



CITY OF VINCENT

ORDINARY COUNCIL MEETING

15 November 2016

Notice of Meeting and Agenda

Notice is hereby given that an Ordinary Meeting of the Council of the City of Vincent will be held at the Administration and Civic Centre, at 244 Vincent Street (corner Loftus Street) Leederville, on **Tuesday 15 November 2016** at 6:00pm.

Len Kosova
CHIEF EXECUTIVE OFFICER

11 November 2016

ENHANCING AND CELEBRATING OUR DIVERSE COMMUNITY

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PROCEDURE FOR PUBLIC SPEAKING TIME The City of Vincent Local Law Relating to Standing Orders prescribes the procedure for persons to ask questions or make public statements relating to a matter affecting the City, either verbally or in writing, at a Council meeting.

Questions or statements made at an Ordinary Council meeting can relate to matters that affect the City. Questions or statements made at a Special Meeting of the Council must only relate to the purpose for which the meeting has been called.

1. Shortly after the commencement of the meeting, the Presiding Member will ask members of the public to come forward to address the Council and to give their name, address and Agenda Item number (if known).
2. Public speaking time will be strictly limited to three (3) minutes per member of the public.
3. Members of the public are encouraged to keep their questions/statements brief to enable everyone who desires to ask a question or make a statement to have the opportunity to do so.
4. Public speaking time is declared closed when there are no further members of the public who wish to speak.
5. Questions/statements are to be directed to the Presiding Member and are to be made politely in good faith and are not to be framed in such a way as to reflect adversely or be defamatory on a Council Member or City Employee.
6. Where the Presiding Member is of the opinion that a member of the public is making a statement at a Council meeting, that does not affect the City, he may ask the person speaking to promptly cease.
7. Questions/statements and any responses will be summarised and included in the Minutes of the Council meeting.
8. Where practicable, responses to questions will be provided at the meeting. Where the information is not available or the question cannot be answered, it will be *"taken on notice"* and a written response will be sent by the Chief Executive Officer to the person asking the question. A copy of the reply will be included in the Agenda of the next Ordinary meeting of the Council.
9. It is not intended that public speaking time should be used as a means to obtain information that would not be made available if it was sought from the City's records under Section 5.94 of the Local Government Act 1995 or the Freedom of Information (FOI) Act 1992. The CEO will advise the member of the public that the information may be sought in accordance with the FOI Act 1992.

RECORDING OF COUNCIL MEETINGS

- ◆ All Ordinary and Special Council Meetings are electronically recorded (both visual and audio), except when the Council resolves to go behind closed doors;
- ◆ All recordings are retained as part of the City's records in accordance with the General Disposal Authority for Local Government Records produced by the Public Records Office;
- ◆ A copy of the recorded proceedings and/or a transcript of a particular section or all of a Council meeting is available in accordance with Policy No. 4.2.4 – Council Meetings – Recording and Access to Recorded Information.

ORDER OF BUSINESS

1. (a) **Declaration of Opening**
(b) **Acknowledgement of Country Statement**
"Today we meet on the lands of the Nyoongar people and we honour them as the traditional custodians of this land".
 2. **Apologies/Members on Approved Leave of Absence**
Cr Harley is an apology.
 3. (a) **Public Question Time and Receiving of Public Statements**
(b) **Response to Previous Public Questions Taken On Notice**
[3.1](#) Response to questions from Ms Debbie Saunders taken on notice at the Ordinary Council Meeting held on 18 October 2016.
[3.2](#) Response to questions from Mr Dudley Maier taken on notice at the Ordinary Council Meeting held on 18 October 2016.
 4. **Applications for Leave of Absence**
 5. **The Receiving of Petitions, Deputations and Presentations**
Nil.
 6. **Confirmation of Minutes**
6.1 Ordinary Meeting of Council held on 18 October 2016.
 7. **Announcements by the Presiding Member (Without Discussion)**
 8. **Declarations of Interest**
 9. **Reports**
As listed in the Index.
 10. **Motions of which Previous Notice has been given**
Nil.
 11. **Questions by Members of which Due Notice has been given (Without Discussion)**
Nil.
 12. **Representation on Committees and Public Bodies**
Nil.
 13. **Urgent Business**
Nil.
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**14. Confidential Items/Matters for which the Meeting May be Closed
("Behind Closed Doors")**

14.1 CONFIDENTIAL REPORT: No. 42 (Lot: 10 DP: 167) Shakespeare Street (Formerly No. 86 Hobart Street), Mount Hawthorn – Amendment to Development Approval for 18 Multiple Dwellings – Supreme Court Appeal of State Administrative Tribunal Determination – Matter No. DR 389 of 2015 (PR14061; 5.2015.358.1)

14.2 CONFIDENTIAL ITEM: Consideration of Ex Gratia Payment [**ABSOLUTE MAJORITY DECISION REQUIRED**]

15. Closure

9.1 DEVELOPMENT SERVICES

9.1.1 No. 227 (Lot: 33; D/P: 2358) Loftus Street, Leederville – Proposed Grouped Dwelling and Outbuilding Addition to Existing Dwelling

Ward:	North	Date:	1 November 2016
Precinct:	Precinct 3 – Leederville	File Ref:	PR15617; 5.2016.305.1
Attachments:	<u>1</u> – Location and Consultation Map <u>2</u> – Development Application Plans <u>3</u> – Relevant Design Principles/Criteria <u>4</u> – Applicant's Justification <u>5</u> – Determination Advice Notes <u>6</u> – Summary of Submission		
Tabled Items:	Nil		
Reporting Officer:	R Narroo, Senior Statutory Planning Officer		
Responsible Officer:	J Corbellini, Director Development Services		

RECOMMENDATION:

That Council APPROVES the application for development approval, under Town Planning Scheme No. 1 and the Metropolitan Region Scheme, for Grouped Dwelling and Outbuilding Addition to Existing Dwelling at No. 227 (Lot 33; D/P: 2358) Loftus Street, Leederville in accordance with plans date stamped 25 October 2016 as shown on Attachment 2, subject to the Determination Advice Notes in Attachment 5 and the following conditions:

1. **Boundary Wall**

The owners of the subject land shall finish and maintain the surface of the boundary (parapet) walls facing No. 225 Loftus Street, Leederville in a good and clean condition prior to occupation or use of the development. The finish of the walls are to be fully rendered or face brickwork to the satisfaction of the City;

2. **External Fixtures**

All external fixtures and building plant, including air conditioning units, piping, ducting and water tanks, shall be located so as to minimise any visual and noise impact on surrounding landowners, and screened from view from the street, and where practicable from adjoining buildings;

3. **Stormwater**

All stormwater produced on the subject land shall be retained on site, by suitable means to the full satisfaction of the City;

4. **Landscape and Reticulation Plan**

4.1 A detailed landscape and reticulation plan for the development site and adjoining road verge is to be lodged with and approved by the City prior to commencement of the development. The plan shall be drawn to a scale of 1:100 and show the following:

- 4.1.1 The location and type of existing and proposed trees and plants;
- 4.1.2 A deep soil zone along the internal eastern boundary and roof garden;
- 4.1.3 The provision of mature tree planting in the deep soil zones; and
- 4.1.4 Areas to be irrigated or reticulated; and

4.2 All works shown in the plans as identified in Condition 4.1 above shall be undertaken in accordance with the approved plans to the City's satisfaction, prior to occupancy or use of the development and maintained thereafter to the satisfaction of the City at the expense of the owners/occupiers;

5. Privacy

The windows to bedroom 2 and the master bedroom located on the northern elevation shall be screened or modified, prior to occupation or use of the development, so that they do not constitute 'major openings' as defined by State Planning Policy 3.1: Residential Design Codes;

6. Schedule of Finishes

Prior to commencement of development a detailed schedule of external finishes (including materials and colour schemes and details) shall be submitted to and approved by the City. The development shall be finished in accordance with the approved schedule prior to the use or occupation of the development; and

7. General

Conditions that have a time limitation for compliance, and the condition is not met in the required time frame, the obligation to comply with the requirements of the condition continues whilst the approved development exists.

PURPOSE OF REPORT:

To consider an application for development approval for a proposed three storey Grouped Dwelling and an outbuilding addition to an existing dwelling at No. 227 Loftus Street, Leederville.

BACKGROUND:

Landowner:	Thi Hong Nhung Dong
Applicant:	David Weir Architects
Date of Application:	3 May 2016
Zoning:	MRS: Urban TPS1: Zone: Residential R-Code: R60 TPS2: Zone: Residential R-Code: R60
Existing Development:	Single House – "P"
Proposed Use Class:	Grouped Dwelling - "P" Use
Site Area:	Lot 1 (Existing Dwelling) = 327m ² Lot 2 (Proposed Grouped Dwelling) = 209m ² Road widening = 17m ² Right of Way widening = 6m ² Total Area = 559m ²
Right of Way (ROW):	Western side, 5 metres in width, sealed and Council owned with private access rights
Heritage List:	No

The subject site is located on the western side of Loftus Street, Leederville, near the corner of Salisbury Street, as shown in **Attachment 1**. The site and surrounding area is zoned 'Residential' and is characterised by predominantly single dwelling development with infill occurring to subdividable lots in the area. Most of the developments in the immediate vicinity are generally single to two storeys in height with some new three storey multiple dwelling developments being developed along Loftus Street; including a three storey multiple dwelling development under construction on the adjoining property to the south of the subject site.

There is an existing single house on the site orientated to Loftus Street with access currently from the right-of-way.

A subdivision has been conditionally approved for the subject site by the Western Australian Planning Commission for the creation of two survey strata lots with no common property. Whilst conditional subdivision approval has been obtained the lots have yet to be created and as titles have not been issued, the proposed development is considered as a grouped dwelling.

The application proposes to:

- retain the existing dwelling,
- construct a new outbuilding (garage) for the existing dwelling; and
- construct a new three storey grouped dwelling.

The proposed grouped dwelling will be orientated to front the existing right of way at the rear of the existing dwelling on the site.

No physical changes are proposed to the existing dwelling as part of this application

The initial plans lodged with the City, which were advertised, proposed a maximum height of 9 metres for the proposed three storey grouped dwelling. The applicant subsequently submitted revised plans which proposed a maximum height of 11.7 metres which resulted in the application being readvertised. The applicant has now reverted back to a proposed maximum height for the grouped dwelling of 9 metres. The development plans now proposed are included **Attachment 2**.

DETAILS:

Summary Assessment

The table below summarises the planning assessment of the proposal against the provisions of the City of Vincent Town Planning Scheme No. 1, the Residential Design Codes and the City's policies. In each instance where the proposal requires the discretion of Council, the relevant planning element is discussed in the Detailed Assessment section following from this table.

Planning Element	Use Permissibility/ Deemed-to-Comply	Requires the Discretion of Council
Land Use (only where required)	✓	
Density/Plot Ratio	✓	
Building Setbacks/Boundary Wall		✓
Building Height/Storeys		✓
Roof Form	✓	
Open Space	✓	
Privacy		✓
Parking & Access	✓	
Solar Access	✓	
Essential Facilities		✓
Surveillance	✓	
Landscaping	✓	
Setback from Right of Way		✓
Outbuilding		✓

Detailed Assessment

The deemed-to-comply assessment of the elements that require the discretion of Council is as follows:

Building Setbacks/Boundary Wall	
Deemed-to-Comply Standard	Proposal
Residential Design Codes Clause 5.1.3	
Ground Floor: South = 1.5 metres	1 metre to 3.3 metres
First Floor: North= 1.9 metres	1.55 metres to 2.597 metres
Second Floor: North= 2.3 metres	1.5 metres to 3.16 metres
Building Height/Storeys	
Deemed-to-Comply Standard	Proposal
Policy No. 7.2.1 – Residential Design Elements BDADC 5	
Two storeys with a maximum height of 9 metres to the top of the pitched roof above natural ground level	Three storeys with a maximum height of 9 metres to the top of the pitched roof above the natural ground level
Wall height for two storey= 6 metres above natural ground level	Wall height = 6.485 metres above natural ground level
Privacy	
Deemed-to-Comply Standard	Proposal
Residential Design Codes Clause 5.4.1	
Cone of Vision setback to lot boundary for bedroom = 3 metres	The setback to the windows to bedrooms 1, 2 and master bedroom are 2.597 metres to the northern boundary
Setback from Right of Way	
Deemed-to-Comply Standard	Proposal
Residential Design Elements Policy No. 7.2.1 SADC 9	
Dwelling fronting a right of way is required to be setback as follows:	
Building on the upper floor is to be setback 1 metre behind each portion of the ground floor setback	Nil setback from the ground floor
Balcony on the upper floor is to be setback 2.5 metres from the right of way	Deck is setback 1.49 metres from the right of way

Outbuilding	
Deemed-to-Comply Standard	Proposal
Residential Design Codes Clause 5.4.3	
Wall height is not to exceed 2.4 metres wall height from the natural ground level	2.9 metres wall height above the natural ground level
Essential Facilities	
Deemed-to-Comply Standard	Proposal
Residential Design Codes Clause 5.4.5	
A store with a minimum dimension of 1.5 metres with an internal of at least 4 square metres.	Store is not provided to the proposed grouped dwelling and existing dwelling.

