



City of **Perth**

Agenda

City of Perth Committee

28 February 2022

Notice of Meeting

The City of Perth Committee will be held on Monday, 28 February 2022 Level 7 Dumas House, 2 Havelock Street, West Perth commencing at 1:00pm.

Michelle Reynolds

Chief Executive Officer

14 January 2022

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1. Welcome, Introductions and Acknowledgement of Country

Committee Members

State Government

- Hon Mark McGowan MLA, Premier of Western Australia (Chair)
- Hon John Carey MLA, Minister for Housing; Lands; Homelessness; Local Government
- Ms Lanie Chopping, Acting Director General, Department of Local Government, Sport and Cultural Industries

City of Perth

- The Rt. Hon the Lord Mayor Basil Zempilas
- Deputy Lord Mayor Di Bain
- Ms Michelle Reynolds, Chief Executive Officer

Attendees

State Government

City of Perth

2. Minutes and actions from previous meeting

That the Committee CONFIRMS the minutes of the City of Perth Committee held on 21 June 2021 as a true and correct record.

3. Reports

3.1. Perth Parking Levy and CAT Bus Service Network Expansion

Paper Type:	For Discussion
Submitted by:	Dale Page – General Manager Planning and Economic Development

Background

The State Government, in partnership with the City of Perth (the City) legislated the *Perth Parking Management Act* (PPMA) in 1999. The PPMA currently requires that all non-residential parking bays within the Perth Parking Management Area be licensed with a fee paid, where liable.

The City currently contributes approximately \$17 million towards the current Perth Parking Levy total of \$60 million collected per annum (28% of the total). The fund has grown significantly since 2009/2010 and it is understood that the fund has more than \$130 million in reserve.

The current cost to the City significantly reduces the City's ability to provide services for its growing community, including services that respond to the ongoing challenges of homelessness and public safety.

At the City of Perth Committee meeting on 21 June 2021, the City of Perth requested that the Committee:

1. SUPPORTS the City's request for the Office of the Auditor General to undertake a performance audit of the Perth Parking Management Act 1999 to determine if it is meeting its intent.
2. SUPPORTS a temporary freeze on the parking levy while the performance audit is conducted.

No specific agreement was reached in relation to the above recommendations; however, on 12 July 2021 the Lord Mayor wrote to the Auditor General requesting an audit of the management and governance of the Perth Parking Licencing Account. In response, the Auditor General in a letter dated 23 July 2021, advised that the Office of the Auditor General had already prioritised an audit on City's parking matters for potential commencement in 2022, noting that the work program is always subject to change.

The Perth Parking Levy was increased by 1.75% for the 2020/21 financial year.

Current Status

The City of Perth is supportive of the PPMA, in principle. The City is also supportive of the recent decision to expand the CAT bus network. However, the City has significant concerns about the following:

- The amount currently being charged and the lack of expenditure on appropriate strategic projects to benefit the contributors and the City of Perth more broadly, as intended and enshrined in the PPMA.
- The current charge for on-street parking - effectively a State Government tax on Local Government.
- The current rating methodology - the same levy is applied to properties in outer neighbourhoods like East Perth and West Perth as applies to properties in the city centre. This rating methodology currently acts as a disincentive to investment and development in these outer areas.
- Any intent to fund future projects outside the PPMA area using PPMA funds.

- Clarity around governance and oversight of expenditure of PPMA funds.

In addition, the City has concerns that the State Government may undertake changes to the Perth Parking Management Regulations, without appropriate engagement with the City. The City welcomes the opportunity for early involvement in any future changes, noting that lack of consultation on recent changes to CAT bus routes has caused the City some concern.

To assist in advocating for potential future changes, the City is currently undertaking some preliminary financial modelling to determine what the impacts would be of:

- a) Application of flat charges per bay across the City, including new areas;
- b) Location specific changes – different options based on neighbourhoods; and
- c) Potential variations to existing permitted charges.

Recommendation

That the City of Perth requests that the Committee:

1. SUPPORTS the City's request for the Office of the Auditor General to undertake a performance audit of the Perth Parking Management Act, as a priority;
2. SUPPORTS a temporary freeze on the parking levy while the performance audit is conducted; and
3. NOTES the City is undertaking some preliminary financial modelling to understand the impacts of different rating scenarios.

3.2. Chevron Hilton Act 1960

Paper Type:	For Discussion
Submitted by:	Dale Page – General Manager Planning and Economic Development

Background

The [Chevron Hilton Hotel Agreement Act 1960](#) (the Act) came into force on 28 October 1960 and approved and ratified an agreement between:

- The State of Western Australia;
- The City of Perth;
- Chevron-Hilton Hotels Limited; and
- The State Government Insurance Office.

