



City of **Perth**

Agenda

Agenda Briefing Session

6 December 2022

Notice of Meeting

To the Lord Mayor and Councillors

The next Agenda Briefing Session will be held on Tuesday, 6 December 2022 in the Council Chamber, Level 9, 27 St Georges Terrace, Perth commencing at 5.00pm.

Michelle Reynolds

Chief Executive Officer

2 December 2022

Information

This information is provided on matters which may affect members of the public. If you have any queries on procedural matters, please contact a member of the City's Governance team via governance@cityofperth.wa.gov.au.

Deputations

Deputations are heard at Agenda Briefing Sessions only and have a five minute time limit. To submit a deputation request, please complete the form available on the City's website www.perth.wa.gov.au/council/council-meetings.

Disclaimer

Members of the public should note that in any discussion during a meeting regarding any item, a statement or indication of approval by any council member, committee member or officer of the City is not intended to be, and should not be taken as, notice of approval from the City. No action should be taken on any item discussed at a meeting of a Committee prior to written advice on the Committee or Council's resolution being received.

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1. Declaration of Opening

2. Acknowledgement of Country/Prayer

3. Attendance

3.1 Apologies

3.2 Leave of Absence

Councillor Clyde Bevan (8 November 2022 to 12 December 2022 inclusive)

3.3 Applications for Leave of Absence

This item will be dealt with at the Ordinary Council Meeting.

4. Announcements by the Lord Mayor

5. Disclosures of Interest

6. Public Participation

6.1 Public Questions

This item will be dealt with at the Ordinary Council Meeting.

6.2 Deputations

7. Confirmation of Minutes

This item will be dealt with at the Ordinary Council Meeting.

8. Questions by Members which due Notice has been Given

This item will be dealt with at the Ordinary Council Meeting.

9. Correspondence

This item will be dealt with at the Ordinary Council Meeting.

10. Petitions

This item will be dealt with at the Ordinary Council Meeting.

11. Planning and Economic Development Alliance Reports

11.1 Specification of Dog Exercise Areas - Dog Act 1976

Responsible Officer	Dale Page – General Manager Planning and Economic Development
Voting Requirements	Absolute Majority
Attachments	Nil.

Purpose

For Council to specify the following sites in the City as dog exercise areas in accordance with the *Dog Act 1976* (the Act):

- 1 Fenced off-lead dog park at Ozone Reserve, East Perth; and
- 2 Fenced off-lead dog park at Railway Reserve, Claisebrook.

Recommendation

That Council SPECIFIES the following sites as dog exercise areas:

- 1 Fenced off-lead dog park at Ozone Reserve in East Perth; and
 - 2 Fenced off-lead dog park at Railway Reserve, northern end of Victory Terrace, in Claisebrook.
-

Background

1. At its Ordinary Meeting held 21 December 2021, Council resolved as follows:

That Council:

1. NOTES the findings of the investigation into suitable sites for a fenced off-lead dog park as set out in the attached report.
2. APPROVES the expansion of the existing facility at Ozone Reserve and the installation of a new fenced off-lead dog park at Railway Reserve in Claisebrook.
3. SUPPORTS the inclusion of a provisional sum of \$140,000 (including a 10% contingency) for total project costs for consideration in the 2022/23 annual budget.
4. NOTES that, following adoption of the 2022/23 annual budget, the City will commence the process to specify the sites mentioned in 2 above as dog exercise areas under the Dog Act 1976, including giving local public notice of its intention to do so under section 31(3C) of the Act.

Discussion

2. Following adoption of the 2022/23 budget, the City commenced works on the expansion of the existing fenced off-lead dog park at Ozone Reserve, East Perth and the development of a new facility at Railway Reserve in Claisebrook.
3. Under Section 31(3A) of the Act a local government may specify a public space under its care, control or management to be a dog exercise area. Section 31(3C) requires the local government to give local public notice of this intention at least 28 days before specifying a place to be a dog exercise area.
4. In accordance with Council's resolution of 21 December 2021 the City undertook the process to specify the fenced off-lead dog parks at both Ozone Reserve and Railway Reserve as dog exercise areas in accordance with the provisions of the Act.
5. Public notice was given in accordance with Regulation 3A of the *Local Government (Administration) Regulations 1996*, in the Perth Voice local newspaper, and on the City of Perth website and social media account, from 15 October 2022 which is more than 28 days prior to Council's consideration.
6. No issues were raised with the City in response to the public notice.
7. In accordance with Section 31(3A) of the Act, an absolute majority decision of Council is required to formally specify both sites as dog exercise areas.

Consultation

8. As per points 5 and 6 above.

Decision Implications

9. This is a legislative requirement - without Council approval, the fenced off-lead dog parks will not be formally specified as dog exercise areas.

Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Liveable
Related Documents (Issue Specific Strategies and Plans):	Nil.

Legislation, Delegation of Authority and Policy	
Legislation:	Sections 31(3A) and (3C) of the <i>Dog Act 1976</i> .
Authority of Council/CEO:	Section 31(3A) of the <i>Dog Act 1976</i> requires Council to specify dog exercise areas by absolute majority.
Policy:	Nil.


Financial Implications

Nil.

Further Information

Nil.

11.2 Via Torre Lane - one-way conversion

Responsible Officer	Dale Page – General Manager Planning and Economic Development
Voting Requirements	Simple Majority
Attachments	Attachment 11.2A – Via Torre Lane - One Way Conversion - Location Plan ↓ 

Purpose

To seek Council's agreement to seek approval from Main Roads WA and the Minister for Transport; Planning; Ports to convert Via Torre Lane (Northbridge) from two-way to one-way traffic flow.

Recommendation

That Council AGREES to seek approval from Main Roads WA (MRWA) and the Minister for Transport; Planning; Ports for the conversion of Via Torre Lane (Northbridge) from two-way to one-way traffic flow.

Background

1. There has been ongoing feedback from residents adjoining Via Torre Lane, Northbridge, of property damage in the southern section of the laneway due to service vehicles entering off Aberdeen Street.
2. Bollards were installed as an initial measure to protect the property at 62 Aberdeen Street, but the gutters to the building are still vulnerable to damage as they protrude into the laneway.
3. Other measures have been investigated to mitigate on-going damage with the most suitable and cost-efficient measure being the one-way conversion of Via Torre Lane.
4. The Via Torre Lane conversion is one of the projects earmarked for implementation under the Annual Road Safety and Network Improvement Program - a program in the City's Corporate Business Plan for the 2022/23 financial year (Focus Area A11).

Discussion

5. Investigations consisting of site visits, video surveys, traffic volume and parking assessments, were conducted to understand the conditions in Via Torre Lane and to inform suitable solutions.
6. The results showed that the southbound flow is the predominant movement with service vehicles using Newcastle Street as an entry point to the laneway and exiting onto Aberdeen Street.
7. The southern end of Via Torre Lane is only 3.1 metres wide, which makes it difficult for oversized vehicles to safely enter off Aberdeen Street.
8. Entry onto the laneway off Newcastle Street is an easy manoeuvre but exit onto Newcastle Street is difficult because of the traffic volumes and proximity to the intersection.
9. Exit onto Aberdeen Street is an easy manoeuvre as the traffic volumes along Aberdeen Street are lower than Newcastle Street.
10. The proposed one-way conversion would have the following benefits:
 - a. Vehicles would enter off Newcastle Street where the entrance to the laneway is wider and there is more room to manoeuvre.
 - b. The risk of property damage would be further reduced if vehicles only exit at Aberdeen Street.
 - c. Road safety would be improved including reduced parking congestion and conflicts between multiple vehicles using the laneway.
 - d. Improved movement and behaviour of traffic through and within the laneway.
11. The one-way conversion works proposed for Via Torre Lane include:
 - a. Installation of pavement markings (arrows) indicating direction of travel.
 - b. Installation of regulatory signage (No Entry) at the southern leg of the laneway.
 - c. Installation of pavement marking message iterating No Entry.
12. MRWA will fund the signs and line marking installation.

Consultation

13. The following stakeholder engagement was undertaken for the Via Torre one-way conversion project:
 - a. Stakeholder letters were sent to all affected property owners and managing agents on 31 October 2022.
 - b. The Engage Perth platform went live on 31 October 2022.
 - c. At the close of the feedback period on the 1 November 2022 there were 43 total visits and eight downloads of the documents.
 - d. One property owner wrote to the City outlining their general support for the proposal.
14. Clear ongoing communication with residents and business owners before and during the works will be undertaken. The Engage Perth website will be used for this purpose with updates posted on a regular basis.

Decision Implications

15. If Council resolves upon the recommendation, the City will send a formal application to MRWA for approval to convert the laneway to one-way traffic and for the installation of the required signs and line marking.
16. MRWA will then seek approval from the Minister for Transport and Planning to convert Via Torre to one-way traffic.
17. All works are intended to be completed by the end of June 2023, subject to timing of Ministerial approval.
18. If Council does not support the recommendation, the project will not be progressed any further and the stakeholders will be advised accordingly.

Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Sustainable
Related Documents (Issue Specific Strategies and Plans):	S1 A well-planned, designed, and managed city. The works will improve the overall presentation and amenity to meet today's needs while ensuring sustainability for the future.

Legislation, Delegation of Authority and Policy	
Legislation:	Regulation 291 of the <i>Road Traffic Code 2000</i> – Temporary closure of or restriction on the use of roads.
Authority of Council/CEO:	Council approval is sought for the Via Torre Lane one-way conversion to seek Ministerial approval
Policy:	Nil.

Financial Implications

19. The financial implications of the recommendation(s) are accommodated within the existing budget.

Account Number	1087-100-83-10609-7230	Capital
Account Description	Road Safety and Network Improvement Program	
Total Budget	\$5000	
Budget – this report	\$3630 (data collection)	
Remaining Budget	\$1370	
Budget Impact	Minimal to nil	

Further Information

Nil.

11.3 Local Planning Strategy - Final Adoption

Responsible Officer	Dale Page – General Manager Planning and Economic Development
Voting Requirements	Simple Majority
Attachments	<p>Attachment 11.3A – Consultation Outcomes Summary (under separate cover) </p> <p>Attachment 11.3B – Schedule of Response to Submissions (under separate cover) </p> <p>Attachment 11.3C – Local Planning Strategy - December 2022 - Part One (under separate cover) </p> <p>Attachment 11.3D – Local Planning Strategy - December 2022 - Part Two (under separate cover) </p> <p>Attachment 11.3E – Local Planning Strategy - December 2022 - Appendix A (under separate cover) </p> <p>Attachment 11.3F – Local Planning Strategy - December 2022 - Appendix B (under separate cover) </p> <p>Attachment 11.3G – Local Planning Strategy - December 2022 - Part One (marked up) (under separate cover) </p> <p>Attachment 11.3H – Schedule of Modifications (under separate cover) </p>

Purpose

To present Council with the outcomes of formal advertising of the Local Planning Strategy (the Strategy) and seek Council’s adoption of the Strategy (as modified) for submission to the Western Australian Planning Commission (Commission) for final endorsement.

Recommendation

That Council:

1. NOTES the submissions received during formal advertising of the draft Local Planning Strategy and the City’s responses to submissions received (Attachment 11.3B).
2. ADOPTS the Local Planning Strategy, as modified and included in:
 - a. Attachment 11.3C - *Local Planning Strategy Part One: The Strategy*
 - b. Attachment 11.3D - *Local Planning Strategy Part Two: Background Analysis Report*
 - c. Attachment 11.3E - *Appendix A: City Wide Local Profile Analysis*
 - d. Attachment 11.3F - *Appendix B: Neighbourhood Profile Analysis*.
 - e. Attachment 11.3G: Local Planning Strategy (December 2022) Markup
 - f. Attachment 11.3H: Schedule of Modifications
3. APPROVES the submission of the Local Planning Strategy to the Western Australian Planning Commission for final endorsement, pursuant to Regulation 14 (3) of the *Planning and Development (Local Planning Schemes) Regulations 2015*.