As the above elements of the proposal do not meet the specified deemed-to-comply standards, the application is required to be considered against the relevant design principles/criteria set out in **Attachment 3** as discussed in the Comment section below.

The applicant's justification for the proposed variations is included in **Attachment 4**.

CONSULTATION/ADVERTISING:

Consultation was undertaken regarding the proposal on two separate occasions, first in relation to the proposed grouped dwelling building height of 9 metres and then subsequently in relation to the amended proposal for a maximum building height of 11.7 metres.

The first round of consultation occurred for a period of 14 days in accordance with the *Planning and Development (Local Planning Scheme) Regulations 2015*, from 3 June 2016 to 17 June 2016, where the proposed height of the new grouped dwelling was 9 metres. A total of 12 letters were sent to owners and occupiers within close proximity of the subject site (**Attachment 1**) in accordance with the City's Policy No. 4.1.5 – Community Consultation. One submission objecting to the proposal was received during the first round of consultation.

The second round of consultation occurred for a further period of 14 days in accordance with the *Planning and Development (Local Planning Scheme) Regulations 2015*, from 25 August 2016 to 7 September 2016 where the height of the building was 11.7 metres. Letters were sent again to 12 owners and occupiers previously consulted within close proximity of the subject site subject (**Attachment 1**) in accordance with the City's Policy No. 4.1.5 – Community Consultation. One submission objecting to the proposal was received during the second round of consultation.

The concerns raised in the submissions related to overlooking and loss of privacy from the proposed upper floors, overall building height not being in keeping with the development within the area and the genuine purpose of consultation given other three storey building along Loftus Street.

The main issues raised by the objectors are discussed in the Comment section below. A detailed summary of the submission and Administration's response to each matter raised is included in **Attachment 6**.

Design Advisory Committee (DAC):

Referred to Design Advisory Committee: No

LEGAL/POLICY:

- *Planning and Development Act 2005;*
- *Planning and Development (Local Planning Schemes) Regulations 2015;*
- City of Vincent Town Planning Scheme No. 1;
- State Planning Policy 3.1- Residential Design Codes;
- Local Planning Policy No. 7.1.3 – Leederville Precinct;
- Local Planning Policy No. 7.2.1 – Residential Design Elements; and
- Policy No. 4.1.5 – Community Consultation.

The applicant will have the right to have Council's decision reviewed by the State Administrative Tribunal (SAT) in accordance with Part 14 of the *Planning and Development Act 2005*.

Draft Local Planning Policy – Built Form No. 7.1.1

Since the lodgement of this application, Council at its meeting of on 20 September 2016 adopted for the purpose of advertising its Draft Local Planning Policy – Built Form No. 7.1.1. Clause 67(b) of the *Planning and Development (Local Planning Schemes) Regulations 2015* states that the local government is to have due regard to any proposed planning instrument that the local authority is seriously considering adopting or approving.

In this context due regard is given to the Draft Local Planning Policy - Built Form No. 7.1.1 for this development. Under the Draft Local Planning Policy –Built Form No. 7.1.1 the proposal will be located within the Transit Corridors. The major differences when assessing the proposed development under the Draft Local Planning Policy – Built Form No. 7.1.1 relate to building height, Right of Way and landscaping provisions.

Delegation to Determine Applications:

The proposed development is three storeys and is therefore classified as a Category 1 application in the City's Delegated Authority Register. Category 1 applications are required to be referred to Council as no delegation exists to otherwise determine the application.

RISK MANAGEMENT IMPLICATIONS:

It is Administration's view that there are minimal risks to Council and the City's business function when Council exercises its discretionary power to determine a development application.

STRATEGIC IMPLICATIONS:

The City's Strategic Plan 2013-2023 states:

"Natural and Built Environment

1.1 *Improve and maintain the natural and built environment and infrastructure."*

SUSTAINABILITY IMPLICATIONS:

Nil.

FINANCIAL/BUDGET IMPLICATIONS:

Nil.

COMMENTS:

Building Setbacks/Boundary Wall

The proposed laundry/powder room wall is setback 1 metre from the adjoining southern property, in lieu of the 1.5 metres set as a deemed-to-comply standard in the R-Codes. The proposed wall faces a boundary wall under construction on the adjacent southern property which will negate any overshadowing from the proposed wall. The setback of 1 metre will allow adequate ventilation and sunlight to the proposed building and adjoining property. No objection was received from the adjoining neighbour with regard to the proposed setback and given the above it is considered appropriate.

The proposed first floor and second floor walls are setback a minimum of 1.55 and 1.5 metres from the northern boundary respectively. The deemed-to-comply standard requires a minimum setback of 1.9 for the first floor and 2.3 metres for second floor. The proposed walls will be facing the rear yard of the adjoining property to the north. The wall setbacks are staggered with major portions of the walls being setback beyond the deemed-to-comply standard, which reduces the impact of bulk on the adjoining property. The proposed walls are located to the northern boundary and would not result in any overshadowing of the adjoining property. No objection was received from the adjoining neighbour and given the above the proposed setback is considered appropriate.

Building Height

The proposed development is three storeys in height and includes a maximum wall height of 6.5 metres. This exceeds the deemed-to-comply standards set in the City's Residential Design Elements LPP for grouped dwellings of two storeys total height and 6.0 metres wall height. One objection was received indicating that the development was over height and questioning the purpose of advertising when other three storey developments had been approved in the immediate area.

A three storey multiple dwelling development is currently under construction on the immediately adjoining lot to the south at No. 225 Loftus Street, Leederville. This accords with the City's current Multiple Dwellings Local Planning Policy, which sets a maximum deemed-to-comply height of three storeys for multiple dwellings on Loftus Street. The Multiple Dwellings Local Planning Policy does not apply to grouped dwellings, however, which are instead guided by the current Residential Design Elements LPP, which sets a maximum height of two storeys for single houses and grouped dwellings on Loftus Street. This inconsistent approach is proposed to be addressed through the draft Built Form No. LPP, which proposes a three storey building height for all development along Loftus Street.

The proposed development is considered to align with the height set by the draft built Form LPP as well as the height of the adjoining multiple dwelling development currently being constructed to the south. Overshadowing from the proposed development complies with the requirements set by the R-Codes and falls over a ground floor boundary wall and highlight windows being constructed as part of the adjoining multiple dwelling development. The walls facing the northern, southern and eastern boundaries are staggered and use different materials (privacy screen and fibre cement wall), which will reduce the bulk on the adjoining neighbouring properties. The wall facing the right of way to the west includes major openings and a privacy screen to the third floor, which will reduce the bulk of the development as viewed for the right of way.

Given the articulation of the walls and prevailing development context, the proposed building height is considered appropriate.

Privacy

One objector noted concerns that the windows on the first floor to the northern elevation of the proposed dwelling will result in overlooking into the backyard of the adjoining property. The cone of vision of the proposed windows to the first floor on the northern elevation will fall over the backyard of the adjoining property to the north. This area includes a pergola and forms part of the active habitable space of the adjoining property. Given this, it is recommended that condition be included on any approval requiring the windows proposed on the northern elevation be screened to remove any associated overlooking.

Setbacks from Right of Way

The ground floor setbacks of the proposed grouped dwelling is setback 1.49 metres from the right of way, which meets the City's requirements. However, the first floor of the development is proposed to be directly above the ground floor in lieu of a one metre setback, and the deck (balcony) is setback 1.49 metres in lieu of 2.5 metres from the right of way. The development as a whole is setback appropriately from the right of way, in line with surrounding developments. In addition, the façade of the development is proposed to include major openings facing the right of way and is well articulated through the use of different materials (privacy mesh screen and fibre cement wall). Given the above, the proposed upper floor right of way setbacks are considered to be appropriate.

Outbuilding

The outbuilding will be used to park vehicles associated with the existing single dwelling and is located on the southern side facing the right of way. The proposed wall height is 2.9 metres in lieu of the required 2.4 metres. Most part of the wall of the outbuilding will abut the boundary wall on the adjoining southern property and the remaining part (1.5 metres) will be facing the driveway accessing the unit on the adjoining property. As such it is considered the wall height will not detract from the visual amenity of the residents of the adjoining property. No objection was received from the adjoining neighbour. In this instance the variation to the wall height is supported.

Store

The R-Codes provide minimum standards for stores to a grouped dwelling development. The development does not specifically provide dedicated stores, however, proposal provides sufficient space in the outbuilding and garage to both park vehicles and place belongings and waste servicing away from direct view from the right of way or Loftus Street. It is also noted that there has been conditional approval granted to subdivide to subject site and that once this occurs there will no longer be any requirement for the development to provide stores under the R-Codes.

Landscaping

The proposed development fully complies with the landscaping requirements set out in the R-Codes and the City's current policy. The application has been assessed against the provisions of the draft Built Form LPP, which sets a deemed-to-comply standard of 30% of the site area as tree canopy cover within five years and 15% of the site area as deep soil zone.

The application was submitted prior the release of the draft Built Form LPP and does not specifically meet the above requirements. Including the landscaping in front of existing dwelling the overall the landscaping proposed does equate to 15.4% of the total site area. However, some of the landscaping areas proposed as part of the new grouped dwelling do not meet the minimum dimensions specified for a deep soil zone in the draft Built Form LPP. In addition, the application does not propose any mature tree planting that will contribute to canopy coverage.

The development does have capacity to increase the extent of deep soil zone along the internal eastern boundary and on the roof terrace which could support mature tree planting. Given this, it is recommended that a condition be included on any approval requiring a landscaping plan that includes a deep soil zone along the internal eastern boundary and roof garden and the provision of mature tree planting in these areas.

Conclusion

At three storeys, the height of the proposed development is consistent with the City's policy framework for Loftus Street as well as existing approvals in the immediate area. Although the proposal requires discretion in relation to building height, building setbacks, setback from right of way, outbuilding wall height and storage, these elements of the proposal are considered to meet the design principles/criteria set out in the R-Codes and Residential Design Elements LPP in each instance and are not considered to adversely impact the adjoining properties or the streetscape.

The proposal is recommended for approval subject to conditions.

9.1.2 No. 15 (Lot: 126; D/P: 2360) Kingston Avenue, West Perth – Proposed Four Grouped Dwellings

Ward:	South	Date:	31 October 2016
Precinct:	Precinct 5 – Cleaver	File Ref:	PR22550; 5.2016.115.1
Attachments:	1 – Location and Consultation Map 2 – Development Application Plans 3 – Relevant Design Principles/Criteria 4 – Summary of Submissions and Administration Response 5 – Determination Advice Notes		
Tabled Items:	Nil		
Reporting Officer:	T Wright, Senior Statutory Planning Officer		
Responsible Officer:	J Corbellini, Director Development Services		

RECOMMENDATION:

That Council, APPROVES the application for development approval, under Town Planning Scheme No. 1 and the Metropolitan Region Scheme, for Four Grouped Dwellings at No. 15 (Lot: 126; D/P: 2360) Kingston Avenue, West Perth in accordance with plans date stamped 12 October 2016, as shown on Attachment 2, subject to the Determination Advice Notes in Attachment 5 and the following conditions:

1. **Boundary Wall**

The owners of the subject land shall finish and maintain the surface of the boundary (parapet) walls in a good and clean condition. The finish of the walls are to be fully rendered or face brickwork to the satisfaction of the City;

2. **Car Parking and Access**

2.1 A minimum of one car bay per dwelling shall be provided as shown on the approved plans;

2.2 Vehicle and pedestrian access points are required to match into existing footpath levels;

2.3 All redundant crossovers shall be removed and the verge area reinstated to the City's satisfaction prior to the occupation or use of the development; and

2.4 The car parking and access areas shall be sealed, drained, paved and line marked in accordance with the approved plans and are to comply with the requirements of AS2890.1 prior to occupancy or use of the development;

3. **External Fixtures**

All external fixtures and building plant, including air conditioning units, piping, ducting and water tanks, shall be located so as to minimise any visual and noise impact on surrounding landowners, and screened from view from the street, and where practicable from adjoining buildings;

4. **Verge Trees**

No verge trees shall be removed without the prior written approval of the City. The verge trees shall be retained and protected from any damage including unauthorised pruning, to the satisfaction of the City;

5. Landscape and Reticulation Plan

5.1 A detailed landscape and reticulation plan for the development site and adjoining road verge is to be lodged with and approved by the City prior to commencement of the development. The plan shall be drawn to a scale of 1:100 and show the following:

- 5.1.1 The location and type of existing and proposed trees and plants;**
- 5.1.2 15% of the site as deep soil zone;**
- 5.1.3 Large canopy trees (minimum 500 litres) that will achieve 30% canopy coverage of the site within five years;**
- 5.1.4 Areas to be irrigated or reticulated; and**
- 5.1.5 The removal of redundant crossovers;**

5.2 All works shown in the plans as identified in Condition 6.1 above shall be undertaken in accordance with the approved plans to the City's satisfaction, prior to occupancy or use of the development and maintained thereafter to the satisfaction of the City at the expense of the owners/occupiers;

6. Schedule of External Finishes

A detailed schedule of external finishes (including materials and colour schemes and details) is to be lodged with and approved by the City prior to commencement of the development. The external finishes of the development shall be provided in accordance with the approved schedule prior to the occupancy or use of the development;

7. Construction Management Plan

A Construction Management Plan that details how the construction of the development will be managed to minimise the impact on the surrounding area in accordance with the requirements of the City's Policy No. 7.5.23 – Construction Management Plans is to be lodged with and approved by the City prior to commencement of the development. Construction on and management of the site shall thereafter comply with the approved Construction Management Plan;

8. Stormwater

Prior to occupancy or use of the development all stormwater produced on the subject land shall be retained on site by suitable means to the full satisfaction of the City. Stormwater shall thereafter be retained on site; and

10. General

Conditions that have a time limitation for compliance, and the condition is not met in the required time frame, the obligation to comply with the requirements of the condition continues whilst the approved development exists.

