externally to O365. Dimension Data were requested to investigate the following items:

- Investigate and identify any issues with connectivity from the internal network to O365 Services;
- Investigate and identify any issues with connectivity from the external network to O365 Services;
- Provide guidance and best practice recommendations to remediate any issues identified; and
- Provide a summary of findings and recommendations post investigation.

Dimension Data within their report on this review have made a number of IT technical findings and recommendations in relation to user connectivity and authentication within Office 365 (refer Attachment 13.21B).

There are also a number of additional service findings and recommendations within the Dimension Data report including reducing the number of global admin accounts (for Systems Administrators) which were identified to be in place since implementation of Office 365 in 2017. These accounts provide access to most management features and data across Microsoft online services. As a result, multiple global admin accounts create a security risk.

The Microsoft System Specialist has advised that as at 28 October 2019, around 70% of the recommendations highlighted within the Dimension Data report had been addressed with work continuing on addressing the remaining recommendations.

Office 365 Security Optimisation Assessment

In July 2019, an Office 365 Security Optimisation Assessment was undertaken by Microsoft as a value add service provided under the City’s agreement with Microsoft. This assessment was planned separate from the abovementioned Office 365 Connectivity and Performance Review. The City’s Microsoft System Specialist has advised that this assessment will be undertaken again in 2020.

For this Office 365 Security Optimisation Assessment, the City had engaged Microsoft to provide recommendations in order to optimise the security posture of their Office 365 tenant, focussing on email security, identity, SharePoint Online, and Skype for Business Online.

A report on this assessment is dated 8 August 2019. Introduction, Executive Summary and Findings Table sections of this report can be found within Attachment 13.21C. As per the Introduction section the following was included within the scope of this assessment:

- Conduct a full security assessment of the current configuration of the Office 365 tenant;
- Highlight any remediation items that need to be completed to align with recommended practices; and
- Provide contextualised education and information on Office 365 security features.

The report contains a total of 65 security issue findings. The Executive Summary section of the report (Attachment 13.21C) highlights items identified by Microsoft to be high risk or in contradiction with the City’s security policies.

The security issue findings for this assessment have been classified by Microsoft based on their recommendations. Recommendation classifications are colour-coded and described below.

	Microsoft recommendation classification	Number for City of Perth assessment
	Change Strongly Recommended Items within this rating are likely to have a significant risk exposure on the security of your organisation’s tenant, therefore, change is strongly recommended.	25
	Change Recommended Items within this rating are likely to have some impact towards your organisation’s security posture.	28
	Review against your organisation’s policies Your organisation may have security policies in place which the current configuration may impact. Review the configuration item to determine if it fits in line with your organisation’s security policies.	12
	Total	65

The 25 security issue findings classified by Microsoft as “Change Strongly Recommended” have been listed on a Remediation Planning Spreadsheet. As a result of discussions with the City’s Microsoft System Specialist, it was determined that as at 28 October 2019, 13 out of 25 of these security issue findings have been addressed with work carrying out on a continual basis for addressing the remaining findings. It was confirmed by the Microsoft System Specialist that it is planned to address the remaining security issue findings (those classified as “Change Recommended” or “Review against your organisation’s policies”), following the City addressing all items classified as “Change Strongly Recommended”.

As advised by the Coordinator Infrastructure, the recommendations from the Office 365 Security Optimisation Assessment provide the details around the required IT security controls highlighted within the ISO 27001:2013 Review carried out by ES2 (refer above).

Microsoft have applied one of the following “Cybersecurity Functions” to each of the 65 classified recommendations:

- Protect – Use preventative measures to harden the organisation from security threats;
- Detect – Process information and signals when security incidents have occurred; or
- Respond – Remediate issues uncovered as part of a security incident.

According to the Coordinator Infrastructure, during their review Microsoft tested the integrity of the City’s network and found no indication of suspicious activity.

It should be noted that there is duplication in the recommendations of the Office 365 Security Optimisation Assessment and the Office 365 Connectivity and Performance Review. However, as confirmed by the Coordinator Infrastructure, the Office 365 Security Optimisation Assessment is the current key document for the improvement of IT security controls within the City.

Existing information security controls

Payment Card Industry Data Security Standard

The City’s IT security controls have been audited by Qualified Security Assessors and assessed to be compliant in 2017, 2018 and 2019 (evidence sighted) with the Payment Card Industry Data Security Standard (PCI DSS). This standard is a comprehensive set of controls designed to protect credit card data while in the hands of merchants. The City has leveraged the technologies, processes and governance required under the PCI DSS to maintain a high level of security across all critical systems.

The comprehensive controls required under PCI DSS encompass many IT security domains including:

- Secure administration and system configuration;
- Change, vulnerability, threat and incident management;
- Threat detection capabilities, antimalware, intrusion detection, event logging and monitoring;
- Policy enforcement, user awareness and training;

- On-boarding/off-boarding processes and access control;
- Encryption and key management; and
- Annual security (penetration) testing for applications, servers and network.