Background

1. The Strategy provides the long-term directions and rationale for land use planning and decision-making for Perth city. The adoption of the Strategy will ensure the Local Planning Scheme and planning policies can be prepared and adopted in a manner that is consistent with the City's long-term vision.
2. The Strategy consists of two parts in accordance with the requirements of the Commission. Part One contains the strategy vision, planning directions, and actions for implementation. Part Two contains the background research, evidence and rationale that supports Part One.
3. The Strategy is a pre-requisite to preparing the City of Perth's new Local Planning Scheme No.3 (LPS3). The outcomes and recommendations of the Strategy will inform the preparation of the LPS3 and supporting planning policies, which will set out the controls and guidelines for development in the city.
4. Building upon the City's three pillars (Liveable, Sustainable and Prosperous), the Strategy seeks to:
 - a. Create a liveable city of neighbourhoods where people love to live, work and play.
 - b. Build a sustainable city that can meet growing economic, social and environmental challenges.
 - c. Strengthen Perth city as a prosperous, globally competitive economic, social, cultural and civic centre.
5. The Strategy recognises the dual role of the City as the capital city of Western Australia and the local government authority for residents and business owners. To cater to both functions, the Strategy includes city-wide priorities and actions as well as neighbourhood level priorities and actions.
6. The city-wide priorities and actions include items of capital city importance or items that apply broadly across the whole local government area. The neighbourhood priorities and actions are tailored to the specific needs of that neighbourhood.
7. The State Government has set a population target of 53,320 people by 2050 for the City's local government area. This equates to a population of approximately 42,500 people by 2036 (the timeframe of the Strategy). The Strategy is seeking to achieve a more ambitious population of 55,000 residents by 2036 and distributes the population growth across the City's six neighbourhoods. The specific boundaries and extent of density increases will be determined through the new Local Planning Scheme No. 3.
8. The preparation of the Strategy commenced in 2017 and has involved extensive research, analysis and several stakeholder engagement processes.
9. The draft Strategy was endorsed by Council in July 2021 for the purposes of forwarding to the Commission for approval to undertake formal community consultation in line with the requirements of the *Planning and Development (Local Planning Schemes) Regulations 2015* (the Regulations).
10. In January 2022 the Strategy was approved by the Commission for public consultation. Consultation commenced on 27 January 2022 and concluded on 25 March 2022. The consultation period was extended (due to a request from submitters) from the initial closing date of 10 March 2022, with approval from the Commission.
11. The content of submissions has been considered, analysed and where necessary modifications are recommended to the Strategy in response to submissions received.
12. In accordance with the Regulations, the Council is required to adopt the Strategy (with or without modifications) and submit to the Commission for final endorsement.

Discussion

13. Following careful consideration of the submissions, modifications (generally of a minor nature) have been proposed to the final document and do not materially affect the overall intent, messaging and outcomes of the Strategy. Principally, the modifications have been made in response to submissions received.
14. There was generally a high level of support for the intent, direction and vision of the Strategy. Several submissions identified gaps in the Strategy content, as well as areas where messaging and actions could be strengthened.
15. Attachment 11.3A – Local Planning Strategy Consultation Outcomes Report provides a summary of the comments received, which have been considered across the three strategic pillars identified within the City’s Strategic Community Plan. A further detailed breakdown of the submissions (including the City’s comments and modifications to the Strategy) is provided in Attachment 11.3B – Schedule of Response to Submissions.
16. A full schedule of modifications to the Strategy is included in Attachment 11.3G – Schedule of Modifications. The key modifications have also been translated onto a marked-up version of the amended Strategy Part One document and can be viewed in Attachment 11.3G – Proposed Modifications Local Planning Strategy (Part One). No marked-up version is provided for the other supporting documents as the modifications proposed are very minor in nature.
17. Several submissions raised areas of interest or concerns for matters that are outside the role of the Strategy, the scope of which is determined by the Commission.
18. The draft Strategy was also prepared in advance of the City’s Strategic Community Plan, Economic Development and Sustainability Strategies, which were adopted by the Council in April 2022. As a result, modifications are proposed to ensure the Strategy is aligned with these strategic documents.
19. A summary of the key modifications is provided below:

Focus Area	Summary of Modification
Vision, content and format	<ul style="list-style-type: none"> - The vision has been amended to strengthen the aspirations for growth and development. - Actions were reviewed across the Strategy to ensure they align with the overall vision and intent. - Additional text has been added to clarify the role and limitations of the Strategy in accordance with the Department of Planning, Lands and Heritage guidelines.
Governance and collaboration	<ul style="list-style-type: none"> - Amendments were made to acknowledge the complex governance arrangement for planning in the city and the City’s desire for improved collaboration.
Population growth	<ul style="list-style-type: none"> - The Intensification Investigation Area was extended around the West Perth activity centre.
City Investment and Economic Recovery	<ul style="list-style-type: none"> - The Capital City Activity Centre Spine has been removed and the intent for the City to focus on improving north-south connectivity has been clarified.

	<ul style="list-style-type: none"> - Content and actions within the Strategy have been updated to reflect key land use and planning actions from the City’s Economic Development Strategy.
Community Infrastructure Planning	<ul style="list-style-type: none"> - The identification of preferred locations for public school sites has been removed and actions have been amended to reflect the City’s advocacy role in the provision of a public primary school in the city. - The Strategy has been updated to reflect the preparation of the Social Needs Analysis to inform the preparation of a future Community Infrastructure Plan.
Sustainable Development	<ul style="list-style-type: none"> - The content and actions within the Strategy have been updated to ensure alignment with the City’s Sustainability Strategy. - Specific reference and new action included within the Strategy to clarify the City’s intent to achieve net zero emissions. - Additional text has been added to actions to clarify and reaffirm the City’s intentions to consider incentives for adaptive reuses of existing and underutilised building stock.
Built Form	<ul style="list-style-type: none"> - New text and actions have been added to promote inclusive and universal design to ensure buildings are accessible and cater for the whole community, including the consideration of bonus plot ratio to deliver it.
Connectivity and Transport	<ul style="list-style-type: none"> - The mass transit route has been amended to show an indicative alignment along Winthrop Avenue adjacent to QEII Medical Centre. - Amendments have made to clarify the City’s intentions to review the bike path routes through a bicycle path plan, having due regard to the Department of Transport’s Long-Term Cycle Network. - Several new ‘Strategic Connections’ for movement and transport have been identified and added.
City Vibrancy and Improvement	<ul style="list-style-type: none"> - New actions have been included to address the public realm improvements that will be delivered through the City’s projects. This is proposed to be addressed through ongoing updates to the City’s Neighbourhood Place Plans to address the need to better integrate land use, connectivity, and public realm interventions. - The link between vibrancy and the Strategy actions has been made clearer.
Activity Centre Planning	<ul style="list-style-type: none"> - Additional clarification is provided for preferred uses within activity centres to: <ul style="list-style-type: none"> o Encourage land uses that meet the daily and weekly needs of residents o Support the development of new community facilities and services o Encourage public realm improvements that reflect the important status of Neighbourhood Centres as local focal points. - The ‘Neighbourhood Frame’ and ‘Neighbourhood Core’ have been removed from activity centres.

Environment	<ul style="list-style-type: none"> - Additional clarification has been provided that the intensification of development is not supported in bushfire prone areas, with the exception of Kings Park Road where the risk can be mitigated and managed via setbacks. - Amendments have been made to mapping and figures to align Primary and Secondary Biodiversity Links with the City’s Green Infrastructure and Biodiversity Study. - Amendments have been made to the action relating to the City’s Foreshore Masterplan to clarify the City’s intent and directions to be addressed within a medium-term timeframe.
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Consultation

20. The draft Strategy was certified by the Commission on 22 January 2022 for formal advertising in accordance with the Regulations. Following the Commission’s decision, the Strategy was publicly advertised from 27 January 2022, concluding on 25 March 2022.
21. The consultation period was extended from the initial closing date of 10 March 2022 to the 25 March 2022, with approval from the Commission.
22. Three community information sessions were held across February and March 2022, and submissions were welcomed via Engage Perth, post, or email.
23. A total of 50 submissions were received (including late submissions and comments made via the Engage Perth survey) and 25 survey responses were completed. Contributing stakeholders included residents, business owners, landowners, community groups, government agencies, the planning industry, and peak bodies.
24. A full schedule of submissions is included in Attachment 11.3B – Schedule of Response to Submissions. This schedule includes verbatim submissions and the City’s response thereto. The schedule also notes where a modification has been made to the Strategy in response to a comment.

Decision Implications

25. If Council supports the recommendation, the Strategy will be forwarded to the Commission for final endorsement. Pursuant to the Regulations the Commission may, within 60-days of receiving the Strategy, decide to:
 - a. endorse the Strategy; or
 - b. require modifications to the Strategy before it can be endorsed; or
 - c. refuse to endorse the Strategy.

The Strategy will take effect on the day it is endorsed by the Commission.

26. Once endorsed the Strategy will guide decision-making for a 10 to 15-year timeframe. Should changes be required to respond to changing circumstances or new opportunities, the Council can seek to amend the Strategy through a process provided for by Regulation 17 of the *Planning and Development (Local Planning Scheme) Regulations 2015*.

27. If the Council does not support the recommendation, the Strategy will be modified in accordance with any Council resolution made. This will delay the submission of the Strategy to the Commission for its final endorsement.

Strategic, Legislative and Policy Implications

Strategic Community Plan	
Strategic Pillar (Objective)	Liveable, Sustainable, Prosperous
Related Documents (Issue Specific Strategies and Plans):	Strategic Community Plan Sustainability Strategy Economic Development Strategy

Legislation, Delegation of Authority and Policy	
Legislation:	<p>Regulation 11, 14 and 15 of the <i>Planning and Development (Local Planning Schemes) Regulations 2015</i></p> <p>Section 2.7(2)(b) of the <i>Local Government Act 1995</i></p> <p>The Strategy has been prepared in accordance with Regulation 11. Approving the Strategy as per the report recommendation will enable Regulation 14 and Regulation 15 to be satisfied.</p>
Authority of Council/CEO:	<p>Pursuant to Regulation 14(3) of the <i>Planning and Development (Local Planning Schemes) Regulations 2015</i>, after the completion of the review of the local planning strategy, the local government must submit to the Commission:</p> <ul style="list-style-type: none"> (a) a copy of the advertised local planning strategy; and (b) a schedule of the submissions received; and (c) particulars of any modifications to the advertised local planning strategy proposed by the local government.
Policy:	Nil








Financial Implications

Nil. Following final approval by the Commission the planning regulations require the City to publish the final version on the City's website.

Further Information

Nil.

11.4 City Planning Scheme No.2 - Final Adoption of Amendment No.41

Responsible Officer	Dale Page – General Manager Planning and Economic Development
Voting Requirements	Simple Majority
Attachments	<p>Attachment 11.4A – Revised Scheme Amendment Report (under separate cover) </p> <p>Attachment 11.4B – Changes to SCA boundaries (under separate cover) </p> <p>Attachment 11.4C – Noise Modelling of Amendment No. 41 and Option B (under separate cover) </p> <p>Attachment 11.4D – Summary of online survey results final (under separate cover) </p> <p>Attachment 11.4E – Consultation Outcomes and Response Report (under separate cover) </p> <p>Attachment 11.4F – Schedule of Individual Submissions (under separate cover) </p> <p>Attachment 11.4G – Proposed Modifications to Amendment 41 (under separate cover) </p>

Purpose

For Council to consider the submissions received on Amendment 41 to City Planning Scheme No.2 (CPS2) and resolve whether to support Amendment 41, with or without modifications.