PURPOSE OF REPORT:

To consider an application for development approval for Four Grouped Dwellings at No. 15 Kingston Avenue, West Perth.

BACKGROUND:

Landowner:	KN and AM Johnsen as Trustees Johnsen Super Fund
Applicant:	BJ Building Design
Date of Application:	1 April 2016
Zoning:	MRS: Urban TPS1: Zone: Residential R-Code: R80 TPS2: Zone: Residential R-Code: R80
Existing Development:	Single House – “P”
Proposed Use Class:	Grouped Dwelling – “P”
Site Area:	683m ²
Right of Way (ROW):	N/A
Heritage List:	No

The site is situated on the southern side of Kingston Avenue, near the corner of Cleaver Street, West Perth, as shown in **Attachment 1**. The site and the street are zoned ‘Residential’ and include a mixture of single dwellings, grouped dwellings and multiple dwellings ranging in scale from single storey to three storeys in height. Lots located on the northern side of Newcastle Street, backing onto the Kingston Avenue properties, are characterised by residential development with heights ranging from single to seven storeys. Properties on the southern side of Newcastle Street are zoned ‘Commercial’.

The site has a sloping topography with a fall from north to south of approximately 1.5 metres. There is an existing single house currently located on the site, which is proposed to be demolished to make way for the proposed development. The demolition of the existing single house does not require development approval as it is exempt under Clause 61(1)(e) of Schedule 2 of the *Planning and Development (Local Planning Scheme) Regulations 2015*.

The application proposes four grouped dwellings, with two situated towards the front of the site orientated towards Kingston Avenue and two towards the rear of the subject site. The front and rear dwellings are separated by a central landscaping, car parking and access area.

Each dwelling is designed to include a large open plan living space on the ground floor in conjunction with a north orientated outdoor living area and a single vehicle carport. Communal landscaping areas are located in the centre of the site and have been designed to accommodate the manoeuvring requirements of the car bays to enable cars to enter and exit the site in forward gear. Six large 500 litre canopy trees are proposed as part of the development.

On 26 July 2016 amended plans were received that modified the upper floors of the rear portion of the development by providing 1 metre side boundary setbacks and modifying the central car parking space to include soft landscaping and large trees. The original plans proposed two-storey boundary walls on the eastern and western side boundaries and a predominately hard scaped central car parking space.

On 12 October 2016 a second set of amended plans was received that modified the façade’s design and materials to better acknowledge and complement the established building character on Kingston Avenue. These plans are the subject of this report for Council’s consideration.

A Character Retention Area nomination was received by the City on 7 July 2016 for a portion of Kingston Avenue, being 16 properties on the southern side of the street, including the subject site. The purpose of the nomination was to initiate a process to identify the characteristics of the street and determine the prevailing view of the community in the nomination area regarding retention of this character through inclusion as a Character Retention Area.

The nomination was supported by just over 40% (seven of 16 properties) of owners in the nomination area. Following the nomination, all landowners within the nominated area were invited to attend a community meeting on two separate occasions to discuss the nomination with City staff. It was established as part of these meetings that not all owners were in support of the nomination or inclusion of their property in a Character Retention Area. A number of owners did voice support for the proposed Character Retention Area, due to concern over the impact of future development diminishing the established character of the street. However, a similar number of owners voiced their objection to the inclusion of their properties in a Character Retention Area.

The City is currently working with affected property owners in Kingston Avenue to determine the details of any proposed Character Retention Area in accordance with the Policy 7.5.15: Character Retention Areas.

Summary Assessment

The table below summarises the planning assessment of the proposal against the provisions of the City of Vincent Town Planning Scheme No. 1, the Residential Design Codes and the City's policies. In each instance where the proposal requires the discretion of Council, the relevant planning element is discussed in the Detailed Assessment section following from this table.

Planning Element	Use Permissibility/ Deemed-to-Comply	Requires the Discretion of Council
Density/Plot Ratio	✓	
Street Setback	✓	
Front Fence	✓	
Building Setbacks/Boundary Wall		✓
Building Height/Storeys	✓	
Roof Form		✓
Open Space	✓	
Privacy	✓	
Parking & Access	✓	
Bicycles	✓	
Solar Access	✓	
Site Works	✓	
Essential Facilities	✓	
Surveillance	✓	
Landscaping	✓	
Outdoor Living Areas		✓

Detailed Assessment

The deemed-to-comply assessment of the elements that require the discretion of Council is as follows:

Building Setbacks/Boundary Wall	
Deemed-to-comply Standard	Proposal
Residential Design Codes Clause 5.1.3	
<u>Second Storey Eastern Wall</u>	
Unit 1 – 1.6 metres	1 metre
Unit 3 – 1.7 metres	1 metre

<u>Second Storey Western Wall</u>	
Unit 2 – 1.6 metres	1 metre
Unit 4 – 1.6 metres	1 metre
<u>Boundary Walls</u>	
Boundary walls permitted to one side boundary.	Boundary walls proposed to two side boundaries.
Roof Form	
Deemed-to-comply Standard	Proposal
Policy No. 7.2.1 – Residential Design Elements	
30 degrees – 45 degrees	28 degrees
Outdoor Living Area	
Deemed-to-comply Standard	Proposal
Residential Design Codes Clause 5.3.1	
Minimum dimensions of 4 metres	Unit 1 and 2's outdoor living areas have a minimum dimension of 3.2 metres.

As the above elements of the proposal do not meet the specified deemed-to-comply standards, the application is required to be considered against the relevant design principles/criteria set out in **Attachment 3** as discussed in the Comment section below.

CONSULTATION/ADVERTISING:

Consultation was undertaken for a period of 14 days in accordance with the *Planning and Development (Local Planning Scheme) Regulations 2015*, from 13 July 2016 until 26 July 2016. A total of 283 letters were sent to owners and occupiers within a 75 metre radius (**Attachment 1**) in accordance with the City's Policy No. 4.1.5 – Community Consultation.

A total of 11 submissions of objection were received during the consultation process. The main issues raised related to:

- The design not being in keeping with the established character of the existing buildings and streetscape on Kingston Avenue; and
- The impact of the design on the amenity of neighbouring properties in terms of bulk and scale and access to natural light and ventilation.

The main issues raised by the objectors are discussed in the Comment section below. A detailed summary of the submissions and Administration's response to each matter raised is included in **Attachment 4**.

Design Advisory Committee (DAC):

Referred to Design Advisory Committee: No

LEGAL/POLICY:

- *Planning and Development Act 2005;*
- *Planning and Development (Local Planning Scheme) Regulations 2015;*
- City of Vincent Town Planning Scheme No. 1;
- State Planning Policy 3.1 - Residential Design Codes;
- Draft Local Planning Policy 7.1.1 – Built Form;
- Local Planning Policy No. 7.1.5 – Cleaver Precinct;
- Local Planning Policy No. 7.2.1 – Residential Design Elements; and
- Policy No. 4.1.5 – Community Consultation.

The applicant will have the right to have Council's decision reviewed by the State Administrative Tribunal (SAT) in accordance with Part 14 of the *Planning and Development Act 2005*.

Delegation to Determine Applications:

The development proposes four dwellings and is classified as a Category 2 application in the City's Delegated Authority Register. Category 2 applications are required to be referred to Council for determination.

RISK MANAGEMENT IMPLICATIONS:

It is Administration's view that there are minimal risks to Council and the City's business function when Council exercises its discretionary power to determine a development application.

STRATEGIC IMPLICATIONS:

The City's Strategic Plan 2013-2023 states:

"Natural and Built Environment

1.1 *Improve and maintain the natural and built environment and infrastructure."*

SUSTAINABILITY IMPLICATIONS:

Nil.

FINANCIAL/BUDGET IMPLICATIONS:

Nil.

COMMENTS:

Roof Form and Character

Concerns were raised by residents during the community consultation that the design does not fit in with the character of Kingston Avenue. In response to the concerns, the applicant revised the plans to be in better aligned with the established character of Kingston Avenue. Modifications were made to the fencing, roof style, façade articulation, colours and materials to have more regard to the established character of other dwellings on the street, in particular:

- The skillion roof has been replaced with a pitched roof;
 - Introduction of face brick into the façade;
 - The removal of gatehouses from the front fencing; and
 - The removal of the modern façade treatment fronting the street.
-

Although the proposed roof angles are slightly less than the deemed-to-comply standard set Residential Design Elements LPP (28 degrees in lieu of 30 degrees), the proposed pitched roofs complements the traditional pitched roof form of the established dwellings on the street and are therefore acceptable.

Building Setbacks and Boundary Walls

The proposed boundary setbacks of the upper floor walls of all four dwellings do not meet the deemed-to-comply setbacks to the eastern and western boundaries set out under the R-Codes (1 metre in lieu of 1.6 metres and 1.7 metres). Boundary walls are also proposed on the ground floor on two side boundaries (eastern and western). Single storey detached dwellings exist on eastern and western side of the site, which are setback 0.9 metres and 1.5 metres respectively. During the consultation period, a concern was raised regarding the design and impact on the amenity of neighbouring properties in terms of bulk and scale and access to natural light and ventilation.

The initial proposal, which was advertised for public comment, proposed two storey boundary walls to both the eastern and western properties. However, following the advertising period the applicant modified the plans to set the upper storeys back one metre. The proposed upper floor setbacks coupled with the established neighbouring building setbacks reducing the impact of building bulk and provides adequate building separation to allow access to natural light and ventilation to the neighbouring properties and the proposed development. The large central open space area proposed between the front and rear building further assists in breaking up the built form will allow adequate access to northern sunlight to the neighbouring properties to the east and west.

Outdoor Living Areas

Although the minimum dimensions of Unit 1 and 2's outdoor living areas are less than required (3.2 metres in lieu of 4 metres), all of the outdoor living areas are useable, orientated north, directly accessed from a main living area and exceed the minimum required area (20m² in lieu of 16m²). The outdoor living areas are considered appropriate and will add value to the use and functionality of the dwellings, notwithstanding the reduced dimension.

Landscaping

The proposed development fully complies with the landscaping requirements set out in the R-Codes and the City's current policy. The application has been assessed against the provisions of the draft Built Form LPP, which sets a deemed-to-comply standard of 30% of the site area as tree canopy cover within five years and 15% of the site area as deep soil zone.

The application was submitted prior the release of the draft Built Form LPP and does not specifically meet the above requirements. However, there is potential for 21.4% of the site area to be set aside as deep soil zone, with the application proposing six large canopy trees that are estimated to result in canopy coverage of 17.2% of the site area at five years. This could be increased to meet the 30% standard with further mature tree planting. Given this, it is recommended that a condition be included on any approval requiring a landscaping plan that includes both 15% of the site area set aside as deep soil zone and tree planting that would achieve 30% canopy coverage of the site within five years.

Conclusion

Although the proposal requires discretion in relation to building setbacks, roof form and outdoor living areas, these elements of the proposal area considered to meet the design principles/criteria set out in the R-Codes and Residential Design Elements LPP in each instance and are not considered to adversely impact the adjoining properties or the streetscape.

The proposal is recommended for approval subject to conditions.

9.1.3 Amendment to the City's Trees of Significance Inventory

Ward:	North	Date:	31 October 2016
Precinct:	Precinct 1 – Mt Hawthorn	File Ref:	SC1348
Attachments:	1 – Arborist Report for 19 Dunedin Street, Mt Hawthorn 2 – Subject Tree		
Tabled Items:	Nil		
Reporting Officer:	A Fox, Strategic Planning Officer		
Responsible Officer:	J Corbellini, Director Development Services		

RECOMMENDATION:

That Council LISTS the Lemon Scented Gum tree (*Corymbia citriodora*) at No. 19 (Lot 352) Dunedin Street, Mount Hawthorn in the City's Trees of Significance Inventory, as identified in Clause 21 of Town Planning Scheme No. 1.

PURPOSE OF REPORT:

To consider listing the Lemon Scented Gum tree (*Corymbia citriodora*) at No. 19 (Lot 352) Dunedin Street, Mount Hawthorn in the City's Trees of Significance Inventory.

BACKGROUND:

The City engaged a consultant in 1997 to prepare an inventory of trees which significantly contribute to the City's tree canopy and are considered 'worthy of retention'. The initial inventory was approved by Council in December 1997 and included 27 sites containing approximately 300 trees.