Queens Garden Car Park

Clause 35 of the Act required the City to acquire the Queens Garden Car Park to “...provide a parking area for motor and other vehicles...”. No time limit is prescribed. The City purchased most of the land by private negotiation however resumed some of the land under the *Public Works Act 1902* for the purpose of a public car park. The land comprises 26,050m² in total. Previous legal advice suggests that as long as a parking area is provided on part or the whole site at ground level, the balance of the site or airspace can be used for other purposes.

The City has previously sought to have the Act repealed but without success. The complexity of the Act has made abolition or amendment of it difficult.

Current Status

The Act, in its current form, imposes an encumbrance on future use and prevents redevelopment of strategic City-owned land, specifically the Queens Garden Car Park, which is in a prime location to catalyse broader redevelopment of the eastern end of the city.

Recommendation

That the City of Perth requests that the Committee SUPPORTS consideration being given to the repeal or amendment of the *Chevron-Hilton Hotel Agreement Act 1960* to remove the encumbrance the Act imposes on the City’s Queens Gardens Car Park.

3.3. City of Perth Committee – State and Local Government Joint Initiatives

Paper Type:	For Discussion
Submitted by:	Dale Page – General Manager Planning and Economic Development

Background

Local government leadership and collaboration with the State Government will be crucial to Western Australia’s economic and social recovery, especially when borders open are due to open.

To date, WA has performed well economically during the COVID-19 period and has avoided pronounced downturns in some sectors as has been experienced in other capital cities. The Omicron variant; however, is likely to heavily impact business staffing resources, city footfall, office occupancy and limit spend due to consumer uncertainty meaning WA could very well experience the harsh negative economic and social impacts experienced in other states.

The recent “Reconnect WA” \$185 million package to support WA’s border reopening and the “Getting the show on the road” initiative provides a basis to examine opportunities to work with State Government to minimise the economic downturn predicted.

The City’s 2021/22 sponsorship and grant budget is \$5 million which is an increase of \$500k from 2020/21. The Council made a decision in December 2021 to increase funding for major events and festivals from \$1.2 million to \$3 million for 2022/23 budget, with maximum contribution increasing from 30% to 60%.

Current Status

States such as New South Wales, Queensland and Victoria have proactively pursued opportunities for partnerships with their capital city local governments to boost economic recovery through targeted support for specific sectors (i.e., generally retail, tourism, hospitality and creative industry) to stimulate and assist in the recovery of the capital city economy. Examples include:

GOVT AND INITIATIVE	INDUSTRY AND TOTAL BUDGET	GRANTS AND FUNDS AVAILABLE
Victorian Govt Sustaining Creative Workers initiative	Arts and Culture	<ul style="list-style-type: none"> Up to \$2,500 - in additional access funding for Deaf and Disabled creatives, artists, arts workers, and disability-led organisations/ businesses. Up to \$5,000 - for individuals, sole traders and freelancers. Up to \$10,000 - for collectives, groups and micro-organisations/businesses
Victorian Govt and City of Melbourne Central City Reactivation Fund	Business and Events	<ul style="list-style-type: none"> \$30 million - for small to medium sized businesses to rapidly adapt their operations to be more COVID safe. \$30 million - for COVID Safe events and cultural activities to attract visitors back to the CBD.

GOVT AND INITIATIVE	INDUSTRY AND TOTAL BUDGET	GRANTS AND FUNDS AVAILABLE
	\$100 million total	<ul style="list-style-type: none"> \$40 million - on infrastructure works to support the return of people to the CBD through making the city more safe, accessible and sustainable.
Victorian Govt and City of Melbourne City Activation Grants Program	Business and Hospitality \$1.75 million total	Up to \$50,000 to deliver new and exciting activations within Melbourne, drive visitation and increase economic activity.
Victorian Govt and City of Melbourne Midweek Melbourne Money: Dining Rebate Scheme	Business and Hospitality \$5 million total	30% rebate on meals in the city
Queensland Govt Tourism and Hospitality Sector COVID-19 Lockdown Support Package	Tourism and Hospitality \$47.75 million total	<ul style="list-style-type: none"> Range of rebates, fee and payroll tax relief measures to provide immediate support, including: <ul style="list-style-type: none"> State land rent deferral – for eligible tourism operators for the period 1 July 2021 to 30 June 2022. Fee waiver and refunds for commercial tourism daily passenger fees. Twelve-month fee waiver or refund of inbound tour operator fees. Liquor licensing fees waived.
Queensland Govt Arts and Cultural Recovery Package	Arts and Culture \$22.5 million total	<ul style="list-style-type: none"> \$11.3 million - to assist in offsetting revenue losses and live music and performing arts organisations and venues. \$4.2 million - to fund a pipeline of performing arts and live music to support cultural and tourism recovery. \$4.15 million - to support audience and market access. \$2.9 million - to support partnerships with local governments, venues, artists, festivals and organisations to continue employment and provide unique experiences. Additional \$7 million to ensure the viability of live music.
New South Wales Govt NSW Dine and Discover	Hospitality and Culture \$250 million total	<ul style="list-style-type: none"> 6 x \$25 vouchers, worth \$150 in total: <ul style="list-style-type: none"> 3 x \$25 Dine NSW Vouchers - for dining in at restaurants, cafés, bars, wineries, pubs and clubs or for takeaway meals. 3 x \$25 Discover NSW Vouchers - for entertainment and recreation, including cultural institutions, live music, and arts venues. To encourage the community to get out and about and support dining, arts and recreation businesses - through Service NSW app.