Recommendation

That Council:

1. NOTES the submissions (including late submissions) received during the formal consultation period for Amendment 41 to City Planning Scheme No. 2.
2. SUPPORTS Amendment 41 with modifications as per Attachment 11.4A in accordance with Regulation 41(3)(b) of the *Planning and Development (Local Planning Schemes) Regulations 2015*.
3. ADOPTS the amended Precinct Plan as detailed in Attachment 11.4A – Scheme Amendment Report, pursuant to clause 3A of Schedule A (Supplemental Provisions) of City Planning Scheme No. 2, and subject to the gazettal of Amendment 41.
4. NOTES that Amendment 41 will be forwarded to the Western Australian Planning Commission for a final decision by the Minister for Planning.

Background

1. Northbridge is the premier entertainment area of Perth, contributing to the night-time economy and vibrancy of the city. The City of Perth is working with State Government agencies to create the Northbridge Special Entertainment Precinct (SEP). This will be the first statutorily approved Special Entertainment Precinct in Western Australia.
2. To create the Northbridge SEP, the following is required:
 - a. Western Australian Planning Commission (WAPC) Planning Position Statement: *Special Entertainment Precincts* to provide guidance on the establishment of Special Entertainment Precincts within the State Planning framework. This is currently in draft, consultation completed.
 - b. Department of Water and Environmental Regulation (DWER) amending the *Environmental Protection (Noise) Regulations 1997*. This is currently in draft, consultation yet to begin. Changes involve:
 - i. setting maximum external noise levels for entertainment venues.
 - ii. changing the measurement point for noise from the noise sensitive premise to outside the entertainment venue.
 - iii. establishing a Music Entertainment Venue Approval framework. It will be voluntary (opt-in) and will give entertainment venues a licence to emit higher noise levels. This approval will be issued by the local government.
 - c. The City of Perth amending its City Planning Scheme No. 2 (CPS2) to create a Special Control Area (SCA) and establish a Northbridge SEP.
 - d. Separate to the proposed SCA, the City is preparing a local planning policy on sound attenuation. This will apply to the whole of the city and will include additional guidance for the SCA.
3. Amendment 41 seeks to implement higher attenuation standards, based on maximum external noise levels that entertainment venues can operate at. Further background information is provided in the Scheme Amendment 41 report (revised) at Attachment 11.4A.
4. On 4 December 2019, Amendment 41 to CPS2 was initiated by the City of Perth. Key elements included:
 - a. defining the SCA boundary, including a Core and Frame area. The Frame area is intended to be a transition between the Core and the rest of the city.
 - b. establishing maximum external noise levels for entertainment venues for attenuation purposes:
 - i. Core area - 95dB at 63 Hz and 86dB in the 125Hz; and
 - ii. Frame area - 79dB at 63Hz and 70dB in the 125Hz.
 - c. enabling existing entertainment venues in the Frame to operate at 90dB at 63Hz and 81dB in the 125Hz.
 - d. establishing sound attenuation standards for new entertainment venues and noise sensitive accommodation.
 - e. reclassifying Special Residential uses (i.e., short stay accommodation) from 'Preferred Use' to 'Contemplated Use' within the Core, and the part of the Frame area located between Beaufort and Stirling Streets.

5. On 3 February 2020 the Western Australian Planning Commission (WAPC) approved formal consultation. On 6 April 2020 the Environmental Protection Authority advised the City that the Amendment did not require formal assessment.
6. On 6 April 2020 the Department of Planning, Lands and Heritage (DPLH) requested that the City hold formal consultation in abeyance, pending the provision of additional information from the State Government.
7. On 13 August 2020 the DPLH submitted Option B to the City, requesting consideration to including this in the consultation process. Option B had been informed by feedback on the draft WAPC Position Statement and further acoustic modelling commissioned by the State Government.
8. On 29 September 2020, Council agreed to include Option B in the consultation of Amendment 41.
9. The State Government's Option B proposed:
 - a. Modifications of the Core and Frame area boundaries including:
 - i. expanding the Core area; and
 - ii. retracting the Frame area in the northwest corner of the proposed Northbridge SEP, to acknowledge the predominately residential character of this area.
 - b. Reducing the maximum permissible noise level in the Core area from 95dB at 63Hz to 90dB at 63Hz.
 - c. Introducing a new Transition Area between the Core and Frame areas. Sound attenuation standards for new noise sensitive premises were proposed to be commensurate with the Core area.
 - d. Deleting a provision which enabled existing entertainment venues in the Frame area to operate at 90dB at 63Hz and 81dB in the 125 Hz.

The key differences between Amendment 41 and Option B are outlined in Attachment 11.4B.

Acoustic Studies and Modelling

10. The State Government has commissioned significant acoustic modelling to understand the impact of noise levels from entertainment venues on the city and the ability to attenuate noise.
11. Given the purpose of Amendment 41 (as initiated) and Option B is to allow entertainment venues to emit levels of 95dB or 90 at 63Hz, long term planning of the precinct required the modelling to assume that all entertainment venues could choose to operate at these levels in the future. Note, the modelling has used existing entertainment venues and has not factored in growth in the number of venues.
12. State Government advice and modelling has identified:
 - a. International best practice indicates an internal noise level of 47dB at 63Hz should be achieved in a noise sensitive premise, to protect occupants from long term health impacts.
 - b. External noise levels lower than 67dB at 63Hz can be attenuated through the requirements applied in the Building Code of Australia to achieve 47dB at 63Hz inside.
 - c. External noise levels between 67dB and 80dB at 63Hz require higher sound attenuation levels to achieve the internal 47dB at 63Hz. This is technically achievable, with costs estimated to be 8% higher overall (pre-Covid).
 - d. Specifying an implied transmission loss requirement of L_{Leq} 48 dB at 63Hz and L_{Leq} 45dB in the 125 Hz as outlined in Amendment 41 (as advertised), will be prohibitive to new residential development.

- e. Existing noise sensitive premises may be impacted as they were constructed to a lower sound attenuation standard.
- f. An external noise level of 95dB dB at 63Hz in the Core area results in larger areas of the city being within the 67dB to 80dB at 63 Hz range, from Hay Street to the south to Brisbane Street (City of Vincent) in the north.
- g. The noise impacts of Option B on the SCA and surrounding area is less. The proposed lower 90dB at 63Hz reduces the potential affected area to mid-block south of Wellington Street and Forbes Road to the north in the City of Vincent. Refer to Attachment 11.4C.

Discussion

- 13. The City is seeking to ensure that the final revised scheme amendment provisions maintain the primacy of Northbridge as an entertainment precinct. The revised provisions will enable a level of redevelopment to occur in the Core area to increase the day-time vibrancy and economic diversity, as well as providing an acceptable level of noise amenity for existing (and future) residents.
- 14. This involves balancing the competing expectations and priorities of entertainment venues; residential/co-living (student) accommodation developers; short stay accommodation providers and existing/future residents.
- 15. In response to the issues raised in submissions (which are discussed in detail in Attachment 11.4F), and having regard to independent acoustic advice, the following key changes to Amendment 41 are proposed:
 - a. Reducing the maximum external amplified noise levels from 95dB to 90dB in the Core area and deleting a provision which enabled existing entertainment venues in the Frame to operate at 90dB.
 - b. Adopting the proposed boundaries for the Core and Frame areas as outlined in the State Government's Option B and shown on Attachment 11.4B and deleting the proposed Transition Area. A minor adjustment is also proposed to Core area to reflect a recent change of use for a site on the northern side of Aberdeen Street from an existing entertainment venue to assisted living accommodation.
 - c. Change of sound measurement parameters to a single C-weighted level of 90 dB(C) for the Core area and 79dB(C) for the Frame area.
 - d. Accommodation land uses being grouped to reflect the level of permanency being Residential, Co-Living and Short-Stay accommodation. Additionally, for the purposes of this SCA, the definition of 'Residential' is proposed to include service apartments as they are very easily capable of being converted to permanent accommodation.
 - e. The new definition for co-living which will also accommodate student housing, as outlined below:
 - Co-living accommodation
 - means premises designed for residential accommodation in a communal living arrangement:*
 - i. *that has at least 6 private rooms, some or all of which may have a kitchenette to allow preparation of convenience food, and bathroom facilities, and*
 - ii. *that has an emphasis on shared facilities, such as a communal dining, kitchen, laundry, recreation, and work or study spaces; and*

- iii. *where each of the private rooms are not self-contained and are not classified as a dwelling as that term is defined in the Residential Design Codes; and*
- iv. *where utility costs such as power and water are included as part of the rent; and*
- v. *the premises are maintained by a managing agent, who provides management services 24 hours a day; but*
- vi. *does not include any form of –*
 - (a) *residential accommodation where occupants are provided with on-site physical, medical, mental health or pastoral support services; or*
 - (b) *accommodation provided as short-term accommodation.*

- f. Greater sound attenuation requirements in bedrooms compared to living areas. This is in recognition that the sleeping areas should meet higher attenuation standards than other areas within a premise, to protect the health and amenity of future occupants.
- g. Deleting the implied 48dB noise transmission loss requirement and introducing a design performance-based approach for new residential, co-living and short stay accommodation by setting internal sound levels.
- h. Introducing a new methodology for assessing the internal noise level for residential, co-living and short-stay accommodation being:

External level - attenuation measures = internal noise levels

The external noise level can be adjusted in certain circumstances, for example if the subject site is adjacent to a well-established strata property.

- i. Introducing a minimum setback for *new* entertainment venues proposed adjacent to existing residential sites. The setback only applies to the part of a new entertainment venue that emits music (thereby excluding toilets, kitchen, and storage area, etc).
 - j. Introducing a new objective to ensure accommodation land uses are designed and constructed to provide an acceptable level of amenity to occupants from existing and future external noise levels.
 - k. Other changes include:
 - a. The definition of an 'entertainment venue' is more nuanced as it excludes venues that only periodically hold events. This provides better clarity on what the SCA is designed to address.
 - b. Replacing 'external amplified music noise level' with 'venue music noise level' as advised by an acoustic professional, so the provisions apply to all music including live music and pre-recorded music, whether vocal or instrumental and whether amplified or unamplified, and any combination of these things.
 - c. Simplifying the terminology and format of the document, in addition to refining the objectives for greater clarity.
16. A comparison of the original scheme planning provisions as initiated on 4 December 2019, and the proposed revised scheme provisions are provided in Attachment 11.4G.
17. Re-advertising – Regulation 42 of the *Planning and Development (Local Planning Scheme) Regulations 2015* allows the local government to decide to advertise any modifications to the amendment, if the local government is of the opinion the proposed modification is significant. As the City has responded to the key issues raised in the submissions and commissioned acoustic investigations, it is considered that this action is not necessary.

18. Financial Assistance – some submissions received from entertainment venue operators and residents requested financial assistance for additional sound attenuation measures to be undertaken to their buildings.
19. The City of Vincent has also requested that if any financial assistance is being considered to enable property owners to retro-fit sound attenuation measures to existing noise-sensitive premises to assist in protecting the health and amenity of the residents, that this also be afforded to properties within Vincent, who may be impacted by the amendment.
20. However, this request is outside of the scope of this amendment. Should some form of grant or subsidy be made available, it is acknowledged that it is easier and more effective to mitigate noise at the source than it is to retrofit attenuation measures for existing noise sensitive premises.
21. It is challenging to get the balance right between supporting entertainment venues whilst providing an acceptable level of noise amenity for existing residents, and also achieving the City's residential growth aspirations. The proposed changes to the scheme provisions are considered to be the most pragmatic way forward.