The inventory is a 'standalone' list which is supported by Clause 21 of the City's Town Planning Scheme No. 1, which states that removal or destruction of any tree on the City's Trees of Significance Inventory is in contravention of the Scheme unless approval has first been obtained from the City. The full inventory is available for viewing on the City's website.

Council adopted Policy No. 7.6.3 – Trees of Significance on 27 March 2001 to establish a framework for the nomination process and ongoing management of the trees listed on the inventory. The policy was amended on 25 June 2013 to allow private landowners to nominate trees within their property for inclusion on the Inventory.

Of trees included in the Inventory, there are now six trees included that fall within private properties.

On 26 July 2016 a nomination was received from the owner of 19 Dunedin Street, Mount Hawthorn for the inclusion of the Lemon Scented Gum tree at the rear of their property on the City's Trees of Significance Inventory.

DETAILS:

The City has undertaken an assessment of the nominated tree in accordance with Policy No. 7.6.3 – Trees of Significance.

To assist the assessment, an arborists report was submitted by the applicant in support of the nomination, as required by the policy. A copy of the arborists assessment is included as **Attachment 1**. In summary, the following comments were provided:

'Assessment has revealed a well-formed crown structure and tree vitality (health condition) was assessed as high, indicative of the potential of the tree to maintain/ improve the current condition and a useful life expectancy of 40+ years is deduced.

Consideration could also be given to nomination of this tree onto the City of Vincent Trees of Significance inventory for the following criterion: Outstanding Aesthetic Quality.'

CONSULTATION/ADVERTISING:

The City is not required to advertise the inclusion of the tree on the inventory.

LEGAL/POLICY:

- City of Vincent Town Planning Scheme No. 1; and
- Policy No. 7.6.3 – Trees of Significance.

City of Vincent Town Planning Scheme No. 1

The Trees of Significance Inventory is empowered and supported by Clause 21 of the City's Town Planning Scheme No. 1 which states:

"The removal, destruction of and/or interference with any tree(s) listed on the Town of Vincent Trees of Significance Inventory contravenes this Scheme unless planning approval has first been obtained from the Council."

Amendments to the inventory are made by resolution of Council only and do not require advertising.

The *Planning and Development (Local Planning Scheme) Regulations 2015* exempt certain types of works from the need for development approval. However, none of those exemptions apply to the removal of a tree and so it is not considered that these Regulations impact on the requirement under Clause 21 of the City's Scheme for planning approval to first be obtained before a tree on the inventory can be removed.

Policy No. 7.6.3 – Trees of Significance

Policy No. 7.6.3 – Trees of Significance provides guidance on when a tree may be considered to be significant and worthy of inclusion onto the City's Trees of Significance Inventory as follows:

"6.5 The following criteria are to be applied in assessing nominated trees. A tree may be considered to be significant and worthy of inclusion onto the City of Vincent's Trees of Significance Inventory if one or more of the criteria are found to be present:

- a) outstanding aesthetic quality;*
- b) outstandingly large height, trunk circumference or canopy spread;*
- c) commemoration or association with particular historical or cultural events;*
- d) association with a well known public figure or ethnic group;*
- e) specimen of great age;*
- f) outstanding example of a particular species;*
- g) rare or unusual species;*
- h) horticultural, genetic or propagative value; or*
- i) likely to be a remnant or regrowth local native tree."*

RISK MANAGEMENT IMPLICATIONS:

It is Administration's view that there are minimal risks to Council in including or not including the tree in the Trees of Significance Inventory.

STRATEGIC IMPLICATIONS:

The City's Strategic Plan 2013 – 2023 states:

"Natural and Built Environment

1.1 *Improve and maintain the natural and built environment and infrastructure;*

1.1.2 *Enhance and maintain the City's parks, landscaping and the natural environment."*

SUSTAINABILITY IMPLICATIONS:

The City's Sustainable Environment Strategy 2011 – 2016 states:

"Update and review the City's Significant Trees Inventory and Policy, and promote the protection of trees during planning and construction phases and

Require the retention of existing trees on street verges, and encourage the retention of vegetation and trees on private lots."

FINANCIAL/BUDGET IMPLICATIONS:

Nil.

COMMENTS:

The City has conducted an assessment of the nominated tree at 19 Dunedin Street, Mount Hawthorn in accordance with the provisions of Policy 7.6.3 – Trees of Significance.

The subject tree is considered to meet the criteria of *a) outstanding aesthetic quality* and *f) outstanding example of a particular species*. The tree is a large and good example of its species, with well-structured crown and canopy spread. Trees of this size and quality are considered a valuable asset to the community from an aesthetic and environmental view, particularly given the decline of mature trees throughout developing areas of Vincent.

On this basis, it is recommended that Council includes the Lemon Scented Gum tree (*Corymbia citriodora*) at No. 19 (Lot 352) Dunedin Street, Mount Hawthorn onto the City's Trees of Significance Inventory.

9.1.4 Amendments to the Municipal Heritage Inventory

Ward:	South Ward	Date:	21 October 2016
Precinct:	Precinct 10 – Norfolk	File Ref:	SC448
Attachments:	1 – Heritage Assessment		
Tabled Items:	Nil		
Reporting Officer:	H Au, Heritage Officer		
Responsible Officer:	J Corbellini, Director Development Services		

RECOMMENDATION:

That Council AUTHORISES, under Town Planning Scheme No. 1, the entry of No. 15 (Lot 245) Wasley Street, Mount Lawley in the City’s Municipal Heritage Inventory as Management Category B – Conservation Recommended.

PURPOSE OF REPORT:

To consider a nomination for No. 15 Wasley Street, Mount Lawley to be entered onto the City’s Municipal Heritage Inventory (MHI).

BACKGROUND:

The City’s MHI was first introduced in 1995 and aims to protect places which are deemed to have cultural heritage value as assessed under the City’s policy framework.

On 12 July 2016, Council received a nomination from the owner of No. 15 Wasley Street, Mount Lawley to enter their property to the MHI.

The subject dwelling was one of the earliest dwellings constructed along Wasley Street in the early twentieth century when Mount Lawley was first developed. The dwelling was constructed circa 1916, with a Building Licence to construct a house at the subject site submitted to the City of Perth in 1915 and an archival sewerage plan dated 1916 showing that the subject place was a brick dwelling with a western front verandah. At this time, the eastern end of Wasley Street was not fully developed.

DETAILS:

Administration has assessed the nomination and prepared a Heritage Assessment in accordance with the City’s Local Planning Policy No. 7.6.2 – Heritage Management – Assessment.

A summary of the full Heritage Assessment and Administration’s recommendations are detailed below. A copy of the Heritage Assessment is contained in **Attachment 1**.

No. 15 Wasley Street, which is a modest tuck pointed brick dwelling with a corrugated metal roof, is asymmetrical, typical of the form of working class Federation Bungalow style of the early twentieth century in the local area. Whilst a number of elements at the front façade have been restored or altered, the original shell of the building and a number of key features are completely intact. Overall the place has a moderate degree of authenticity. The place is also a representative example which reflects the pattern of suburban development when Mount Lawley was first developed.

Wasley Street is characterised as a medium density single residential street. It is currently zoned Residential R40 and no zoning changes are proposed as part of draft Town Planning Scheme No. 2 (TPS2). The City’s Town Planning Scheme No. 1 (TPS1) also contains provisions which prohibit the development of more than two dwelling on each lot in this area, which Council resolved to retain in draft TPS2.

CONSULTATION/ADVERTISING:

Consultation was undertaken for a period of 14 days in a local newspaper and on the City's website from 10 September 2016 until 23 September 2016, in accordance with the City's Policy No. 7.6.5 – Heritage Management – Amendments to the Municipal Heritage Inventory. A total of 16 letters were sent to the State Heritage Office and 14 Precinct groups.

One submission was received from the State Heritage Office however the Office only noted the proposed amendments to the Municipal Heritage Inventory and made no comments on the proposal.

The Office advised that it does not provide specific comments on the inclusion of new places on the Municipal Heritage Inventory as the inventory is mandated under the Heritage of Western Australia Act 1990 but controlled by Local Governments.

LEGAL/POLICY:

- City of Vincent Town Planning Scheme No. 1;
- *Planning and Development Act 2005*;
- *Planning and Development (Local Planning Scheme) Regulations 2015*;
- Local Planning Policy No. 7.6.2 – Heritage Management – Assessment; and
- Local Planning Policy No. 7.6.5 – Heritage Management – Amendments to the Municipal Heritage Inventory (MHI).

Planning and Development (Local Planning Scheme) Regulations 2015

The deemed provisions included in Schedule 2 of the *Planning and Development (Local Planning Scheme) Regulations 2015*, set out the process for entering a place in the heritage list:

“8. Heritage list

- (3) *The local government must not enter a place in, or remove a place from, the heritage list or modify the entry of a place in the heritage list unless the local government –*

...(d) following any consultation and consideration of the submissions made on the proposal, resolves that the place be entered in the heritage list with or without modification, or that the place be removed from the heritage list;...

- (4) *If the local government enters a place in the heritage list or modifies an entry of a place in the heritage list the local government must give notice of the entry or modification to –*

(a) the Heritage Council of Western Australia; and

(b) each owner and occupier of the place.”

The deemed provisions exempt certain development from the need for development approval as follows:

“61. Development for which development approval not required

- (1) *Development approval of the local government is not required for the following works –*

...(e) the demolition of a single house, ancillary dwelling, outbuilding, external fixture, boundary wall or fence, patio, pergola, veranda, garage, carport or swimming pool except where the single house or other structure is –

- (i) located in a place that is entered in the Register of Heritage Places under the Heritage of Western Australia Act 1990; or*

- (ii) *the subject of an order under the Heritage of Western Australia Act 1990 Part 6; or*
- (iii) *included on a heritage list prepared in accordance with this Scheme; or*
- (iv) *located within an area designated under this Scheme as a heritage area; or*
- (v) *the subject of a heritage agreement entered into under the Heritage of Western Australia Act 1990 section 29;...*

RISK MANAGEMENT IMPLICATIONS:

The risk of not including the subject place onto the Municipal Heritage Inventory is that this representative example of Federation Bungalow could be demolished without the need for development approval.

STRATEGIC IMPLICATIONS:

The City's Strategic Plan 2013 – 2023 states:

"Natural and Built Environment

- 1.1 *Improve and maintain the natural and built environment and infrastructure;*
- 1.1.2 *Enhance and maintain the character and heritage of the City."*

COMMENTS:

The Heritage Assessment undertaken by Administration indicates that No. 15 Wasley Street has *moderate aesthetic value* as a good and relatively intact example of the Federation Bungalow style of architecture and makes a significant contribution to the streetscape and character of the area, given that it is one of the earliest houses constructed along the street during the 1910s.

The place also has *moderate historic value* as a representative example which reflects the pattern of suburban development in the early twentieth century when Mount Lawley was developed. The inclusion of this dwelling on the heritage list is consistent with the City's planning vision for the area in retaining the predominant single residential character of the street.

Administration recommends that No. 15 Wasley Street, Mount Lawley warrants entry onto the City of Vincent's Municipal Heritage Inventory as a Management Category B – Conservation Recommended as it has *moderate cultural heritage value*.

9.1.5 No. 459 (Lots: 9-12 and 66; D/P: 1647) Fitzgerald Street, North Perth – Proposed Pop Up Events (Unlisted Use)

Ward:	North	Date:	4 November 2016
Precinct:	Precinct 8 – North Perth Centre	File Ref:	PR50982; 5.2016.308.1
Attachments:	<u>1</u> – Location and Consultation Map <u>2</u> – Development Application Plan <u>3</u> – Summary of Submissions <u>4</u> – Determination Advice Notes		
Tabled Items:	Nil		
Reporting Officer:	R Narroo, Senior Statutory Planning Officer		
Responsible Officer:	J Corbellini, Director Development Services		

RECOMMENDATION:

That Council **APPROVES BY ABSOLUTE MAJORITY** under Town Planning Scheme No. 1 and the Metropolitan Region Scheme, the application for development approval for Pop Up Events (Unlisted Use) at No. 459 (Lot: 9-12 and 66; D/P: 1647) Fitzgerald Street, North Perth in accordance with plans date stamped 22 July 2016, as shown on Attachment 2, subject to the Determination Advice Notes in Attachment 4 and the following conditions:

1. Limitation on Use

- 1.1 'Pop Up Events' shall be associated with the operations of the Rosemount Hotel and shall be located within the Rosemount Hotel Car Park located on Lots 9-12 and 66 Fitzgerald Street, North Perth, as shown on the approved plans;
- 1.2 'Pop Up Events' shall occur on no more than four individual days within a 12 month period, are only to occur on Saturdays, Sundays and Public Holidays and are not to be held on the same weekend as the existing vintage markets; and
- 1.3 'Pop Up Events' shall not commence prior to 10:00am on the day of the event and shall be completed (including pack down) no later than 1:00am the following day, with public access to the events only permitted between 1:00pm and 12 midnight;

2. Event Notification and Management

- 2.1 The applicant shall advise the City, in writing, of the intention to hold each 'Pop Up Event' at least one month prior to that event;
- 2.2 The applicant shall notify all residents and operating businesses within a 100 metres radius of each 'Pop Up Event' via letter drop no later than seven calendar days prior to that event. The letter shall provide details of the event and a contact telephone number to notify the event organisers of any problems;
- 2.3 Event organisers shall be available to answer the nominated contact telephone number provided to the residents and operating businesses written to in 2.2 above from 10:00am until 1:00am for each event to enable members of the public to seek information or lodge any complaints. A copy of any complaints received shall be forwarded to the City;
- 2.4 A responsible representative of the operator of the event shall be present on-site for the full duration of each of the 'Pop Up Events' to immediately respond to any complaints or concerns;

2.5 A Parking Management Plan shall be submitted to, and approved by the City prior to the use of the car park for 'Pop Up Events'. The management plan shall include the following:

- The location and management of parking for events, including the Rosemount Hotel, during 'Pop Up Events';
- The location and management of pedestrians attending the event;
- Review of the management plan after each event and before the next event, with any changes identified by this review or the City being incorporated into an updated Events Management Plan, to the satisfaction of the City, prior to the next event;

'Pop Up Events' shall be carried out in accordance with the approved management plan to the satisfaction of the City;

3. Acoustic Report and Management Plan

An Acoustic Report and Management Plan, in accordance with the City's Policy No. 7.5.21 – Sound Attenuation, shall be lodged with and approved by the City prior to the commencement of the development. The Acoustic Report and Management Plan shall be reviewed after each event and before the next event, with any changes identified by this review or the City being incorporated into an updated Management Plan, to the satisfaction of the City, prior to the next event. The Acoustic Report and Management Plan shall be implemented as part of each of the 'Pop Up Events', to the satisfaction of the City.