ES2 identified from their ISO 27001:2013 Review (Attachment 13.21A) that the City has “...*strong technical and procedural controls particularly with respect to the server infrastructure environment which has benefitted from the security uplift activities that were required for PCI DSS compliance.*”

Information Technology Infrastructure Library (ITIL) processes

As previously mentioned, Information Technology Infrastructure Library (ITIL) is a set of detailed practices for IT service management that focuses on aligning IT services with the needs of the business.

ITIL processes allow the management of IT incidents whether security related or not in a quality practiced manner to reduce the impact to the City’s operations and mitigate future threats from lessons learned.

During the ISO 27001:2013 Review, ES2 noted (Attachment 13.21A) that “...*the implementation of ITIL processes for operations and service management several years ago have matured to help to control risks before they eventuate (eg change management) as well as managing them post-incident (eg. incident management).*”

Strategic relationships with IT security companies

The ICT Unit maintains strategic relationships with a number of IT security companies. These companies are engaged to provide specialist services such as threat feeds and alerts, computer forensic services and technology specific advice on an as needed basis.

Policies, plans and training

Two organisational policies relating to information security are in place: 13 – End User ICT Information Security Policy; and 14 – ICT Operational Security Policy.

An IT Strategic Plan 2018 to 2022 has been established with Cyber Security listed as a strategic objective for 2019. This strategic plan is to be succeeded by an ICT Strategy with ICT security across the organisation as an objective of this new strategy.

An Information Governance project is underway within the organisation. This project has two parts – an Information Governance Framework and Information Governance Policy. The Information Governance Framework is being managed by the ICT unit and is currently at a proof of concept stage. This framework will result in the implementation of a new cyber security governance framework and update of existing information security policies.

An Information Governance Policy is to be developed by the Information Management section of the Governance Unit.

Finally, staff must complete IT Security Awareness training via the City Learn system as part of the induction process and the annual staff refresher training programme.

Risk management

The City's Risk Management Team undertake business unit operational risk assessment workshops involving key unit staff. Risks are identified from these workshops, documented and assessed by the team.

During an IT risk assessment workshop undertaken in October 2018, the following risk in relation to IT security was identified:

- Failure to provide Information Technology security which adequately protects the City's IT systems and data against breaches, viruses, malware and intrusions.

Controls effectiveness for the above risk identified in October 2018 was assessed as adequate and a risk rating of medium was assigned to this risk by the Risk Management Team.

The above risk was reassessed in June 2019 via a workshop facilitated by the Risk Management Team with key IT staff. This reassessment also resulted in the team arriving at a controls effectiveness rating of adequate and risk rating of medium for this risk.

As sighted, the above risk is included within the latest IT Unit Business Plan 2018/19 with an action description of semi-annual review, which is in line with the City's Risk Acceptance Criteria for a risk with a medium risk rating.

Financial Implications:

There are no financial implications related to this report.

Comments:

The abovementioned information security assessments carried out in 2019 have provided ICT with a firm understanding of where the City is positioned with its information security and what is needed to be put into place to improve this security.

A high priority has been assigned by ICT to implementing the recommendations to improve technical information security controls as outlined within the Dimension Data and Microsoft information security assessment reports. ICT has demonstrated that it is well advanced in implementing these recommendations.

The ES2 review to benchmark the City against ISO 27001 has resulted in five key recommendations to improve information security maturity. These recommendations have been accepted by ICT management. Development of a roadmap towards ISO 27001 certification has commenced with ES2.

The overall conclusion from this review is that the City already has solid information security foundations in place (as confirmed by ES2 and in discussions with ICT staff as mentioned above), however is demonstrating a willingness to improve on this security by implementing the

recommendations made from the abovementioned information security assessments. In addition, the City has made a commitment to increasing its information security maturity by taking the first steps towards certification with ISO 27001.

The cooperation and assistance received from the Coordinator Infrastructure, Microsoft System Specialist and Manager ICT to enable the completion of this review is appreciated.

COUNCIL RESOLUTION

Moved Commissioner Kosova, seconded Commissioner McMath

That Council APPROVES the Cyber Security Review carried out as part of the Internal Audit Plan 2019/20.

The motion was put and carried

The votes were recorded as follows:

For: Commissioners Hammond, McMath and Kosova

Against: Nil

MOTION TO REOPEN THE MEETING TO THE PUBLIC.

Moved Commissioner Kosova, seconded Commissioner McMath

That Council REOPEN the meeting to members of the public.

The motion was put and carried

The votes were recorded as follows:

For: Commissioners Hammond, McMath and Kosova

Against: Nil

7.11pm The meeting was re-opened to the public and staff.

The Chair Commissioner advised the public gallery of the resolution made on Items 13.12, 13.13, 13.14, 13.15, 13.20 and 13.21.

13.12 and 13.13 were amended and 13.14, 13.15, 13.20 and 13.21 were the same as the officer and committee recommendation as detailed above.

14. Motions of which Previous Notice has been given

Nil

15. Urgent Business

Nil

16. Closure

7.15pm The Chair Commissioner declared the meeting closed.