Consultation

22. The formal consultation resulted in 98 submissions (including late submissions), comprising of 56 online submissions and 42 individual submissions. The online submissions responded to a series of questions relating to Amendment 41 and the State Government's Option B. A summary is provided in Attachment 11.4D. Regulation 41(2)(b) of the *Planning Regulations 2015 and Development (Local Planning Schemes) Regulations 2015* enables the Council to consider late submissions.
23. The majority of submissions (74%) expressed support to maintain Northbridge as the State's premier entertainment area. However, a broad range of opinions were expressed across the key stakeholder groups including the City of Vincent, DevelopmentWA, various State Government agencies, Environmental Health Australia (WA), residents, entertainment venue operators/owners and their industry representatives, in addition to developers/landowners and acoustic professionals.
24. Attachment 11.4E sets out in detail how consultation was undertaken, the consultation outcomes, key messages, and responses to the major themes.
25. Individual submissions and the City's responses are provided in Attachment 11.4F.
26. The issues raised in the submissions are complex and have resulted in the need for the State Government and the City to closely examine and test elements of the approach taken in Amendment 41. The City has also sought State Government technical advice on some of the more complex acoustic matters raised in the submissions.
27. Specialist external legal and independent acoustic advisors have also been assisting the City with examining options and preparing revised scheme provisions for Council's consideration.
28. Given the significance and complexity of the issue, the State Government (Parliamentary Secretary to the Minister for Planning) has hosted two meetings with the DPLH, DWER, the City of Perth, key stakeholders, legal advisors, and acoustic professionals. The purpose of these meetings was to work through technical aspects relating to sound attenuation and noise levels and to gain a better understanding of all parties' perspectives, as well as the needs of industry stakeholders. These meetings occurred on 3 March 2022 and 27 April 2022.
29. Through these meetings it was identified that further work was required to ensure all opportunities relating to Amendment 41 were explored.

30. This work has included further built form modelling and acoustic testing (of various options) by an acoustic consultant working for the City. The purpose of the acoustic modelling was to ensure that the revised scheme provisions could be practically applied. The acoustic modelling also informed whether new residential development could be achieved within the Core area of the Northbridge SEP under certain circumstances and if so, remain a 'contemplated' use.
31. The findings of the acoustic investigation identified that the revised scheme provisions (stipulating a lower external noise level of 90dB(C)) will enable residential land uses in certain circumstances within the Core area. Noting that the sites that can accommodate residential land uses are required to be built to a high degree of acoustic integrity, with the size, location, and design of the building critical to achieving acceptable acoustic outcomes.
32. The revised scheme provisions allow for the differentiation in three accommodation types - residential premises, co-living land uses (such as student accommodation), and short stay accommodation. The application of different acoustic requirements for each of these accommodation land uses is proposed. This increases the viability of some sites to incorporate some form of accommodation (such as short stay or co-living) without the need to meet the most stringent acoustic requirements required for residential land uses.
33. The revised scheme provisions focus on achieving a maximum internal noise level for residential buildings constructed within the precinct. Shifting the focus from the 'transmission loss' to a maximum internal noise level provides the opportunity for developers to incorporate other acoustic controls into the building design rather than focusing on the acoustic integrity of the building element.
34. Potential building design treatments for residential buildings within the precinct will be included in the City's Sound Attenuation planning policy currently being prepared.
35. On 13 September 2022, the City met with the Parliamentary Secretary to the Minister for Planning to discuss the key issues and proposed solutions the City has identified. There was in-principle support for the City's revised approach.

Decision Implications

36. Council is required to pass a resolution to either:
 - a. Support the proposed Scheme Amendment with or without modification; or
 - b. Not support the proposed Scheme Amendment; or
 - c. Readvertise any significant proposed modifications (42 days) as per Regulation 42 of the *Planning and Development (Local Planning Schemes) Regulations 2015*. As the City has responded to the key issues raised in the submissions and undertaken further acoustic investigation, this action is not considered to be necessary.
37. In accordance with Regulation 44 of the *Planning and Development (Local Planning Schemes) Regulations 2015*, Amendment 41 is required to be provided to the Western Australian Planning Commission for its consideration and recommendation to the Minister for Planning for a final decision.

Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Prosperous
Related Documents (Issue Specific Strategies and Plans):	Draft Local Planning Strategy: Amendment No. 41 will introduce a SCA to establish a Northbridge Special Entertainment Precinct as identified in the Draft Local Planning Strategy and provide for an active night-time economy.

Legislation, Delegation of Authority and Policy	
Legislation:	<p><i>Planning and Development Act 2005</i></p> <p>Sections 75, 81, 84 and 87 - outline the process for amending a local planning scheme, including referrals to the EPA, advertising and adopting</p> <p><i>Planning and Development (Local Planning Schemes) Regulations 2015</i></p> <ul style="list-style-type: none"> ▪ Regulations 41 and 44 outline the next steps for a complex amendment to a local planning scheme. <p><i>City Planning Scheme No. 2</i></p> <ul style="list-style-type: none"> ▪ Clauses 3A of Schedule A (Supplemental Provisions) refers to amending Precinct Plans. ▪ Clause 39 refers to Special Control Areas. <p><i>City of Perth Local Planning Scheme No. 26 (Normalised Redevelopment Areas)</i></p> <ul style="list-style-type: none"> ▪ Sets out the planning provisions for all normalised redevelopment areas within the City’s local government boundary (except Crawley-Nedlands). <p><i>Metropolitan Redevelopment Scheme Central Perth Redevelopment Scheme 2012</i></p> <ul style="list-style-type: none"> ▪ Sets out the planning provisions for all normalised redevelopment areas within the City’s local government boundary (except Crawley-Nedlands). <p><i>Environmental Protection Act 1986</i></p> <ul style="list-style-type: none"> ▪ WA’s primary environmental legislation ▪ Part IV environmental impact assessment process <p><i>Environmental Protection (Noise) Regulations 1997</i></p> <ul style="list-style-type: none"> ▪ Assigned noise levels (the highest noise levels that can be received), have been set differently for noise sensitive, commercial, and industrial receivers.
Authority of Council/CEO:	A scheme amendment follows a legislative process under the Planning and Development Act 2005. It requires the Council to make a resolution to either adopt Amendment 41 with or without modifications, or not proceed or readvertise any significant modifications. The WAPC has

	granted an extension for the consideration period (normally 60 days) of Amendment 41 to the 23 December 2022.
Policy:	<p>City Planning Scheme No. 2</p> <p>Northbridge Precinct Plan (P1) - provides a statement of intent/vision for development of the area.</p> <p>Stirling Precinct plan (P3) - provides a statement of intent/vision for development of the area.</p> <p>City of Perth Local Planning Scheme No. 26 (Normalised Redevelopment Areas)</p> <p>Northbridge Area 36 – Lake Street Design Guidelines.</p> <p>Northbridge Area 35 – Russell Square Design Guidelines.</p>

Financial Implications



38. The financial implications of the recommendation(s) are accommodated within the existing budget.

Account Number	1079-104-10-10289	Operating
Account Description	PSP Northbridge OPEX Project	
Total Budget	\$5,000 (for cost of Public Notice and gazettal)	
Budget – This report	\$0	
Remaining Budget	\$5,000	
Budget Impact	\$0	

Further Information

Nil.

11.5 Initiation of Amendment No. 49 to City Planning Scheme No. 2 and Amendment No. 6 to Local Planning Scheme No. 26

Responsible Officer	Dale Page – General Manager Planning and Economic Development
Voting Requirements	Simple Majority
Attachments	Attachment 11.5A – City Planning Scheme No. 2 Amendment 49 ↓  Attachment 11.5B – Local Planning Scheme No. 26 Amendment 6 ↓ 

Purpose

For Council to initiate Amendment 49 to City Planning Scheme No. 2 (CPS2) and Amendment 6 to Local Planning Scheme No. 26 (LPS26).

Initiation will enable the Amendments to be referred to the Environmental Protection Authority (EPA) and, following an EPA decision, community consultation on the amendments can commence.

Recommendation

That Council:

1. RESOLVES to initiate Amendment 49 to the City Planning Scheme No. 2 and Amendment 6 to Local Planning Scheme No. 26;
2. RESOLVES that Amendment 49 and Amendment 6 are Standard Amendments for the following reasons:
 - a. the Amendments have minimal impact on land in the scheme area that is not the subject of the amendments; and
 - b. the Amendments do not result in any significant environmental, social, economic or governance impacts on land in the scheme area.

Background

1. At its Ordinary Meeting held on 28 June 2022, Council resolved to prepare a scheme amendment to change the land use permissibilities for a Community Centre or Community Facility from “P” preferred use to “C” contemplated across all planning schemes.
2. Both CPS2 and LPS26 group land uses together that have similar functional characteristics.
3. Under CPS2, a Community Centre or a Community Facility falls under the ‘Community and Cultural’ use group. Under LPS26, a Community Centre or Community Facility is included in the ‘Community’ land use category.
4. Under both CPS2 and LPS26, a development application for a “P” preferred use cannot be refused based solely on the appropriateness of the use. Additionally, a “P” preferred use does not require community consultation.
5. A development application for a “C” contemplated use can be refused based on the appropriateness of the use, and a “C” contemplated use may also be advertised to the community for consultation.
6. The Community and Cultural use group is a “P” preferred use in several CPS2 precincts. Details of where Amendment 49 applies is provided in Attachment 11.5A.
7. The Community land use category is a “P” preferred use in several LPS26 precincts. Details of where Amendment 6 applies is provided in Attachment 11.5B.

Discussion

8. A “P” preferred land use permissibility is no longer considered appropriate for the Community and Cultural use group and Community land use category, as these use groups/categories include a broad range of community uses within them, with differing levels of impact.
9. In addition, the Community and Cultural use group and Community land use category include land uses that are of particular interest to the community and can be advertised to ensure the community’s views are considered in the assessment.
10. Amendment 49 and Amendment 6 will address this through changing the land use permissibility of the subject land from “P” preferred to “C” contemplated. This would allow the City to undertake an assessment of the proposal, considering the matters set out under clause 67 of the Deemed Provisions, and the assessment may include consultation with the community.
11. The Amendments do not prohibit the Community and Cultural use group and Community land use category from being approved, they enable a higher level of scrutiny of the appropriateness of each individual proposal.
12. *The Planning and Development (Local Planning Schemes) Regulations 2015* includes three categories for amending local planning schemes - basic, standard, and complex. Both Amendments are considered to be classified as Standard Amendments, as they will not result in any significant environmental, social, economic, or governance impacts.

Consultation

Nil.

Decision Implications

13. If Council supports the recommendation, Amendment No. 49 and Amendment No. 6 will be forwarded to the EPA for assessment, prior to community consultation being undertaken.
14. If Council does not support the recommendation, CPS2 and LPS26 will remain unchanged and the Community and Cultural use group and Community land use category will stay “P” permitted uses in some precincts.

Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Liveable
Related Documents (Issue Specific Strategies and Plans):	<p>Draft Local Planning Strategy</p> <p>The Draft Local Planning Strategy sets out the City’s Strategic objectives for future land use and development within the city.</p>

Legislation, Delegation of Authority and Policy	
Legislation:	<p><i>Planning and Development Act 2005</i></p> <ul style="list-style-type: none"> • Section 75 provides legislative power to the Council to initiate changes to its local planning scheme. • Section 81 requires referral of scheme amendments to the Environmental Protection Authority prior to advertising. • Section 84 sets out advertising requirements. <p><i>Planning and Development (Local Planning Schemes) Regulations 2015</i></p> <ul style="list-style-type: none"> • Regulations 34 and 35(2) require amendment to be classified as basic, standard or complex. • Regulation 47 specifies requirements for advertising a Standard Amendment. • Regulation 76A specifies requirements for making documents available to public.
Authority of Council/CEO:	<p>The <i>Planning and Development Act 2005</i> gives local governments powers in relation to Local Planning Schemes and Local Planning Policies.</p> <p>The above provisions of the <i>Planning and Development Act 2005</i> requires a decision to amend by Council resolution. For example, section 81 of the <i>Planning and Development Act 2005</i> requires the referral to the Environmental Protection Agency to include the local government’s resolution.</p>
Policy:	Nil.