PURPOSE OF REPORT:

To consider an application for development approval for proposed 'Pop Up Events' (Unlisted Use) on the Rosemount Hotel Car Park at Lots 9-12 and 66 Fitzgerald Street, North Perth.

BACKGROUND:

Landowner:	Argyle Holdings Pty Ltd
Applicant:	Silverjay Nominees Pty Ltd
Date of Application:	25 July 2016
Zoning:	MRS: Urban TPS1: Zone: Commercial R-Code: Not applicable TPS2: Zone: District Centre R-Code: Not applicable
Existing Development:	Car Park
Proposed Use Class:	Pop Up Events – "Unlisted Use"
Lot Area:	2,102m ²
Right of Way (ROW):	Southern side, sealed, 5 metres in width, Council owned
Heritage List:	Yes – The Rosemount Hotel

The subject site is the car park of the Rosemount Hotel, which is situated west of the hotel on the southern side of Angove Street, North Perth, near the corner with Fitzgerald Street, as shown in **Attachment 1**. The hotel site is zoned 'District Centre' and the associated car park is zoned 'Commercial'. The site is located in the North Perth Town Centre, which is characterised by a mixture of residential dwellings and non-residential uses along Fitzgerald and Angove Streets. The City owned 'View Street Car Park' is located immediately to the south of the site.

The Rosemount Hotel is listed on the City's Municipal Heritage Inventory as Management Category A – Conservation Essential and the Heritage Council's State Register of Heritage Places.

Since May 2014, a vintage market has been operating from the Rosemount Hotel car park. Council granted Planning Approval for the Vintage Market at its Meeting on 9 September 2014 with a condition restricting the frequency of the event to the last Sunday of every month and subsequently at its Meeting on 16 December 2014 approved an increase to the frequency of the approved day-time markets from the last Sunday of every month to either Saturday or Sunday, on a fortnightly basis. The 'Pop Up Events' proposed as part of this application are in addition to the existing vintage market.

Since February 2016, the Rosemount has hosted two temporary pop up events within the car parking area of the hotel. These events were temporary in nature and because they occurred for less than 48 hours in total over one 12 month period, they were considered exempt from the need for development approval in accordance with the *Planning and Development (Local Planning Schemes) Regulations 2015* and the City's Town Planning Scheme No. 1. During this time the City has received no noise complaints in relation to the use of the car parking area for these temporary events.

As the Rosemount intend to hold these 'Pop Up Events' on a reoccurring basis, a development application has been submitted. The application proposes to use the Rosemount Hotel Car Park for occasional 'Pop Up Events', similar to those temporary events that have previously occurred. Tentative dates have been provided for the events proposed in 2016 and 2017. However, to afford flexibility of any potential date changes in future years the applicant is seeking ongoing approval for a maximum number of four 'Pop Up Events' in any 12 month period.

The events would involve music, food stalls and other activities associated with the operations of the hotel. This will include the placement of furniture and other temporary structures within the car park area. The applicant is proposing up to 1,000 patrons between 12 noon and midnight on the nominated event day. However, the occupancy of each event will be determined under the *Health (Public Buildings) Regulations 1992*. All events will also require approval under *Environmental Protection (Noise) Regulations 1997* and the City's *Trading in Public Places Local Law*.

Summary Assessment

The table below summarises the planning assessment of the proposal against the provisions of the City of Vincent Town Planning Scheme No. 1 and the City's policies. In each instance where the proposal requires the discretion of Council, the relevant planning element is discussed in the Detailed Assessment section following from this table.

Planning Element	Use Permissibility/ Deemed-to-Comply	Requires the Discretion of Council
Parking & Access		✓

Detailed Assessment

The deemed-to-comply assessment of the elements that require the discretion of Council is as follows:

Parking	
Number of bays on the site	Proposal
There are 52 existing bays constructed on-site.	The proposal involves the use of the existing car parking area associated with the hotel for four 'Pop Up Events' per year, during which time no parking will be available on site for the event or adjoining hotel.

CONSULTATION/ADVERTISING:

Consultation was undertaken for a period of 21 days in accordance with the *Planning and Development (Local Planning Scheme) Regulations 2015*, from 25 August 2016 to 14 September 2016. A total of 261 letters were sent to owners and occupiers within a 150 metre radius (**Attachment 1**) in accordance with the City's Policy No. 4.1.5 – Community Consultation.

A total of seven submissions, including one objection, were received during the consultation. The main planning concern raised related to the impact of noise that would be generated from proposed temporary events, which is discussed in the Comment section below. A detailed summary of the submissions and Administration's response to each matter raised is included in **Attachment 4**.

Design Advisory Committee (DAC):

Referred to Design Advisory Committee: No

LEGAL/POLICY:

- *Planning and Development Act 2005*;
- *Planning and Development (Local Planning Schemes) Regulations 2015*;
- City of Vincent Town Planning Scheme No. 1;
- Policy No. 4.1.5 – Community Consultation.

In accordance with subclause 61(2)(d) of Schedule 2 of *Planning and Development (Local Planning Schemes) Regulations 2015*, temporary events are exempt from the need for development approval if the use in existence for less than 48 hours, or a longer period agreed by the Local Government, in any 12 month period.

The City's Policy No. 7.5.1 – Minor Nature Development states that a development of a temporary nature is exempt from the need for development approval if it occurs on one-off occasions but does not reoccur.

The applicant will have the right to have Council's decision reviewed by the State Administrative Tribunal (SAT) in accordance with Part 14 of the *Planning and Development Act 2005*.

Delegation to Determine Applications:

The matter is being referred to Council for determination as the proposal is for an Unlisted Use which requires an Absolute Majority decision.

RISK MANAGEMENT IMPLICATIONS:

It is Administration's view that there are minimal risks to Council and the City's business function when Council exercises its discretionary power to determine a development application.

STRATEGIC IMPLICATIONS:

Nil.

SUSTAINABILITY IMPLICATIONS:

Nil.

FINANCIAL/BUDGET IMPLICATIONS:

Nil.

COMMENTS:

Use of the Car Park

The proposal involves the use of the existing Rosemount Hotel Car Park for four single day 'Pop Up Events' per year. During events, the hotel car park will not be available for parking by hotel patrons or those attending the event.

The hotel car park is located abutting the View Street public car park and is well serviced by public transport along Fitzgerald Street. Time restricted street (inset) parking is also available on Angove Street, with the parking restrictions in this and surrounding streets currently under review by the City.

Whilst the hotel car park is generally well utilised by patrons, it is considered that there are adequate transportation options available for the four events proposed per year. On the two occasions that the temporary events have occurred previously the City has not received any complaints in relation to parking in the locality. To ensure that the proposed event use does not conflict with the existing vintage markets which are held on the premises and minimise any potential impact a condition is recommended so not to permit the 'Pop Up Event' on the same weekend as the markets. In addition, in order to ensure that parking for the Hotel and the events are managed into the future, it is recommended that any approval include a condition requiring a Parking Management Plan be developed and then reviewed following each event.

Given the application only proposes four pop up events each year, the use of the car park for these limited number of events is considered appropriate, subject to the conditions outlined above.

Noise

During the consultation period concerns were raised in relation to the impact the temporary use will have in relation to noise. The 'Pop Up Events' proposed involve live music and to ensure the impact on amenity within the locality is minimised it is recommended that a condition be imposed on any approval requiring the preparation of an acoustic report and management plan and for this be reviewed following each event.

It should also be noted that the temporary use of the car park for the 'Pop Up Events' would be subject to compliance with the *Environmental Protection (Noise) Regulations 1997*. Issuing development approval for the 'Pop Up Events' will not negate the need for the applicant to apply for approval under the *Environmental Protection (Noise) Regulations 1997* for events. These applications will address noise management for each individual event in detail.

Conclusion

The Rosemount have operated temporary pop up events on two occasions during 2016 in the Rosemount Hotel Car Park. These events have not resulted in any complaints or concerns being raised with the City. It is noted that these events require separate approval from the City under the *Health (Public Buildings) Regulations 1992*, *Environmental Protection (Noise) Regulations 1997* and the City's *Trading in Public Places Local Law*. Given the above, and the limited number of times that the events are being proposed, it is considered that the events are unlikely to have any adverse impact on the locality and the application is recommended for approval subject to conditions.

It should be noted that the City will be undertaking a review of Local Planning Policy No. 7.5.1 – Minor Nature Development, with the aim of streamlining the development approval process for temporary events and uses within the City.

9.2 TECHNICAL SERVICES

9.2.1 Proposed Parking Improvements – Albert Street, North Perth

Ward:	North	Date:	27 October 2016
Precinct:	Precinct 9 – North Perth Centre	File Ref:	SC656, SC1201
Attachments:	1 – Plan No 3340-CP-01		
Tabled Items:	Nil		
Reporting Officer:	C Wilson, Manager Asset and Design Services		
Responsible Officer:	R Lotznicker, Director Technical Services		

RECOMMENDATION:

That Council:

1. **NOTES** that the Education Department has offered the City \$50,000, to be expended in the 2016/17 financial year, to construct additional 90 degree angle verge parking bays in Albert Street, North Perth, adjacent the North Perth Primary School oval, as shown on drawing 3340-CP-01 (Attachment 1).
2. **CONSULTS** with Albert Street residents and the North Perth Primary School, regarding the parking proposal; and
3. **RECEIVES** a further report at the conclusion of the public consultation.

PURPOSE OF REPORT:

To consider the Education Department's offer to fully fund the construction of additional 90 degree angled parking spaces in the verge in Albert Street adjacent to the North Perth Primary School oval.

BACKGROUND:

As is typical for most schools in the metropolitan area, North Perth Primary School generates significant traffic during the peak drop-off and pick-up times which leads to periods of intense activity around the school. It is not possible to provide sufficient parking to cater for all school traffic during these periods, nor would it be viable or an appropriate use of resources.

The Education Department acknowledges that this is an issue for residents and has advised that it has some unallocated funding which can be offered to the City to provide some additional parking in Albert Street on the proviso that the City implements the works in the current (2016/17) financial year.

DETAILS:

In 2011 the City constructed nine, 90 degree angle parking bays at the eastern end of Albert Street, in the verge on the south side of the street, adjacent to the North Perth Primary School oval.

At the time this generated some debate from the residents immediately opposite who were opposed to the construction of the parking bays. While they acknowledged that the verge had been degraded by people parking on it, particularly school traffic, their preference was for the entire length of the verge to be landscaped with parking banned. However, this would have exacerbated the situation as it would have potentially led to people parking on the landscaping or greatly increasing congestion in the street as drivers would have to drive up to the cul-de-sac, turnaround and 'parallel' park, with all its associated problems.

Further, and unrelated to the above, in the latter part of 2015 the City received a development application for the construction of a large child care facility at 81 Angove Street, North Perth, and amongst the many concerns of the residents about the development, a lack of parking and traffic congestion were raised as the main issues. As a consequence the 'informal' residents group, who came together when the development was first advertised, have sought to have additional embayed parking installed along the school's oval verge.

Therefore, while the Education Department's funding offer is specifically related to school traffic, the additional parking may go some way to allaying the resident's concerns about the parking issues associated with the child care development.

Current Proposal:

The \$50,000 being offered to the City, by the Education Department, is sufficient to construct 14, 90 degree angle parking bays in the Albert Street verge to match the existing nine bays, as shown on drawing 3340-CP-01 (**Attachment 1**), resulting in a total of 25 formalised parking spaces.