Outcomes reported by these states suggested considerable benefits in terms of COVID-19 recovery, particularly in CBD areas that experienced negative impacts due to lockdowns, low return to work rates (caused by mask wearing mandates) and general downturns in footfall.

As the City of Perth has the greatest density of jobs in WA with the largest concentration of retail, hospitality, tourism and creative industry, businesses are dependent on worker footfall. Should the border reopening prove to more challenging economically than originally envisioned, it would be prudent to consider collaborative support programs similar to above.

The following programs could be considered for State Government support to augment a COVID-19 recovery when borders open:

PROGRAM	POSSIBLE STATE GOVERNMENT SUPPORT
<p>Small business grants/ spend incentives</p> <p>In the 2020/21 financial year the City increased support for small business grants to \$350,000 with City based small business being eligible for up to \$5,000 to support COVID-19 recovery or business pivots such as streaming or online ordering/ setting up a social media/ website presence or assisting with social distancing through al fresco areas. These grants were fully allocated and well received.</p>	<p>State to consider matching/ making a contribution for the City to allocate for small business grants or enacting a dining and experiences rebate program similar to other State Governments to encourage people back to the CBD and support retail, hospitality and tourism business.</p>
<p>Arts and major events/ local activation sponsorships</p> <p>The City has established processes and guidelines for large scale events and festivals through to medium-sized events and smaller activations/ cultural initiatives. These have all previously contributed to alleviating the initial impacts of COVID-19 and it is considered that additional funding support for these could assist in minimising the potential negative economic impacts when borders reopen.</p>	<p>State Government to match the City's contribution to these grant schemes so more of the heavily impacted event and creative sectors are supported during what could be a challenging time when borders reopen.</p>
<p>Creative sector support</p> <p>A recent study, <i>Making Space for Culture (2021)</i> undertaken by the City with three inner city councils demonstrated a significant demand for space in the City. Of the 1080 individuals surveyed, 84% were interested in having creative workspace in inner Perth and 60% identified the City of Perth as their preferred LGA. However, over 75% of respondents identified 'affordability' as the top reason preventing them from taking up space in Inner Perth. The role of the creative industries in contributing to community vibrancy, safety and economic growth is well documented.</p>	<p>Funding support for cultural infrastructure projects: Minister for Culture and the Arts to consider re-establishing a funding support program similar to the now former Community Cultural Arts Facilities Fund, which could be accessed by LGAs to support part funding of cultural facility redevelopment, fit-out or rejuvenation.</p>

PROGRAM	POSSIBLE STATE GOVERNMENT SUPPORT
<p>Tourism sector support</p> <p>The Tourism sector, particularly within the City has borne the brunt of the lack of international travellers, international students and interstate tourists that it is structured to service. An initiative similar to the Queensland Governments COVID-19 Lockdown Support Package could bridge the gap in feasibility of maintaining operations until the timeframes and implications around open borders on February 5 are known.</p>	<p>Similar to the Queensland package the following support initiatives could be considered</p> <ul style="list-style-type: none"> ● State Land rent deferral. ● Fee waivers and refunds for commercial tourism daily passenger fees on State land ● Offset of birthing fees for marine tourism vessels. ● 12-month fee waiver on inbound tour operator fees. ● Liquor licencing fees waived or refunded. ● Free financial counselling services for Tourism businesses impacted by COVID-19.

Recommendation

That the City of Perth Committee DISCUSS potential joint programs that could proactively prepare for and assist in COVID-19 recovery.