Financial Implications

15. The financial implications of the recommendation(s) will require additional expenditure, as an unbudgeted item.


Account Number	1079-104-10-1568	Operating
Account Description		
Current Budget	\$23,000	
Amendment to Budget	\$1,000 advertising costs	

Further Information

Nil.

12. Community Development Alliance Reports

12.1 Draft Library Strategy 2023 - 2027

Responsible Officer	Kylie Johnson – General Manager Community Development
Voting Requirements	Simple Majority
Attachments	Attachment 12.1A – Draft Library Strategy 2023 - 2027 ↓ 

Purpose

To seek approval of the Draft Library Strategy 2023 – 2027.

Recommendation

That Council APPROVES the Draft Library Strategy 2023 – 2027, noting that:

- a. a draft version of the Library Strategy is attached to this report which will be formatted and graphically designed following approval before it is made publicly available; and
 - b. minor typographical and structural amendments, that do not affect the intent of the document, may also be made to improve the presentation and/or make corrections.
-

Background

1. At the 1 March 2022 Elected Member Engagement Session (EMES) an overview of City of Perth Library budget and operations was presented. A Library Service Review was initiated to identify opportunities for operational efficiency whilst maintaining the library service.
2. The Review was included in the Corporate Business Plan 2022/23 and was designed to help inform the development of a 4-5 year Strategic Library Plan.
3. The Review was undertaken in July by external consultants, and included assessment of collections, services and programs, technology, building and facilities, staff and operations, and financial performance.
4. A Library Service Review Report was received in August 2022 and discussed with Elected Members at EMES on 13 September. While a number of strategic and operational recommendations were provided in the Report, discussion with Elected Members focused on strategic directions for Space Utilisation, Partnerships, Re-Imagining Spaces and the History Centre.
5. A Current Issues Briefing Note was circulated following the EMES summarising key points from the discussion with Elected Members and included a copy of the Library Service Review Report.

Discussion

6. Following the completion of the Library Service Review, work progressed to draft a four-year Library Strategy, based on the strategic directions arising from the Review.
7. The draft Strategy is provided as an Attachment 12.1A. The Strategy aims to set a clear direction and vision for success for the Library over the next four years, with a focus on ensuring the Library grows as a vibrant and active place for the community, diversifying and increasing use of all facilities and services, and maximising the potential of the iconic building it occupies. Priorities are focused on the following pillars:
 - a. Community hub and haven
 - b. Strong community connection
 - c. Cultivate learning and discovery
 - d. Operational excellence.
8. The Strategy sets out overarching priorities to set direction and will be supported by an internal implementation plan, which will identify specific actions, timelines, responsibilities and resourcing to achieve these priorities.

Consultation

9. The Strategy has been developed following the Library Service Review which considered customer views.

Decision Implications

10. If Council supports the recommendation then the draft Library Strategy will progress to design and publication and work will commence to develop an internal implementation plan.

Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Liveable
Related Documents (Issue Specific Strategies and Plans):	<p>Strategic Community Plan – Goal L1: A safe, active, vibrant and connected community</p> <p>Corporate Business Plan – A14: Improve the customer experience across key service areas.</p> <p>Equity, Diversity and Inclusion Framework – Theme 1: Actively embrace and celebrate diversity, and Theme 4: Foster fair and equitable participation</p> <p>Multiple actions encompassed within the Access and Inclusion Plan, Reconciliation Action Plan, LGBTQIA+ Plan.</p>

Legislation, Delegation of Authority and Policy	
Legislation:	Nil.
Authority of Council/CEO:	In accordance with Section 2.7 of the <i>Local Government Act 1995</i> Council is responsible for overseeing the allocation of the City's finances and resources; and determination of Council policies.
Policy:	Nil.

Financial Implications

- Financial targets and budget impacts associated with the Strategy outside of existing operating budgets will be considered in line with implementation planning and annual budget cycles.

Further Information

Nil.

12.2 2022/23 Economic Development Sponsorship Program

Responsible Officer	Kylie Johnson – General Manager Community Development
Voting Requirements	Simple Majority
Attachments	Nil.

Purpose

To provide sponsorship recommendations to Council, under the Economic Development Sponsorship 2022/23 program.

Recommendation

That Council APPROVES the following Economic Development Sponsorship totalling \$60,000 excluding GST:

Ref	Applicant / Project	Recommendation Total Amount (ex GST cash contribution)
A	West Australian Newspapers Limited Resources Technology Showcase 2023	\$60,000 Cash Contribution comprising of: <ul style="list-style-type: none"> - \$50,000 for the Exhibition, Conference and Networking Event; and - \$10,000 for the Mining Equipment Public Activation.

**Approval subject to a suitable sponsorship agreement being entered into by the City and West Australian Newspapers Limited on terms acceptable to the City within three months.*

Background

1. The City is committed to supporting the growth and ongoing development of established or emerging key sectors that represent strategic importance to the City of Perth's economy.
2. There are three tiers of funding available under the Economic Development sponsorship:
 - a. Tier 1 - \$0 - \$15,000 (decision to be made by the Chief Executive Officer);
 - b. Tier 2 - \$15,001 - \$50,000 (decision to be made by Council); and
 - c. Tier 3 - \$50,001+ (decision to be made by Council).
3. Applications opened for Economic Development Sponsorship on 1 June 2022 and close on 30 June 2023.

Discussion

4. The West Australian Newspapers Limited application was assessed by a three-person panel, consisting of management and officers from the City's Economic Development and Community Development Alliances.
5. The General Manager Planning and Economic Development had oversight of the assessment and evaluation process but was not a voting member.
6. The assessment criteria have clear descriptions and a rating scale which guide the assessors when considering an appropriate score. The scores from panel members for each assessment criteria are averaged and ranked from highest to lowest.
7. A summary of the application, the assessment panel's recommendation rationale, and the total value of request versus the total value recommended is below:

Applicant Details			
Applicant Name	West Australian Newspapers Limited		
Applicant Background	West Australian Newspapers Limited is a well-established company that produces a local daily newspaper (The West) owned by Seven West Media – an Australian integrated media company with market-leading presence in broadcast television, publishing, digital and events.		
Previous Support (5-year period)	Year	Amount (ex GST)	Project
	2020-21	\$40,000 (\$30,000 Cash Contribution + \$10,000 In-Kind for the City's fees and charges)	Resources Technology Showcase 2020
	2019-20	\$30,000	Resources Technology Showcase 2019
	TOTAL	\$70,000	
Project Details			
Project Title	Resources Technology Showcase 2023		
Project Date / Venue	2 – 4 April 2023	Perth Convention and Exhibition Centre (Exhibition, Conference and Networking Event)	

	2 – 8 April 2023 (Dates to be confirmed)	Langley Gardens or Supreme Court Gardens – location and dates still to be confirmed. (Mining Equipment Public Activation)
Project Description	<p>The Resources Technology Showcase (RTS) is a public-facing event designed to promote the innovative breakthroughs of the resource, space and defence industries in Western Australia, and reinforce its position as global leaders in these sectors.</p> <p>The technology showcased at the event include real-life demonstrations of robotics, augmented reality, remote operations and autonomous transport for the resources industry. It also features innovation and technology from the defence and space industries, and how they play a critical role in driving the advancement of technology in this key sector.</p> <p>Previously held in 2021, the event was over three-days and incorporated an exhibition at Perth Convention and Exhibition Centre (PCEC) and a large-scale mining equipment activation at Elizabeth Quay. It attracted up to 11,000 attendees, with approximately 70 per cent students from regional and metropolitan areas and the remainder local and intrastate visitors and industry professionals (2021 RTS Partnership Post Report).</p> <p>Resources Technology Showcase 2023 will feature a three-day exhibition; one-day business-to-business conference; industry networking event at the Perth Convention and Exhibition Centre; and a one-week large-scale mining equipment activation at either Langley Gardens or Supreme Court Gardens, with an estimated attendance of 11,700.</p> <p><u>Exhibition (Sunday 2 April – Tuesday 4 April 2023)</u></p> <p>This is a free-ticketed exhibition designed to showcase the importance of resources, defence and space industries to future generations and workforce, and will consist of engaging and interactive exhibitions from industry leaders including BHP, Rio Tinto and the Australian Remote Operations for Space and Earth (AROSE). Themed ‘Powering the Future’, attendees will have the opportunity to interact with virtual reality, drones, robots and innovation that is being developed and used across Western Australia.</p> <p>There will also be a ‘Centre Court Program’ that include approximately 8 x 30-minute TED-Talk style seminars from industry thought leaders on various topics such as implementing new technologies to projects and sharing best practice. This will be attended by STEAM teachers and lecturers and undergraduate students at Universities and TAFE. The seminars will also be live streamed on the event website.</p> <p><u>Industry Conference (Tuesday 4 April 2023)</u></p> <p>This is the only ticketed component of RTS 2023 and will be in partnership with The Chamber of Minerals and Energy of Western Australia. It is an all-day, business-to-business event that will comprise of an opening breakfast with a high-profile keynote speaker; presentations by thought leaders who will share insights and visions for the future; and panel discussions.</p>	

	<p><u>Industry Networking Event (Tuesday 4 April 2023)</u></p> <p>There will be a two-hour industry networking event at the conclusion of the conference to further develop relationships and business opportunities. This is proposed to be in partnership with the City of Perth.</p> <p><u>Mining Equipment Public Activation (Sunday 4 April – Saturday 8 April 2023)</u></p> <p>This free component will be held at a City-venue (either Langley Gardens or Supreme Court Gardens with final details yet to be confirmed) and will be activated with large-scale mining equipment that is usually seen at active mining operations. It will include demonstrations and displays and is delivered in partnership with WesTrac.</p> <p>Seven Media West will use its combined assets of television, print and digital to actively promote Resources Technology Showcase 2023, and is proposed to reach 94 per cent of the Western Australian population. It will also deliver targeted integrated marketing communication campaigns to business leaders, primary and secondary schools, tertiary students, interstate guests and City-based industry professionals. For RTS 2021, over \$315,000 of media activity was spent featuring the City of Perth, excluding editorial on 7NEWS and PerthNow and in The West Australian newspaper (2021 RTS Partnership Post Report).</p> <p>Department of Jobs, Tourism, Science and Innovation (JTSI) is the Principal Partner of Resources Technology Showcase 2023. Presenting Partners include BHP, Fortescue Metals Group, INPEX, Mineral Resources, WesTrac, Woodside Energy, Rio Tinto and Roy Hill.</p> <p>The City’s support will be recognised through designation as a ‘Supporting Partner’.</p>
Estimated Attendance	11,700
Total Project Cost	\$949,575
Total Amount Requested	\$60,000
Total Assessment Score	78%
Recommendation	Approve
Recommended Amount	<p>\$60,000 (excluding GST) cash contribution comprising of:</p> <ul style="list-style-type: none"> - \$50,000 for the Exhibition, Conference and Networking Event; and - \$10,000 for the delivery of the Mining Equipment Public Activation.
Recommendation Rationale	
<p>The application was recommended for support due to:</p> <ol style="list-style-type: none"> a) The project aligns with the City’s Economic Development Strategy and meets all the outcome areas for the Economic Development Sponsorship Program. b) The project encourages investment in the City, engages with City-based key stakeholders, and promotes the City for other business events held in Western Australia. 	