In order to ensure that the parking is not dominated by commuters, or potentially the future employees of the proposed child care centre, it is proposed to implement the following restrictions in the angle parking:

- Bays 1 to 6: P5 minutes 8.00am to 9.00am and 2.30pm to 4.00pm Monday to Friday.

This restriction has proved effective in other school zones. It provides a short duration drop-off and pick-up point during the peak times close to the main school entrance. Outside these hours the parking is unrestricted which allows people on school business (and others) an opportunity to park to a maximum 5.5 hours between peak times.

- Bays 7 to 25: A 2P 8.00am to 6.00pm parking restriction is proposed which is in keeping the North Perth Parking Strategy recommendations, and which will also be applied to the existing parking bays in Albert Street, off Angove Street, adjacent the school campus (currently 3P 8am to 5.30pm Monday to Friday).

In the remainder of the verge area, designated as a Possible Future Stage 3, an additional eight bays could be accommodated, as shown on drawing 3340-CP-01 (**Attachment 1**).

CONSULTATION/ADVERTISING

Consultation is to be undertaken in accordance with the City's Community Consultation policy.

LEGAL/POLICY:

In accordance with the City of Vincent Parking and Parking Facilities Local Law 2007 which regulates the parking or standing of vehicles in all or specified thoroughfares and reserves under the care, control and management of the City and provides for the management and operation of parking facilities.

RISK MANAGEMENT IMPLICATIONS:

Low: This proposal will improve the level of service and the amenity for both the immediate residents and school community at nil cost to the City.

STRATEGIC IMPLICATIONS:

In accordance with the City's *Strategic Plan 2013-2023*, Objective 1 states:

"Natural and Built Environment

"1.1: Improve and maintain the natural and built environment and infrastructure.

1.1.4 Enhance and maintain the City's infrastructure, assets and community facilities to provide a safe, sustainable and functional environment.

1.1.5 (a) Implement the City's Car Parking Strategy and associated Precinct Parking Management Plans."

SUSTAINABILITY IMPLICATIONS:

Not applicable.

FINANCIAL/BUDGET IMPLICATIONS:

The estimated cost to construct fourteen 90 degree angle parking bays, with associated infrastructure (lines, signs, bollards etc.) within the verge area is in the order of \$50,000, to be fully funded by the Education Department on the understanding that the works will be completed this financial year.

COMMENTS:

While some Albert Street residents were not happy with the angle parking constructed in 2011 the Education Departments offer should be considered on its merits as they are offering the City \$50,000 to improve the parking facilities in Albert Street to not only benefit the school community but also the wider community.

As mentioned in the report the City is considering a development application for the construction of a large child care facility at 81 Angove Street, North Perth, which backs onto a right of way which connects to Albert Street. Amongst the many concerns of the residents about the development, a lack of parking and traffic congestion was raised.

Should there be a favourable outcome from the consultation, and Council subsequently approves the proposal, the City would be required to enter into a formal funding agreement with the Education Department.

It is therefore recommended that the recommendation be adopted.

9.2.2 Waterwise Council – Water Efficiency Action Plan Endorsement

Ward:	Both	Date:	27 October 2016
Precinct:	All	File Ref:	SC1299, SC1270
Attachments:	1 – Water Efficiency Action Plan		
Tabled Items:	Nil		
Reporting Officers:	S Hill, Project Officer – Parks & Environment A Marriott, Sustainability Officer		
Responsible Officer:	R Lotznicker, Director Technical Services		

RECOMMENDATION:

That Council ENDORSES the Water Efficiency Action Plan as shown in Attachment 1, which forms a guiding document for the City to retain its Waterwise Council status and to assist the City in current and future actions to meet water efficiency goals.

PURPOSE OF REPORT:

To consider endorsing the newly developed Water Efficiency Action Plan in order that the City may retain its Waterwise Council status.

BACKGROUND:

The Water Corporation and the Department of Water launched the Waterwise Council Program in 2009 to build a cooperative working relationship with local governments to improve water use efficiency. The program was then referred to as the 'ICLEI Water Campaign' and required local governments to achieve a number of milestones.

Vincent achieved Waterwise Council status in September 2013, where amongst a number of other initiatives and programs, the City conducted several water audits, compiled a 'Local Action Plan' for water efficiency and water saving actions and retrofitted a number of locations to save water and reduce the demand on this valuable natural resource.

The current Local Action Plan has now expired and in order for the City to retain its Waterwise Council status, a new Water Efficiency Action Plan (WEAP), which will act as a guiding document for current and future actions to assist the City to meet its water conservation and management objectives, needs to be developed and endorsed by Council.

The new Waterwise Council Program supersedes the ICLEI Water Campaign and provides local governments with a framework and structured approach to actively assess water consumption and management where a number of criteria, as discussed in the report, need to be achieved.

Whilst the Water Conservation Plan (WCP) forms part of this overall plan, it is a separate document only referring to the City's groundwater use. The WCP is still current but will require reviewing early in 2017 when the City will be renewing all bore water licences with the Department of Water.

Various reports have previously been presented to Council regarding the ICLEI Water Campaign as follows:

Ordinary Meeting of Council 22 May 2007 (in part):

Council endorsed the then Town of Vincent to join the International Council for Environmental Initiatives (ICLEI-A/NZ) Water Campaign Program and commence actions to achieve the five Milestones at a cost of \$1,650.

Further progress reports were to be submitted to Council on the program as the respective milestones were achieved.

Ordinary Meeting of Council 12 July 2012:

Council noted that Milestone 1 had been completed and verification had been received from ICLEI. Further milestones were to be referred to the City's Sustainability Advisory Group for consideration.

A further report was requested by Council which would outline a timetable for developing and adopting a Local Action Plan consistent with the goals adopted in Milestone 2.

Ordinary Meeting of Council 14 August 2012:

Council approved recommendations from the former Sustainable Advisory Group to continue with the ICLEI Water Campaign and endorsed the goals for Milestone 2 set by the City for the ICLEI Water Campaign.

Ordinary Meeting of Council 11 June 2013:

Council endorsed the Local Action Plan as a guiding document of actions to assist the City in achieving the Water Quality and Water Conservation Goals as outlined in Milestone 2.

The ICLEI Water Campaign:

This ceased as of 30 June 2015 and ICLEI's role in water efficiency and quality management has been refocused with an emphasis on biodiversity. The Waterwise Council Program will continue to provide support to improve water efficiency for Western Australian councils.

DETAILS:

Why Participate in the Waterwise Council Program?

Climate change and predictions of reduced water availability present significant challenges for those responsible for planning and managing our water resources.

Local government is a high water user and as such, have an opportunity and a responsibility to lead in promoting efficient and effective water management in the community.

The new Waterwise Council Program is free to join and is open to all councils in Australia. Benefits of becoming a Waterwise Council include:

- A better understanding of water use in council operations and the community;
- Potential water and financial savings through improved efficiency;
- Access to free waterwise training for staff;
- Access to waterwise material to promote water conservation in the community;
- Access to Waterwise Council branding to promote the council as a sustainable water manager;
- Opportunities to participate in funded and co-funded water efficiency initiatives; and
- Access to services such as data logging.

Requirements to Retain Waterwise Council Status:

To retain Waterwise Council endorsement, the City must fulfil the following five criteria:

	Action	Status
Criteria 1	Council commitment - Council must sign a Memorandum of Understanding confirming the council's commitment to participate in the program.	Completed.

	Action	Status
Criteria 2	Review Council water consumption and create a Water Efficiency Action Plan for potable and non-potable water sources for all of council's operations and the community. This criteria involves establishment of a WEAP that outlines the current and future actions to meet water efficiency goals. Action Plans are required to be endorsed by Council	The purpose of this report is to fulfil Criteria 2.
Criteria 3	Ensure that appropriate staff member complete free waterwise training.	Completed and ongoing, a number of Council staff have completed this training.
Criteria 4	No breaches of groundwater licence terms or conditions set by the Department of Water, and no breaches of scheme water usage issued by Water Corporation in the last 12 months	No breaches of groundwater use or conditions have been issued.
Criteria 5	Report annually to retain Waterwise Council endorsement.	Completed annually.

Water Efficiency Action Plan:

The attached WEAP (**Attachment 1**) has been developed by the City's officers from a template provided by the Water Corporation.

The WEAP will act as a guiding document for current and future actions to assist the City in meeting its water conservation and management objectives. These actions are outlined in the 'Table of actions' section of the WEAP.

In addition to the demonstrated progress towards all items in sections 1 and 2 of the actions, the City has achieved a number of 'Other' actions including a number of community incentives as well as community education and engagement.

These 'Other' actions will enable the City to be considered for Gold Council Status which recognises Councils that have demonstrated significant progress towards best practice water efficiency that is above and beyond the minimum endorsement requirements.

CONSULTATION/ADVERTISING:

Not applicable.

LEGAL/POLICY:

Not applicable.

RISK MANAGEMENT IMPLICATIONS:

Not applicable.

STRATEGIC IMPLICATIONS:

In accordance with the City's *Strategic Plan 2013-2023*, Objective 1 states:

"Natural and Built Environment

- 1.1 *Improve and maintain the natural and built environment and infrastructure*
 - [1.1.3] *Take action to reduce the City's environmental impacts and provide leadership on environmental matters.*
 - 1.1.4 *Enhance and maintain the City's infrastructure, assets and community facilities to provide a safe, sustainable and functional environment.*
 - 1.1.6 *Enhance and maintain the City's parks, landscaping and the natural environment."*

The WEAP also relates to several priorities listed in the City's *Corporate Business Plan 2016-17 – 2019-20*, specifically:

- "8. *Creating liveable neighbourhoods*
 - 8.3 *Review of the Greening Plan; and*
- 10. *Smarter, sustainable waste management for the community*
 - 10.2 *Review and implement the Sustainable Environment Strategy 2011-2016."*

SUSTAINABILITY IMPLICATIONS:

In accordance with the City's *Sustainable Environment Strategy 2011-2016*, Objectives 4 and 5 state:

"Water Quality and Consumption

- 4. *Ensure effective and efficient management of water supplies within the City, and*
- 5. *Protect and improve the quality of surface and groundwater resources within the City."*

FINANCIAL/BUDGET IMPLICATIONS:

The Waterwise Council Program is free to join and is open to all councils in Australia.

The costs associated with implementing the actions within the WEAP are included in ongoing annual operating and capital works budgets. Larger projects have also been considered and included in the Ten Year Financial Plan and include ongoing installation of a central control irrigation system.

Below is a list of some specific operational and Capital works budgets for 2016-17 associated with implementing the actions listed within the WEAP:

Account Description	Budget 2016-17
Environmental Grants & Awards	\$10,000
Local Plants Project	\$15,000
Adopt a Verge Program	\$100,000
Education/Workshops	\$8,000
Environmental Promotion	\$10,000
Environmental Initiatives	\$15,000
Voluntary Planting/National Tree Day	\$7,000

Account Description	Budget 2016-17
Eco-zoning – Britannia Reserve, Menzies Park & Charles/Walcott St Verge	\$45,000
Greening Plan – Brady & Green St verge	\$15,000
Greening Plan – Britannia Road verge (Brentham St to Seabrook St)	\$20,000
Britannia Reserve – Mulch Area	\$3,000

COMMENTS:

The City of Vincent has been a member of the Waterwise Council Program since 2013 and as mentioned in the report, the aim of this program is to build a co-operative working relationship with relevant organisations to improve water use efficiency in local governments and their communities.

With various concerns for West Australians, such as climate change and predictions of reduced water availability, managing finite water resources has never been more critical. Local governments are substantial water users and as such are required to act as leaders in promoting efficient and effective water management which the City has done, and continues to do, as part of its various environmental programs.

In addition, the Beatty Park Leisure Centre was first endorsed as a Waterwise Aquatic Centre in 2015, in recognition of its water use efficiency improvements implemented since the centre's redevelopment, as well as its ongoing efforts to minimise water use since that time.

In August 2016 the site was reindorsed in recognition of its efforts during the 2015/16 financial year. The Centre's target benchmark for 2015/16 was 30L per patron visit. It achieved 28.9L per patron visit and has now set a new target benchmark for 2016/17 of 28L per patron visit. This information is captured in our City's wider Water Efficiency Plan.

It is therefore recommended that Council endorse the newly developed Water Efficiency Action Plan in order for the City to retain its Waterwise Council status.

9.2.3 Mindarie Regional Council Joining the Eastern Metropolitan Regional Council Resource Recovery Facility Tender

Ward:	Both	Date:	27 October 2016
Precinct:	All	File Ref:	SC1161
Attachments:	1 – Overview of the Three Waste to Energy Proposals 2 – Process for MRC Involvement in the EMRC Tender 3 – Risk/Benefit Analysis for MRC to Join EMRC Tender		
Tabled Items:	Nil		
Reporting Officer:	R Lotznicker, Director Technical Services		
Responsible Officer:	R Lotznicker, Director Technical Services		

RECOMMENDATION:

That Council **ADVISES** the Mindarie Regional Council (MRC) that it:

1. **SUPPORTS** the MRC joining the Eastern Metropolitan Regional Council's (EMRC's) tender for a Waste to Energy, Resource Recovery Facility (RRF);
2. **IS NOT PREPARED TO** make any decisions on whether to commit the City's processible waste to the tender until the following information has been made available:
 - 2.1 the preferred tenderer's waste diversion percentage rate;
 - 2.2 the EMRC 'Waste to Energy' facility gate fee; and
 - 2.3 the revised MRC gate fee applicable to Member Council's waste.