3.4. City of Perth Homelessness and Outreach Initiatives Update

Paper Type:	For Noting
Submitted by:	Kylie Johnson – General Manager Community Development

Background

The City of Perth (the City) adopted its Rough Sleeper Plan in May 2021 and has trialled and delivered a number of interim initiatives to help address rough sleeping in the Central Business District (CBD). Some of these initiatives include the delivery the Safe Night Space for Women, Safe Night Shelter for Men Trial, and provision of Cultural Outreach services.

Outcomes

Safe Night Space for Women

Since service commencement on 31 May 2021 through to 15 December 2021, the City of Perth's **Safe Night Space has provided 2,536 instances of support to 717 women**. Referral statistics include:

- 642 referrals accepted;
- 664 clients were referred to day centres for additional support;
- 241 referrals were made to other specialist services;
- 26 housing applications were facilitated;
- 1,606 showers were provided; and
- 870 occasions that clothes were provided.

Safe Night Shelter for Men

The City of Perth has demonstrated the value of a Safe Night Shelter for men experiencing homelessness following the conclusion of a two-month trial. The Safe Night Shelter was an interim solution to provide basic shelter and safety for men experiencing homelessness over winter, with **341 instances of support to 65 individuals through the two-month period**.

Cultural Outreach

The 12-month Culturally Appropriate Outreach trial was successful in building relationships, engagement and setting public realm behaviour expectations; however, the learnings and data collected suggested that the trial had limited impact in ending an individual's homelessness cycle.

The trial was extended from 15 November 2021 through to 15 February 2022 with an adjusted approach to ensure a proactive response to homelessness and rough sleeping within the City while the trial was evaluated, and the new service was designed and procured.

The City is undertaking a tender process for the provision of a new Culturally Appropriate Outreach Service within the City of Perth for an initial two-year period commencing in February 2022.

Project Expenditure

PROJECT	2020/21 EXPENDITURE (EX GST)	2021/22 BUDGET (EX GST)	2021/22 EXPENDITURE YTD (EX GST)
Safe Night Space for Women	\$911,699	\$1,296,983	\$656,802
Safe Night Shelter for Men	\$12,565	\$226,323	\$208,609
Cultural Outreach	\$108,887	\$300,000	\$77,451

Current Status

The City has initiated many new initiatives that are being funded by rate payers in an area that is the responsibility of the State Government. In the 2020/21 financial year the City expended \$1,033,151 to offer Safe Night Spaces and outreach services, and in this financial year it has budgeted \$1,823,306 to do the same.

The City is seeking the State Government to lead greater coordination of policy and investment in addressing homelessness in the City of Perth.

Recommendation

City of Perth requests that the Committee NOTES the continued efforts of the City of Perth in relation to the trial and implementation of interim solutions to help rough sleepers in the Perth CBD.

3.5. Local Government Act Reform

Paper Type:	For Discussion
Submitted by:	Michelle Reynolds – Chief Executive Officer

Background

On 10 November 2021, the Minister for Local Government announced a series of reforms to the *Local Government Act 1995* (the Act). Public comment on the proposed reforms was invited from 10 November 2021 to 25 February 2022. The proposed reforms are based on the findings and recommendations of a number of reports and consultation undertaken over the past five years. The reform package is based on six major themes:

- a. Earlier intervention, effective regulation and stronger penalties.
- b. Reducing red tape, increasing consistency and simplicity.
- c. Greater transparency and accountability.
- d. Stronger local democracy and community engagement.
- e. Clear roles and responsibilities.
- f. Improved financial management and reporting.

Current Status

In addressing the proposed reforms, a City submission, based on the six major themes within the current scope of the reform proposals, is being developed. It is anticipated to be considered by the City of Perth Council at its meeting to be held on 22 February 2022 before being formally submitted to the Department.

The City, in broad terms, supports most of the proposed reforms, however, has some reservations in relation to early intervention powers for local governments, and a small number of individual reform items.

The City also proposes to submit separately to the Department of Local Government, Sport and Cultural Industries, other suggested reforms outside of the current scope, but nonetheless considers should be pursued, mainly in relation to:

- a. The recommendations of the *Report of the Inquiry into the City of Perth*, most notably regarding elections; and
- b. The conflict between the objects of the *City of Perth Act 2016* and the various constraints placed under the Act.

Recommendation

That the City of Perth Committee notes the City will make a submission on the recently announced Local Government Act reforms, and acknowledges the City of Perth will provide further information around possible additional reforms to the Minister for Local Government and the Department of Local Government, Sport and Cultural Industries.

4. Next Meeting

The next City of Perth Committee meeting is Wednesday, 17 November 2022 at 10.30am.

5. Close