- c) The project will provide significant opportunities to introduce, highlight and connect to Western Australian students – it’s future workforce - to local resources, space and defence industries.
- d) The project will generate direct short-term benefits to the City by attracting local and intrastate visitation from the resources, space and defence industries, school children, university and TAFE students, teachers and educators and the public.
- e) The project has a good combination of event components and engagement options with its technology exhibition; industry conference; industry networking event; and local activation.
- f) The networking event is considered to be a strong component of the application, with the opportunity for the City to increase its profile through this stand-alone event, and further build business relationships with key stakeholders and industries.
- g) The project will generate significant media publicity and brand awareness for the City, due to an extensive marketing communication campaign and editorial opportunities.
- h) The recommended funding is on par with other events in similar industries, location, attendance figures and sponsorship benefits that the City has previously supported.
- i) \$10,000 was recommended to be conditional for the one-week Mining Equipment Public Activation as several details, including the location has yet to be confirmed.

Consultation

Nil.

Decision Implications

8. It is generally not possible to support every application or the total request for each applicant due to budget constraints, lack of alignment with the City’s strategic priorities and/or inadequate applications. This may result in unavoidable dissatisfaction from some applicants.
9. A City representative will negotiate sponsorship benefits with the applicant in line with sponsorship funding amounts, once approved by Council. Applicants will be required to provide significant benefits in recognition of the City’s support.
10. Successful applicants will be required to submit an acquittal report within one month of project completion. Acquittal reports must demonstrate how the City’s sponsorship funding supported projects or initiatives within the City of Perth local government area and demonstrate direct impact on the City of Perth meeting its aspirations of Liveable, Sustainable and Prosperous.

Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Prosperous
Related Documents (Issue Specific Strategies and Plans):	<u>Economic Development Sponsorship FY2022/23 Guidelines</u>

Legislation, Delegation of Authority and Policy	
Legislation:	Regulation 12 of the <i>Local Government (Financial Management) Regulations 1996</i> – payments from municipal fund or trust fund, restrictions on.
Authority of Council/CEO:	Council Policy 4.3 directs that any sponsorship application for more than \$15,000 or from a funding round be considered by Council.
Policy:	4.3 Sponsorship and Grants - the policy directs that there be a consistent and transparent assessment process and criteria to guide recommendations to Council. An eligibility check has been conducted on all applications to ensure they are compliant with the Policy and the necessary assessment process has been followed.

Financial Implications

11. The financial implications of the recommendation are accommodated within the existing budget.

Account Number	1066-100-50-10095-7901	Operating
Account Description	Economic Development Sponsorship	
Total Budget	\$650,000	
Total Allocated to Approved Applicants	\$500,689	
Budget – This Report	\$60,000	
Remaining Budget	\$89,311	
Budget Impact	Accommodated in approved budget 2022/23	

Further Information






Nil.

13. Commercial Services Alliance & Infrastructure and Operations Alliance Reports

Nil.

14. Corporate Services Reports

14.1 Monthly Financial Statements - October 2022

Responsible Officer	Michael Kent – Chief Financial Officer
Voting Requirements	Simple Majority
Attachments	<p>Attachment 14.1A – Financial Activity Statement and Notes to the FAS P4 ↓ </p> <p>Attachment 14.1B – Net_Current_Position_P4. ↓ </p> <p>Attachment 14.1C – Operating Variances by Alliance and Service Unit. ↓ </p> <p>Attachment 14.1D – Capital Projects Variances ↓ </p> <p>Attachment 14.1E – Investment Report ↓ </p> <p>Attachment 14.1F – Statement of Rates Debtors ↓ </p>

Purpose

This suite of reports provides Council with timely, meaningful financial insights regarding the City’s operating activities, financial performance and financial position.

Recommendation

That Council RECEIVES the following financial reports for the period ended 31 October 2022:

1. Financial Activity Statement (FAS) and Notes to the FAS - Attachment 14.1A.
2. Net Current Position - Attachment 14.1B.
3. Operating Variances by Alliance & Service Unit - Attachment 14.1C.
4. Capital Projects Variances - Attachment 14.1D.
5. Investment Report - Attachment 14.1E.
6. Statement of Rates Debtors - Attachment 14.1F.

Background

1. Presentation of a monthly financial report to Council is both a statutory obligation and good financial management practice that:
 - a. Demonstrates the City's commitment to managing its operations in a financially responsible and sustainable manner.
 - b. Provides timely identification of variances from budget expectations for revenues and expenditures and identification of emerging opportunities or changes in economic conditions.
 - c. Ensures proper accountability to the community for the use of financial resources.
2. Preparation of a monthly Financial Activity Statement (FAS) is the minimal statutory requirement of the *Local Government Act 1995* and regulation 34 of the *Local Government (Financial Management) Regulations 1996*. It is also a responsible financial management practice to allow Council to effectively execute their financial management responsibilities.
3. Financial information that is required to be reported directly to Council monthly includes:
 - a. Operational financial performance against budget expectations.
 - b. Explanations for identified variances from expectations.
 - c. Financial position of the City at each given month end.
4. This statutory financial information is supported by additional information including investments performance and reports on rates and general debtors.

Understanding the Financials

5. When reading the financial information provided in this report, 'variances' (deviations from budget expectations) are classified as being either:
 - a. Favourable variance.
 - b. Unfavourable variance.
 - c. Timing variance.
6. A timing variance relates to a budgeted revenue or expense that has not occurred at the time it was expected, but which is still expected to occur within the budget year. That is, the financial transaction will still occur - but just in a different month. There should be no impact on the projected budget surplus by year end.
7. A realised favourable or unfavourable variance is different to a timing variance. It represents a genuine difference between the actual and budgeted revenue or expenditure item.
8. A realised favourable year to date variance on a revenue item is a positive outcome for the City as it increases the projected budget surplus. An unfavourable variance on a revenue item has the opposite effect, resulting a decrease to the projected budget surplus.
9. A realised favourable variance on an expenditure item may have either of two causes - one being a saving because the outcome was achieved for a lesser cost, which has the effect of increasing the projected budget surplus. The other cause may be that the proposed expenditure may not have been undertaken and is not expected to be incurred in that financial year. Whilst this may seem positive from the financial position perspective, it may not be a positive outcome for the community if the service or project is not delivered.

10. A realised unfavourable year to date variance on an expenditure item, (over-expenditure) results in a decrease to the projected budget surplus.
11. The Schedule of Variances (Attachment 14.1A) provides commentary on whether the nature of the variance is savings related, timing related or otherwise.
12. If a realised favourable or unfavourable variance is material in value (of significant size), it will be amended through a formal budget review process.

Discussion

13. The FAS by Nature & Type - Attachment 14.1A presents a whole of organisation perspective on the attainment of revenue and expenditure targets overall - classified by nature and type.
14. The headline data from the FAS is shown in Table 1 below.

Table 1:

Item Details	YTD Budget	YTD Actual	Variance	F/ U
Operating Revenue - Excluding Rates	\$ 40.584 M	\$ 41.884 M	\$ 1.300 M	F
Rates Revenue	\$ 99.278 M	\$ 100.431 M	\$ 1.153M	F
Operating Expenditure	\$ 63.582 M	\$ 61.494 M	\$ 2.088M	F
Non-Operating Revenue	\$ 0.367 M	\$ 0.596 M	\$ 0.229 M	F
Capital - Infrastructure	\$ 8.031 M	\$ 8.379 M	\$ 0.347 M	U
Property, Plant & Equipment	\$ 2.015 M	\$ 3.158 M	\$ 1.143 M	U

15. Material operating revenue and expenditure variances from Attachment 14.1A are detailed (with explanatory comments) in the Notes to the FAS (also contained within Attachment 14.1A).
16. Comments on the material variances between budget and actual capital expenditures are presented in Attachment 14.1D - Capital Projects Schedule which lists all approved, budgeted capital projects for 2022/23.
17. Each line item listed in the FAS by Nature & Type Attachment 14.1A can be cross referenced (using the Note reference) back to the relevant note.
18. Attachment 14.1C provides an alternative view showing how the organisation is tracking against budget by Alliance - and then disaggregating those figures by Service. This reporting view includes all internal charges and internal recoveries so the full service-cost can be understood.
19. Examining the FAS (Attachment 14.1A) in more detail; the aggregation of operating revenues and operating expenses reflects a year-to-date Net Cash Deficit from Operations of (\$6.46M) compared to a year-to-date budgeted Deficit of (\$9.53M). This is a favourable variance of \$3.07M at the end of the month.
20. Investing activities reflect a result of (\$10.50M) compared to a year-to-date budget of (\$9.68M). This is an unfavourable variance of \$0.82M. This is due to a slightly accelerated start to capital program delivery, albeit in the part of the year with a lower volume spend profile.

21. Construction of infrastructure to month end is at 104% of year-to-date budget expectations at \$8.38M, against \$8.03M budget as noted at paragraph 14. Attachment 14.1D provides comments on specific variances for capital projects.
22. Acquisition of non-infrastructure to month end is \$3.16M and is 156% of the year-to-date budget. Readers are directed to Attachment 14.1D for comments on specific variances.
23. Adjusting for opening funds (Net Current Position), generates the Budget Deficiency before Rates. This then indicates the Amount Required to be Raised from Rates. The difference between the Rates amount, and the Deficiency before Rates, is the Closing Position.
24. The FAS for the period to 31 October shows that a rate yield of \$100.4M has been levied compared to the \$99.3M budget at rates strike date. Interim rates for a newly rated Office property added \$552K. The rates levied figure will be reduced to reflect the impact of the resent WACA rate exemption (\$199K) and anticipated Heritage Concessions (\$232K) as they are processed.
25. The disclosed year to date Closing Position of \$105.4M compares favourably to the year-to-date budgeted closing position of \$101.9M - a 3.4% variance reflecting the combined impact of the favourable variances noted in this report for revenues, expenses and financing activity.
26. The Net Current Position Report (Attachment 14.1B) indicates a year-to-date adjusted Net Current Position value of \$99.3M versus the budget of \$106.3M. This is primarily attributable to the higher than expected Reserve balance as there has been no drawdown yet for capital contributions for the Perth Concert Hall or WACA Aquatic Facility.
27. Headline data from this month's Net Current Position report is shown in Table 2 below. Comparative figures are provided for 2021 as well as the 30 June 2023 budgeted year-end figures.

Table 2:

Item Details	June 2023 Annual Budget	Oct 2021 YTD Actual	Oct 2022 YTD Actual
Current Assets	\$ 153.527 M	\$ 264.058 M	\$ 281.803 M
Current Liabilities	(\$ 36.390 M)	(\$ 52.561 M)	(\$ 47.235 M)
Unadjusted Net Assets	\$ 117.137 M	\$ 211.497 M	\$ 234.568 M
Less Restricted Items	(\$ 113.832 M)	(\$ 99.452 M)	(\$ 135.302M)
Adjusted Net Current Position	\$ 3.305 M	\$ 112.045 M	\$ 99.266 M

28. The comparative numbers from the Net Current Position report for October 2021 and October 2022 reflect the impact of a higher value of reserve funds and a lower value of creditors in 2022.
29. As noted above, there is currently a higher value of reserve funds (restricted assets) in 2022 than in 2021, but this will reduce when drawn down to make the capital contributions for the WACA Aquatic Facility and Perth Concert Hall when required.
30. Attachment 14.1E - Investment Report for October 2022 presents detail of the City's cash investment portfolio in terms of performance, percentage exposure of total portfolio by credit risk, counterparty exposure and maturity profile.
31. The report indicates the City has adequate cash flow to meet its financial obligations as and when they will fall due; and it has achieved compliance with the various Investment Policy limits.