PURPOSE OF REPORT:

To consider supporting the MRC, and consequently the City, joining the Eastern Metropolitan Regional Council's (EMRC) tender for a Waste to Energy (W2E) facility.

BACKGROUND:

Since 2014 the EMRC has been working with consultants and solicitors in reviewing the most beneficial resource recovery facility/s to manage its Municipal Solid Waste (MSW) stream and developing a tender that will encourage a strong response from the resource recovery market.

Strategic Community Plan (the Plan):

In 2013, the MRC endorsed the Plan setting a 20 year vision for waste management from 2013 to 2033. In part, the Plan determined that an Alternative Waste Treatment Facility would be required in 2020 to enable the member councils to meet the Waste Authority target of 65% diversion of MSW from landfill by 2020.

Waste Processing Infrastructure Options Assessment (the Report):

In 2014, Hyder Consulting Pty Ltd were engaged to produce a report that provided the most appropriate infrastructure mix that would enable the MRC and its member councils to meet or exceed the target set by the Waste Authority. The Report reviewed a combination of different infrastructure solutions using a multi-criteria approach.

The Report considered that only two combinations of infrastructure would enable the diversion target to be met with both combinations comprising W2E as the most effective process.

Based on waste data provided by the member councils the Report indicated that as much as 250,000 tonnes of waste per annum by the year 2022 could be committed to a W2E facility. It was noted that this tonnage could vary depending on the recycling strategies put in place by the member councils going forward.

A W2E facility will provide one of the proposed pieces of infrastructure in a more timely manner (approximate time saving of two years) than would otherwise be achieved by the MRC.

In addition, the increase in tonnes made available to the market through the joint tender would improve the economics of the development providing a reduction in the gate fee for the member councils of the two regional councils over what they could achieve individually.

City of Vincent – Ordinary Meeting of Council 18 October 2016:

Council considered a further report on a Deed of Variation to the MRC Constitutional Agreement aimed to increase the MRC's flexibility in the management of waste to include facilities not owned or managed by the MRC, where the following decision was made in part:

- "2. *APPROVES the 'revised' Deed of Variation Constitution Agreement of the Mindarie Regional Council between participants incorporating the following variation to the current Constitution Agreement (refer Attachment 1):*
- 2.1 *Clause 5.1(a) - At the end of clause 5.1(a), insert the words 'or such other building or place as agreed from time to time between the regional council and all municipalities'; and*
- 2.2 *Clause 5.1(b) - At the end of clause 5.1(b), insert the words 'or such other building or place as agreed from time to time by the parties to the contract'; and"*

MRC – Council Meeting 20 October 2016:

The MRC considered a confidential report on Waste to Energy – opportunity to join the Eastern Metropolitan Regional Council's Resource Recovery Facility (Waste to Energy) Tender and associated Amendment to the Constitution where the following decision was made:

- "A. *That the Council*
1. *Agrees to join the Resource Recovery Facility Tender developed by the Eastern Metropolitan Regional Council (EMRC) as an "Other Regional Local Government" as defined in the Tender and commit the residues from the processing of MSW at the Resource Recovery Facility (up to 50,000 tonnes) to the Tender subject to:*
- a. *ALL of the Councils of the Constituent Municipalities resolving to:*
- i. *Support the MRC in joining the Tender detailed in (1) above;*
- ii. *Commit, or not commit, their Processible Waste (Green or red lidded bin waste) to the tender;*
- iii. *Approve the Deed of Variation – Constitution Agreement of the Mindarie Regional Council (the Deed) as detailed in Attachment 2 of this report*
- b. *the commitment of combined Processible Waste from the Constituent Municipalities being in the region of 50,000 tonnes.*
-

B That the Council

1. *Receive the Deed of Variation – Constitution Agreement of the Mindarie Regional Council (the Deed);*
2. *Encourage the Constituent Municipalities to support the amendments to the Constitution as detailed in the Deed;*
3. *Authorise the Chairperson and the Chief Executive Officer to sign the Deed under its Common Seal; and*
4. *Release the duly signed Deed to the Minister for Local Government for his approval.*

C. That the Council

1. *agrees to pay the EMRC a portion of the costs associated with the consultancy and legal costs it incurred in developing the Tender detailed in A.1. above up to a maximum of \$100,000 should the MRC join the Tender and accept any of the Tenders submitted as part of the Tender process; and*
2. *fund the costs detailed in C.1. above in the half yearly review of its Budget.”*

DETAILS:

Current Scenario:

Tamala Park Landfill:

The current landfill site at Tamala Park is expected to be at capacity by 2024 and a new facility or facilities for treatment of members waste is required.

Resource Recovery Facility (RRF):

The current contract with BioVision who operate the RRF is current for a further 14 years until 2030.

The future of this facility beyond that date is still to be determined by the MRC. This plant has a capacity of 100,000 tonnes per annum and currently achieves a diversion rate of 51.3%.

This translates to an expensive contract rate and a diversion rate which is considered poor, especially when a rate of around 70% was expected when the plant was first commissioned in 2009.

Waste Generated in the Region:

The waste expected to be delivered to MRC facilities within the 2016/17 financial year is summarised in the following table:

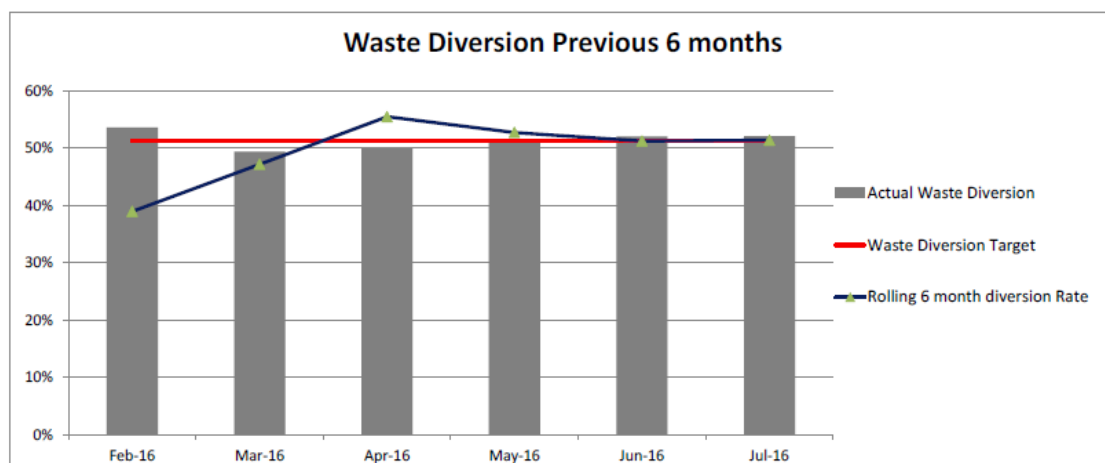
	BUDGET 2016/2017		MRC July 2016 Meeting	
	Processible	Non-Processible	Total	
Cambridge	7,500	1,200	8,700	
Perth	13,500	100	13,600	
Stirling	41,750	37,660	79,410	
Wanneroo	61,000	13,000	74,000	
Vincent	13,400	1,800	15,200	
Victoria Park	14,500	2,000	16,500	
Joondalup	54,000	11,500	65,500	
Members	205,650	67,260	272,910	
Casuals	-	13,100	13,100	
Trade	-	3,300	3,300	
Total	205,650	83,660	289,310	

The treatment of this waste is via the following facilities:

- RRF (BioVision Plant) - 100,000 tonnes;
- Tamala Park Landfill Facility - 189,310 tonnes; and
- Residue from the BioVision Plant - 48,700 tonnes.

Waste Diversion from BioVision Plant:

The average waste diversion for the past six months (February 2016 to July 2016) has been 51.3%.



Waste to Energy:

The MRC continues to keep abreast of developments in the W2E market and has previously advised the member councils that there are a number of W2E facilities currently under development in Western Australia.

A brief overview of the three commercial Waste to Energy proposals at varying stages of approval in Western Australia are contained in **Attachment 1**.

Eastern Metropolitan Regional Council (EMRC) Proposal:

Since 2014, the EMRC has been working with consultants and solicitors in reviewing the most beneficial resource recovery facility/s to manage its MSW stream and developing a tender that will encourage a strong response from the resource recovery market.

The MRC has continued to work with the member councils through the Strategic Working Group (SWG) to ensure that every opportunity to be involved in W2E in Western Australia is explored. As indicated above, the EMRC are well advanced in developing a tender for the provision of AWT facilities for the waste produced in its region.

The MRC, on behalf of the member councils, has had preliminary discussions with the EMRC to determine if there was an opportunity for the MRC to join the tender on the basis of aggregating the tonnes of the two regions to achieve economies of scale that would reduce the cost of W2E for their member councils. The SWG has been kept informed of this opportunity as it progresses.

These discussions have resulted in the EMRC agreeing to amend their tender to allow a Regional Local Government to join the tender, which was advertised on Saturday, 13 August 2016.

- The EMRC's Tender documents provide the ability for the MRC to join the tender process. It should be noted that the 'acceptable technologies' for the EMRC RRF include the following:
 - Gasification (including any pre-sorting process); or
 - Anaerobic Digestion (including a pre-sorting process if propose by the Tenderer); and/or
 - Mechanical recovery and sorting.
- The process for MRC Involvement in the EMRC tender is contained in **Attachment 2**; and
- The Risk/Benefit Analysis for MRC to Join EMRC in Alternative Waste Treatment Tender (AWTT) are contained in **Attachment 3**.

If the MRC were to join the EMRC tender it would automatically be involved in the assessment of the tenders and will independently be able to decide whether to accept or reject any tender or join with the EMRC in the tender.

Some concerns were expressed by members of the SWG around the fact that the tender process is being led by the EMRC, rather than the MRC, which might result in a less beneficial or optimal outcome for the MRC and its members. If there were any material additional obligations that arose, other than those agreed to by the member councils, the MRC would have to seek consideration of these changes by the member councils prior to finalising its consideration of the tender.

The MRC Administration have advised they are confident that any risks which may exist would be outweighed by the potential benefits which would flow as a result of joining the EMRC tender process.

CONSULTATION/ADVERTISING:

The City is represented on the MRC Strategic Working Group, where all MRC member councils and MRC have been party to discussions on the option presented.

LEGAL/POLICY:

The Tender process will be conducted in accordance with the *Local Government (Functions and General) Regulations 1996*.

RISK MANAGEMENT IMPLICATIONS:

Low: At current landfill rates the MRC landfill at Tamala Park will be full in the next eight years or so sustainable alternatives to landfill are being explored by MRC as discussed and recommended in the report.

STRATEGIC IMPLICATIONS:

In accordance with the City's *Strategic Plan 2013-2023*, Objective 1 states:

"Natural and Built Environment

1.1 *Improve and maintain the natural and built environment and infrastructure*

1.1.2 *Enhance and maintain the character and heritage of the City*

1.1.5 *Take action to improve transport and parking in the City and mitigate the effects of traffic".*

SUSTAINABILITY IMPLICATIONS:

There is a requirement from the Waste Authority to achieve a 65% diversion of waste materials from landfill by 2020. The proposed EMRC are proposing to call for tenders for a state-of-the-art RRF facility which will achieve up to a 90% diversion from landfill (currently MRC achieves a 51.3% diversion rate). Any reduction in waste going to landfill has positive environmental outcomes.

FINANCIAL/BUDGET IMPLICATIONS:

The process of tendering will not have any financial implication on the member councils however the MRC will have to fund a share of the consultancy costs incurred by the EMRC in developing the tender. The outcome of the tender will not have any financial impact on the budget until the facility is up and running, which could take up to three years.

COMMENTS:

The report, prepared in part by MRC Administration, seeks Council's support for the MRC to join the Eastern Metropolitan Regional Council's (EMRC) tender for a Waste to Energy facility as it will provide one of the proposed pieces of infrastructure in a more timely manner (approximate time saving of two years) than would otherwise be achieved by the MRC.

In addition, the increase in tonnes made available to the market through a joint tender would improve the economics of the development and potentially provide a reduction in the MRC gate fee for the member councils of the two regional councils (EMRC and MRC) over what they could achieve individually.

Based on the Waste Authority waste diversion targets, new treatment technologies are required which produce much higher diversion targets and less residue waste from the process.

The current Waste Authority landfill levy is \$55 per tonne, which will be increased to \$70 per tonne from 1 July 2018. Currently the MRC member disposal rate for 2016/17 is \$165 per tonne. This fee covers disposal of 100,000 tonnes per annum at the RRF, and approximately 222,000 tonnes per annum at the Tamala Park landfill facility (which includes the 48,700 tonnes of residue from the RRF).

The EMRC are seeking confirmation of the MRC's commitment to the project requesting details on the tonnage to be committed, the source of the waste and any information on the waste characteristics that is intended to be supplied.