32. It also shows the impact of the recent uplift in investment rates bringing to crystallise - hence the upward revision to the interest revenue budget at the October OCM.
33. Attachment 14.1F - Rates Debtors provides a monthly update and analysis of rates collections by differential property rating category and overall. The 2022/23 rates notices were issued on 28 July with a due date for the first instalment of 7 September 2022. At month end, collections represented 71% of the collectible amount.

Consultation

Nil.

Decision Implications

34. Council's acknowledgement of receiving the Financial Activity Statement and supporting documents will meet its statutory obligation in respect of overseeing the City's financial resources.

Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Prosperous
Related Documents (Issue Specific Strategies and Plans):	Nil.

Legislation, Delegation of Authority and Policy	
Legislation:	<p>Section 6.4(1) and (2) of the Local Government Act 1995 Regulation 34(1) of the Local Government (Financial Management) Regulations 1996</p> <p>This section of the Act and the related regulation prescribe the requirement to prepare and present to Council (monthly), FAS. That FAS should contain:</p> <ul style="list-style-type: none"> • Annual Budget estimates, and approved revisions to these for comparison purposes. • Actual amounts of income and expenditure to the end of the month of the FAS. • Material variances between the comparable amounts and commentary on reasons for these variances. • Net current assets at the end of the month. • An explanation of the composition of the net current assets at the end of the month to which the FAS relates. <p>Any other information which the local government deems relevant.</p>
Authority of Council/CEO:	The above legislation prescribes that this report be presented to Council on a monthly basis.
Policy:	CP 2.1 Management of Investments.


Financial Implications

35. There are no direct financial implications of receiving this report as it reflects a historical accounting of financial transactions. When material variances are noted, appropriate remedial action will be initiated by the administration in a timely and prudent manner.

Further Information

Nil.

14.2 Schedule of Accounts Paid - October 2022

Responsible Officer	Michael Kent – Chief Financial Officer
Voting Requirements	Simple Majority
Attachments	Attachment 14.2A – Schedule of Accounts Paid - October 2022 ↓ 

Purpose

For Council to note details of payments made under delegated authority for the month of October 2022.

Recommendation

That Council:

1. RECEIVES the Schedule of Accounts Paid for the period ended 31 October 2022 as attached.
2. RECORDS in the Ordinary Council Meeting minutes the summary of accounts paid being:

Total Accounts Paid	
Municipal Fund	\$16,065,592.46
Trust Fund	\$0
Total - All Funds	\$16,065,592.46

Background

1. In accordance with Regulation 13(2) and 13(3) of the *Local Government (Financial Management) Regulations 1996*, where this power has been delegated, a list of payments for each month is to be compiled and presented to the Council. The Chief Executive Officer is delegated this authority under Delegation 2.14.
2. This authority has then been subdelegated by the Chief Executive Officer.
3. The listing of payments with full disclosure of all required information, is presented as Attachment 14.2A.
4. The listing of payments was made available to the Elected Members via the Council Hub, ahead of the agenda distribution, to provide additional time for review.
5. This summary report then facilitates the acknowledgement of the listing having been received.

Discussion

6. The Schedule of Accounts Paid (Attachment 14.2A) contains the following payments made under Delegated Authority 2.14 - Payments from the Municipal & Trust Fund:

Schedule of Accounts Paid - October 2022		
Municipal Fund		
EFT & Cheque Payments	Direct Creditor Payments	11,617,205.32
Sub Total - EFT & Cheques		11,617,205.32
Direct Debits	Bank Charges and Merchant Fees	76,443.56
Sub Total - Direct Debits		76,443.56
Payroll	07/10/2022	2,691,431.66
	21/10/2022	1,661,860.61
		4,353,292.27
Sub Total - Payroll		
Corporate Cards		18,651.31
Sub Total - Cards		18,651.31
Total per Attachment 14.2A		
Total Payments from Municipal Fund		16,065,592.46
Investments in Term Deposits		0
Trust Fund		
Trust EFT & Cheques		
Total - Trust Funds		

Consultation

Nil.

Decision Implications

7. Council's acknowledgement of receiving the Schedule of Accounts Paid will meet its statutory obligation under Regulation 13(1) of the *Local Government (Financial Management) Regulations 1996*.

Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Prosperous
Related Documents (Issue Specific Strategies and Plans):	Annual Budget

Legislation, Delegation of Authority and Policy	
Legislation:	<p>Section 6.10 of the <i>Local Government Act 1995</i> Regulation 13(1) of the <i>Local Government (Financial Management) Regulations 1996</i></p> <p>This section of the Act and the related regulation prescribes the requirement to prepare a list of all payments made for each month and to present them to Council. The Schedule of Accounts Paid (the 'list') should contain, for each payment:</p> <ul style="list-style-type: none"> • Payee Name • Amount of the Payment • Date of the Payment • Sufficient information to identify the transaction
Authority of Council/CEO:	In accordance with Regulation 13(2) and 13(3) of the <i>Local Government (Financial Management) Regulations 1996</i> , where this power has been delegated, a list of payments for each month is to be compiled and presented to the Council.
Policy:	Nil.

Financial Implications

8. There are no direct financial implications of receiving this report as it reflects a historical accounting of financial transactions that were provided for in the adopted budget (as amended).

Further Information

Nil.

15. Chief Executive Officer Reports

15.1 2021/22 Annual Financial Statements

Responsible Officer	Michelle Reynolds – Chief Executive Officer
Voting Requirements	Absolute Majority
Attachments	Nil.

Purpose

To provide a financial overview of the City of Perth 2021/22 Annual Financial Statements.

Recommendation

1. That Council NOTES the financial overview of the audited Annual Financial Statements for the year ended 30 June 2022 as context for consideration and deliberation of the audited Financial Statements for the year ended 30 June 2022 which will be included in the Agenda for the December Ordinary Council Meeting following consideration by the Audit and Risk Committee.
-

Background

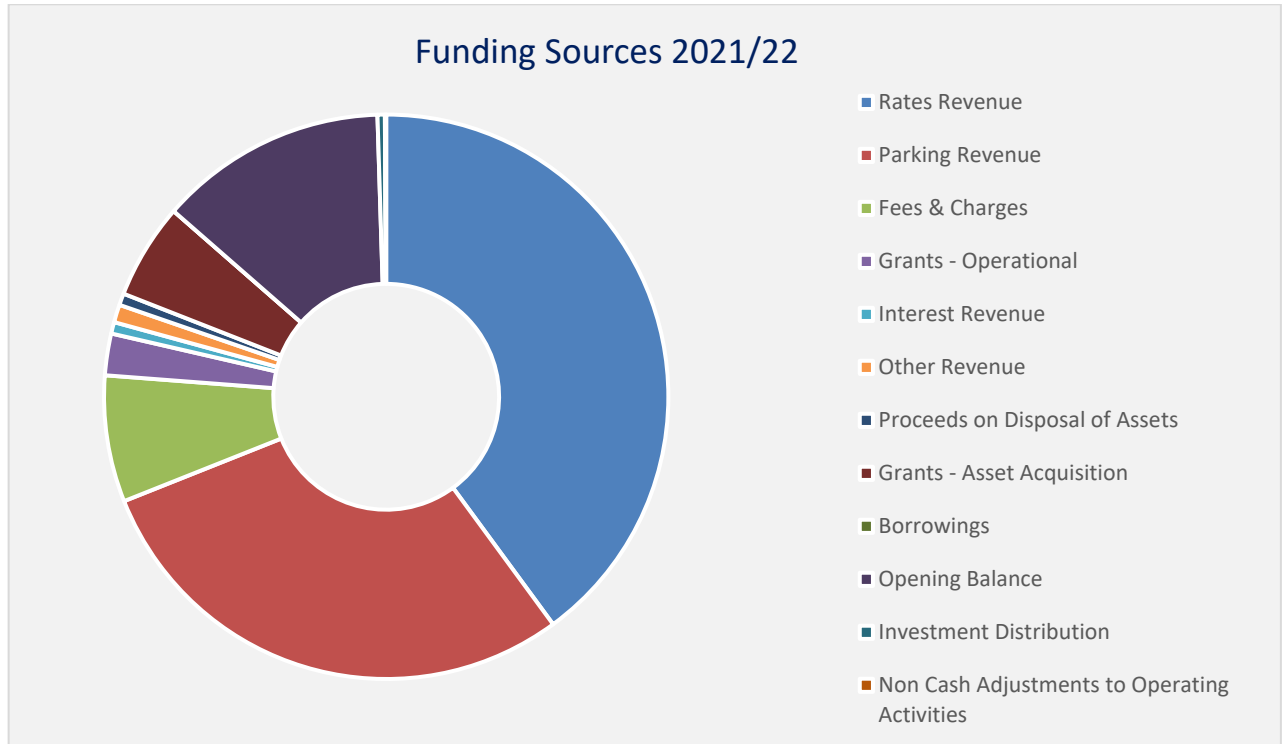
1. The audited Financial Statements for the year ended 30 June 2022 will be signed by the City's CEO and the Auditor General following consideration by the Audit and Risk Committee at its meeting on 5 December 2022.
2. This report provides context for the information presented in the 2021/22 annual financial statements and the variances disclosed therein to assist Council in preparation of their deliberations on the audited Financial Statements for the year ended 30 June 2022 which will be included in December's Ordinary Council Meeting Agenda following consideration by the Audit and Risk Committee.

Discussion

3. The City presented its draft 2021/22 annual financial statements to the auditors ahead of the 30 September deadline for submission. Ernst & Young, on behalf of the Office of the Auditor General (Auditors) commenced their audit field work on the 26 September 2022 in accordance with their audit program.
4. The City's financial statements addressed all statutory financial requirements imposed on the City and complied with the Australian Accounting Standards. The audit found no instances of non-compliance.
5. A delay in finalising Mindarie Regional Council's annual financial statement audit impacted the timely completion of the City's annual financial statement audit, but this outcome was still achieved within statutory timelines.
6. A brief overview of the City's financial performance for the 2021/22 year is provided below.
7. Annual revenue for the year reached \$196.8M against the adopted budget of \$194.7M.
8. The 1% overall favourable variance is largely attributable to better than anticipated performance from the Containers for Change initiative, higher returns from dividends received, and a prepayment of the 2021/22 general purpose grant by the WA Local Government Grants Commission. Interest revenues and fees and charges revenue both fell slightly short of budget expectations.
9. Capital revenue of \$13.4M was 4% above budget expectations largely due to the timing of cash inflows related to large multi-year capital projects.
10. Operating expenditure was \$184.6M against a budget target of \$203.7M.
11. Around 40% of the disclosed 9% variance was not underspend, but rather was a changed accounting treatment required by the OAG for the Mindarie Regional Council resource recovery contract exit.
12. This item was budgeted as an abnormal operating expense, but the City was advised in November 2022 that it would not be recognised as an expense through the income statement but would be taken directly the balance sheet as investment in associates.
13. Employee costs were 8% under revised budget in total due to the difficult labour market resulting in a number of vacant positions at times during the year, resultant savings on workers compensation premiums and related costs and a provision for the anticipated EBA increase that was not finalised until after June 30.
14. Materials and contracts were disclosed as 18% under budget at year end, but this is largely the consequence of the accounting treatment required in relation to the resource facility contract payout. Utilities expenses were under budget by 3% whilst insurance costs were 2% higher. Other expenses were some \$2.9M under budget largely due to awarded, but not yet acquitted sponsorships. Monies

relating to these sponsorships have been quarantined in the Sponsorship Reserve until they can be released.

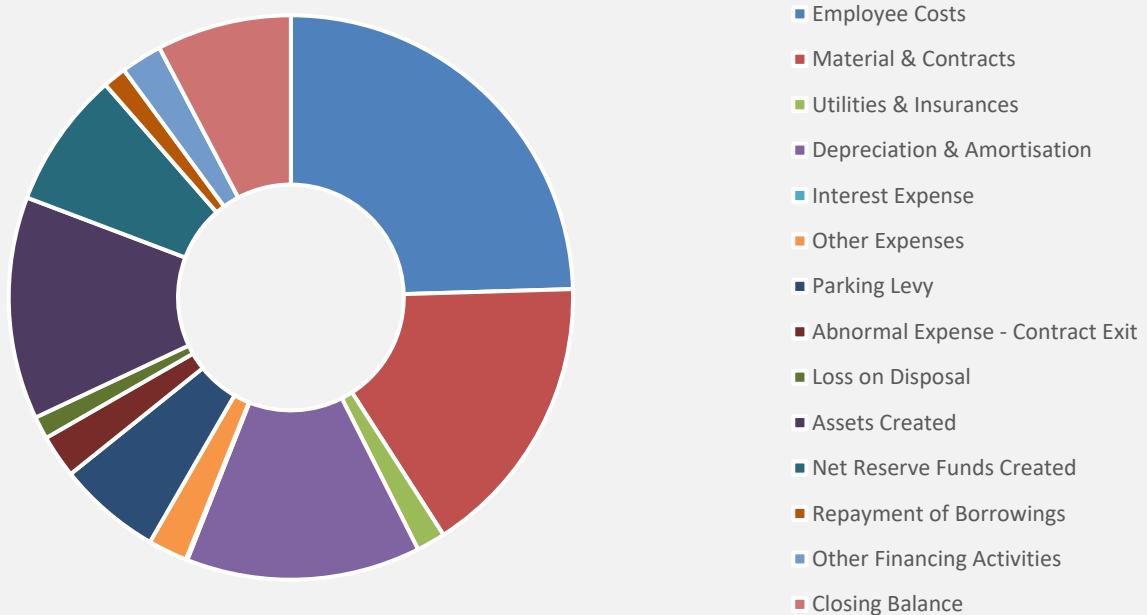
15. The net operating result for the year was \$13.9M after allowing for asset revaluations, contributions of assets from external parties and disposals of other assets.
16. The 2021/22 budget had anticipated a small operating surplus. This larger result is a consequence of the items disclosed at paragraph 13 and 14 of this report.
17. Funding sources and fund uses for the year are shown graphically below:



Funding Sources

Rates Revenue	97,860,061	40%
Parking Revenue	71,194,240	29%
Fees & Charges	17,762,170	7%
Grants - Operational	5,846,254	2%
Interest Revenue	1,621,039	1%
Other Revenue	2,496,374	1%
Proceeds on Disposal of Assets	1,645,289	1%
Grants - Asset Acquisition	13,420,147	5%
Borrowings	0	0%
Opening Balance	32,054,701	13%
Investment Distribution	1,033,240	0%
Non Cash Adjustments to Operating Activities	179,510	0%
	245,113,025	100%

Fund Uses 2021/22



Fund Uses		
Employee Costs	70,489,990	25%
Material & Contracts	47,071,573	16%
Utilities & Insurances	4,748,959	2%
Depreciation & Amortisation	38,600,231	13%
Interest Expense	244,839	0%
Other Expenses	6,479,441	2%
Parking Levy	17,020,571	6%
Abnormal Expense - Contract Exit	7,083,333	2%
Loss on Disposal	3,726,387	1%
Assets Created	36,649,313	13%
Net Reserve Funds Created	22,495,097	8%
Repayment of Borrowings	3,840,502	1%
Other Financing Activities	6,789,849	2%
Closing Balance	22,176,454	8%
	<u>287,416,539</u>	100%
Add back Non Cash Items	(42,326,618)	
Net Cash Expenses	245,089,921	
Net Change in Retained Surplus	23,104	

18. Rates Information for 2021/22 is as shown in the table below:

Rates Information for 2021/22

Property Type	No of Properties	Gross Rental Value \$M	Rates \$M	Revenue Contribution	Relative Rating Effort
Residential	15,709	320	20.77	21.1%	6.49%
Commercial	722	107	6.95	7.1%	6.49%
Hotel	1,362	119	7.77	7.9%	6.54%
Retail	522	128	8.29	8.4%	6.47%
Office	2,382	980	53.47	54.4%	5.45%
Vacant Land	77	13	0.94	1.0%	7.46%
Interim & Back Rates	-	-	0.08	0.0%	
	20,774	1,667	98.26	100%	
Adjust for Rates Concession			(0.40)		
Net Rates Revenue			97.86		

* Relative Rating Effort refers to a comparable indicator of the rates revenue return generated from the available Gross Rental Value (GRV) of a particular property category.

19. The City's capital expenditure program reflects the acquisition and creation of new assets as well as renewal of existing ones. Despite the supply chain and cost escalation challenges, \$36.6M worth of projects was delivered.
20. At year end, the City has total assets of \$1.3 Billion consistent with the previous year.
21. Net assets represent the value of the City's investment in the community (what the City's community assets are worth minus what is owed). Net assets at 30 June 2022 were \$1.26 Billion compared to \$1.25 Billion in 2020/21.
22. The City's key financial ratios either met or exceeded industry benchmarks except for the asset sustainability ratio, which despite having significantly improved on the previous year, was still below the target range.
23. Council and the Administration have a strategy within the Long Term Financial Plan to progressively address this matter and return the ratio to within industry accepted benchmarks and the last two years ratios are reflecting that incremental improvement.
24. The City is in sound financial health as indicated by its Financial Health indicator (FHI) score of 87 (a score of 70 represents the baseline for sound financial health).

Consultation

Nil.

Decision Implications

25. Council's support of the recommendation will ensure compliance with the provisions of Sections 5.53 and 5.54 of the *Government Act 1995*.

Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Prosperous
Related Documents (Issue Specific Strategies and Plans):	Strategic Community Plan and Corporate Business Plan

Legislation, Delegation of Authority and Policy	
Legislation:	Nil.
Authority of Council/CEO:	In accordance with Section 5.54 of the <i>Local Government Act 1995</i> Council is required to accept the annual financial statements (contained within the annual report) by absolute majority.
Policy:	Nil.


Financial Implications

Nil.

Further Information

Nil.

15.2 Adopting the Annual Report and Setting the Date for the 2021/22 Electors General Meeting

Responsible Officer	Michelle Reynolds – Chief Executive Officer
Voting Requirements	Absolute Majority
Attachments	Attachment 15.2A – Draft Annual Report 2021/22 ↓ 

Purpose

For Council to consider the City of Perth 2021/22 Annual Report and setting the date for the Electors General Meeting.

Recommendation

That Council:

- ACCEPTS the City of Perth 2021-2022 Annual Report, as provided in Attachment 15.2A, in accordance with Section 5.53 and 5.54(1) of the *Local Government Act 1995* (the Act); noting that:
 - a draft version of Annual Report (text only) is attached to this report which will be, formatted (including structurally) and graphically designed following acceptance before it is made available; and
 - minor typographical amendments, that do not affect the materiality of the document, may also be made to improve the presentation and/or make corrections.
 - APPROVES the advertisement of the availability of the Annual Report in accordance with Section 5.55 of the *Local Government Act 1995*.
 - APPROVES the 2021 Electors General Meeting to be held at 5.00 pm on Tuesday 31 January 2023, at Council House, Level 9, Council Chamber, in accordance with Section 5.27 of the Act.
-

Background

1. In accordance with Section 5.53 of the Act, the City of Perth 2021-22 Annual Report has been prepared, summarising the previous year's achievements and challenges and the outlook for the year ahead, as well as addressing stipulated statutory requirements. The Annual Report also demonstrates performance against the City's Strategic Community Plan
2. The Annual Report includes the City's Financial Statements for the 2021-22 financial year, which have been audited by the Office of the Auditor General. The City's Financial Statements for the 2021/22 financial year are the subject of Item 15.1A.
3. It is a statutory requirement that Council accepts an Annual Report and for the report to be presented to the Electors General Meeting, to be held on a day selected by the local government, but not more than 56 days after the Annual Report is accepted.

Discussion

4. This report recommends that Council accepts the City of Perth 2021/22 Annual Report (Attachment 15.2A), advertises the availability of the Annual Report and sets the date for the 2021/22 Electors General Meeting.
5. Council is required to accept the City's Annual Report. Once accepted, the Annual Report must be:
 - a. published on the City's official website within 14 days; and
 - b. presented at the Electors General Meeting to be held within 56 days of Council accepting the report.
6. An Electors General Meeting is to consider matters arising with respect to the previous financial year. In order to set a date for the Electors General Meeting, Council is required to have received the audit report for the prior period and accepted the Annual Report.
7. A copy of the draft Annual Report for the year ended 30 June 2022 is attached for consideration by Council.
8. The proposed date of the Electors General Meeting, following Council's acceptance of the Annual Report is Tuesday 31 January 2023.
9. Section 5.53 of the *Local Government Act 1995* prescribes the following requirements for inclusion in the Annual Report:
 - a. a report from the mayor or president
 - b. a report from the CEO
 - c. an overview of the plan for the future of the district made in accordance with section 5.56, including major initiatives that are proposed to commence or to continue in the next financial year
 - d. the financial report for the financial year
 - e. such information as may be prescribed in relation to the payments made to employees; and
 - f. the auditor's report for the financial year
 - g. a matter on which a report must be made under section 29(2) of the Disability Services Act 1993

- h. details of entries made under section 5.121 during the financial year in the register of complaints, including —
 - i. the number of complaints recorded in the register of complaints; and
 - ii. how the recorded complaints were dealt with; and
 - iii. any other details that the regulations may require; and
 - iv. such other information as may be prescribed.

Consultation

Nil.

Decision Implications

- 10. If Council supports the recommendation it will ensure compliance with the Act.
- 11. If Council does not accept the Annual Report within the statutory timeframes, the City would be in breach of the Act and would need to be accounted for by the City when completing the Annual Compliance Audit Return.

Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Liveable
Related Documents (Issue Specific Strategies and Plans):	Strategic Community Plan and Corporate Business Plan

Legislation, Delegation of Authority and Policy	
Legislation:	<p>Section 5.53(1) of the <i>Local Government Act 1995</i> (the Act) requires a Local Government to prepare an Annual Report for each financial year. Section 5.53(2)(f) of the Act specifies that the Annual Report is to contain the financial report of the financial year and Section 5.53(2)(h) specifies that it must contain the Independent Auditor's report for the financial year.</p> <p>In accordance with Section 5.54(1) of the Act, an Annual Report for the financial year is to be accepted by the Local Government no later than 31 December after that financial year. Section 5.54(2) notes that if the Independent Auditor's report is not available in time for the Annual Report for a financial year to be accepted by 31 December after that financial year, the Annual Report is to be accepted by the local government no later than two months after the Independent Auditor's report becomes available.</p>

Authority of Council/CEO:	In accordance with Section 5.54 of the Local Government Act 1995 Council is required to accept the annual report by absolute majority.
Policy:	Nil.

Financial Implications

12. Advertising costs associated with giving local public notice and printing of the Annual Report.

Further Information

Nil.

16. Audit and Risk Committee

This item will be dealt with at the Ordinary Council Meeting.

17. Motions of which Previous Notice has been Given.

This item will be dealt with at the Ordinary Council Meeting.

18. Matters for which the meeting may be closed

In accordance with Sections 5.23(2)(c) and 5.23(2)(e) of the Local Government Act 1995, the following Item 18.1 is confidential.

18.1 Waste to Energy Tender

Responsible Officer	Allan Mason – General Manager Infrastructure and Operations
Voting Requirements	Simple Majority
Attachments	Nil.

19. Urgent Business

This item will be dealt with at the Ordinary Council Meeting.

20. Closure