Vincent Council previously approved amendments to the current MRC constitution to allow consideration by MRC on joining a tender process being conducted by another regional council (Ordinary Meeting of Council held on 18 October 2016).

Council now needs to determine which of the following options it wishes to adopt:

- Commit to the EMRC tender as a participant, but not commit any waste; or
- Commit to the EMRC tender as a participant and commit the specified waste stream; or
- Not commit to the EMRC tender proposal.

It should be noted that with the approved amendment to Clause 5.1(a) of MRC constitution *all municipalities* must agree to the current proposal.

While there are cost considerations relating to transportation of materials to the new treatment facility/s, any proposed new treatment plant will be located no further away than the current MRC facilities. Also there may be some transfer station arrangements proposed i.e. Balcatta Transfer Station.

The EMRC proposal has merit as it is in line with the MRC Strategic Community Plan, and would be a long term measure to meet targets and prolong the life of Tamala Park.

It is therefore considered that the initiative, as recommended, should be supported, subject to more clarification being obtained on the long term implications for the City.

9.3 CORPORATE SERVICES

9.3.1 Investment Report as at 31 October 2016

Ward:	Both	Date:	4 November 2016
Precinct:	All	File Ref:	SC1530
Attachments:	1 – Investment Report		
Tabled Items:	Nil		
Reporting Officers:	S Teoh, Accounting Officer G Garside, Manager Financial Services		
Responsible Officer:	J Paton, Director Corporate Services		

RECOMMENDATION:

That Council **NOTES** the Investment Report for the month ended 31 October 2016 as detailed in Attachment 1.

PURPOSE OF REPORT:

To advise Council of the level of investment funds and operating funds available, the distribution of surplus funds in investments and the interest earned to date.

BACKGROUND:

Surplus funds are invested in Bank Term Deposits for various terms, to maximise investment returns in compliance with good governance, legislative requirements and Council's Investment Policy No 1.2.4. Details are attached in **Attachment 1**.

The City's Investment Portfolio is diversified across several Financial Institutions in accordance with the Investment Policy.

DETAILS:

Total funds held for the period ended 31 October 2016 including on call in the City's operating account were \$37,581,885 as compared to \$32,212,324 for the period ended 31 October 2015.

Total Investments for the period ended 31 October 2016 were \$34,521,542 as compared to \$34,302,896 for the period ended 30 September 2016 and \$30,701,564 for the period ended 31 October 2015 respectively.

Investment comparison table:

	2015/16		2016/17	
	Total Funds Held	Total Investments	Total Funds Held	Total Investments
July	\$17,885,002	\$14,961,000	\$19,683,412	\$18,420,252
August	\$32,600,029	\$26,961,000	\$26,167,645	\$22,573,297
September	\$33,331,757	\$31,361,000	\$36,754,571	\$34,302,896
October	\$32,212,324	\$30,701,564	\$37,581,885	\$34,521,542
November	\$32,694,298	\$31,206,505		
December	\$29,737,925	\$27,239,542		
January	\$30,282,430	\$29,229,172		
February	\$31,529,914	\$29,221,565		
March	\$28,785,278	\$27,983,289		
April	\$27,011,580	\$26,587,166		
May	\$24,348,546	\$23,486,917		
June	\$23,024,830	\$21,005,952		

Total accrued interest earned on Investments as at 31 October 2016:

	Original Budget	Budget YTD	Actual YTD	% of FY Budget
Municipal	\$390,000	\$151,000	\$144,266	36.99%
Reserve	\$206,000	\$57,000	\$65,984	32.03%
Leederville Gardens Inc Surplus Trust*	\$0	\$0	\$44,833	0.00%
Total	\$596,000	\$208,000	\$255,083	42.80%

*Interest estimates for Leederville Gardens Inc Surplus Trust was not included in 2016-17 City of Vincent's budget; actual interest earned is restricted.

CONSULTATION/ADVERTISING:

Not applicable.

LEGAL/POLICY:

Funds are invested in accordance with the City's Investment Policy No. 1.2.4.

City of Vincent Investment Report Grouping*	Long Term Rating (Standard & Poor's) or Equivalent	Short Term Rating (Standard & Poor's) or Equivalent	Direct Investments Maximum % with any one institution		Managed Funds Maximum % with any one institution		Maximum % of Total Portfolio	
			Policy	Actual	Policy	Actual	Policy	Actual
	AAA Category	A1+	30%	Nil	45%	Nil	100%	Nil
Group A	AA Category	A1+	30%	28.3%	30%	Nil	90%	46.5%
Group B	A Category	A1	20%	18.0%	30%	Nil	80%	43.8%
Group C	BBB Category	A2	10%	9.6%	n/a	Nil	20%	10.0%

*As per subtotals on Attachment1

RISK MANAGEMENT IMPLICATIONS:

Moderate: As per the City's Investment Policy No. 1.2.4, funds are invested with various financial institutions with high Long Term and Short Term Rating (Standard & Poor's or equivalent), obtaining more than three quotations for each investment. These investment funds are spread across various institutions and invested as Term Deposits from one to 12 months to reduce risk.

Section 6.14 of the *Local Government Act 1995*, section 1, states, Subject to the regulations:

"(1) *money held in the municipal fund or the trust fund of a local government that is not, for the time being, required by the local government for any other purpose may be invested in accordance with Part III of the Trustees Act 1962.*"

STRATEGIC IMPLICATIONS:

In keeping with the City's Strategic Plan 2013-2023:

"4.1 Provide good strategic decision-making, governance, leadership and professional management:

4.1.2 Manage the organisation in a responsible, efficient and accountable manner;

(a) Continue to adopt best practice to ensure the financial resources and assets of the City are responsibly managed and the quality of services, performance procedures and processes is improved and enhanced."

SUSTAINABILITY IMPLICATIONS:

Not Applicable

FINANCIAL/BUDGET IMPLICATIONS:

The financial implications of this report are as noted in the details and comments section of the report. Overall the conclusion can be drawn that appropriate and responsible measures are in place to protect the City's financial assets and to ensure the accountability of the management.

COMMENTS:

The funds for investment have increased from the previous period due to excess funds available from receipt of rates revenue after creditors and other payments.

The City has obtained a weighted average interest rate of 2.61% for current investments including the operating account, and 2.84% excluding the operating account respectively. The Reserve Bank 90 days Accepted Bill rate for October 2016 is 1.75%.

As at 31 October 2016, the City's total investment earnings exceed the budget estimate by \$47,083 (22.64%). However, of this, \$44,833 was earned by the Leederville Gardens Inc Surplus Trust and funds in this trust are restricted. Investment earnings from this trust were excluded from the 2016-17 budget calculations.

In response to the recent amendment to the City's Investment Policy that provided for preference "to be given to investments with institutions that have been assessed as to have a higher rating of demonstrated social and environmental responsibility, providing that doing so will secure a rate of return that is at least equal to alternatives offered by other institutions", administration has actively sought investment offerings from relevant institutions. As a result. At 31 October 2016, 53.5% of the City's investments were held in non-fossil fuel lending institutions.

The investment report (**Attachment 1**) consists of:

- Investment & Earnings Charts;
 - Investment Report;
 - Investment Fund Summary;
 - Investment Earnings Performance; and
 - Percentage of Funds Invested.
-

9.3.2 Authorisation of Expenditure for the Period 22 September to 20 October 2016

Ward:	Both	Date:	25 October 2016
Precinct:	All	File Ref:	SC347
Attachments:	1 – Creditors Report – Payments by EFT 2 – Creditors Report – Payments by Cheque 3 – Credit Card Transactions		
Tabled Items:	-		
Reporting Officers:	O Dedic, Accounts Payable Officer; G Garside, Manager Financial Services		
Responsible Officer:	J Paton, Director Corporate Services		

RECOMMENDATION:

That Council RECEIVES the list of accounts paid under Delegated Authority for the period 22 September 2016 to 20 October 2016 as detailed in Attachment 1, 2 and 3 as summarised below:

Cheque numbers 80349 - 80445	\$126,951.21
Cancelled Cheques	- \$1,218.00
EFT Documents 1993 - 2001	\$2,354,367.40
Payroll	\$1,089,409.61

Direct Debits

- **Lease Fees** \$183,547.14
- **Loan Repayment** \$145,739.06
- **Bank Fees and Charges** \$43,114.80
- **Credit Cards** \$7,189.56
- **Total Direct Debit**

Total Accounts Paid	\$379,590.56
	\$3,949,100.78

PURPOSE OF REPORT:

To present to Council the expenditure and list of accounts paid for the period 22 September 2016 to 20 October 2016.

BACKGROUND:

Council has delegated to the Chief Executive Officer (Delegation No. 3.1) the exercise of its power to make payments from the City's Municipal and Trust funds. In accordance with *Regulation 13(1) of the Local Government (Financial Management) Regulations 1996* a list of accounts paid by the Chief Executive Officer is to be provided to Council, where such delegation is made.

The list of accounts paid must be recorded in the minutes of the Council Meeting.

DETAILS:

The Schedule of Accounts paid, covers the following:

FUND	CHEQUE NUMBERS/ PAY PERIOD	AMOUNT
Municipal Account (Attachment 1 and 2)		
Cheques	80349 - 80445	\$126,951.21
Cancelled Cheques	80200, 80266, 80318	-1,218.00
EFT Payments	1993 – 2001	\$2,354,367.40
Sub Total		\$2,480,100.61
Transfer of Payroll by EFT		
	04/10/16	\$550,240.51
	18/10/16	\$539,169.10
	October 2016	\$1,089,409.61
Corporate Credit Cards (Attachment 3)		\$7,189.56
Bank Charges and Other Direct Debits		
Lease Fees		\$183,547.14
Loan Repayment		\$145,739.06
Bank Charges – CBA		\$43,114.80
Total Bank Charges and Other Direct Debits (Sub Total)		\$372,401.00
Less GST effect on Advance Account		0.00
Total Payments		\$3,949,100.78

LEGAL/POLICY:

Regulation 12(1) & (2) of the Local Government (Financial Management) Regulations 1996 refers, i.e.-

12. *Payments from municipal fund or trust fund, restrictions on making*

- (1) *A payment may only be made from the municipal fund or the trust fund —*
 - *if the local government has delegated to the CEO the exercise of its power to make payments from those funds — by the CEO; or*
 - *otherwise, if the payment is authorised in advance by a resolution of Council.*
- (2) *Council must not authorise a payment from those funds until a list prepared under regulation 13(2) containing details of the accounts to be paid has been presented to Council.*

Regulation 13(1), (3) of the Local Government (Financial Management) Regulations 1996 refers, i.e. -

13. *Lists of Accounts*

- (1) *If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing for each account paid since the last such list was prepared -*
- *the payee's name;*
 - *the amount of the payment;*
 - *the date of the payment; and*
 - *sufficient information to identify the transaction.*
- (3) *A list prepared under sub regulation (1) is to be —*
- *presented to Council at the next ordinary meeting of Council after the list is prepared; and*
 - *recorded in the minutes of that meeting.*

RISK MANAGEMENT IMPLICATIONS:

Low: Management systems are in place to establish satisfactory controls, supported by internal and external audit function.

STRATEGIC IMPLICATIONS:

Strategic Plan 2013-2023:

- "4.1 Provide good strategic decision-making, governance, leadership and professional management:*
- 4.1.2 Manage the organisation in a responsible, efficient and accountable manner;*
- (a) Continue to adopt best practice to ensure the financial resources and assets of the City are responsibly managed and the quality of services, performance procedures and processes is improved and enhanced."*

SUSTAINABILITY IMPLICATIONS:

Not applicable.

ADVERTISING/CONSULTATION:

Not applicable.

FINANCIAL/BUDGET IMPLICATIONS:

All Municipal Fund expenditure included in the list of payments is in accordance with Council's adopted Annual Budget.

COMMENT:

If Councillors require further information on any of the payments, please contact the Manager Financial Services.

9.3.3 Financial Statements as at 30 September 2016

Ward:	Both	Date:	2 November 2016
Precinct:	All	File Ref:	SC357
Attachments:	1 – Financial Reports		
Reporting Officers:	N Makwana, Accounting Officer G Garside, Manager Financial Services		
Responsible Officer:	J Paton, Director Corporate Services		

RECOMMENDATION:

That Council **RECEIVES** the Financial Statements for the month ended 30 September 2016 as shown in Attachment 1.

PURPOSE OF REPORT:

To present the Financial Statements for the period ended 30 September 2016.

BACKGROUND:

Regulation 34 (1) of the Local Government (Financial Management) Regulations 1996 requires a local government to prepare each month a statement of financial activity reporting on the sources and applications of funds, as set out in the budget.

Financial reports as presented are an estimate of the September month end position. There are still a number of transactions and adjustments that need to be prepared before the accounts can be finalised for the 2015-16 financial year. Some of these adjustments will have a follow-on impact on 2016-17 results.

A Statement of financial activity report is to be in a form that sets out:

- the annual budget estimates;
- budget estimates for the end of the month to which the statement relates;
- actual amounts of expenditure, revenue and income for the end of the month to which the statement relates;
- material variances between the year-to-date income and expenditure; and
- includes other supporting notes and other information that the local government considers will assist in the interpretation of the report.

In addition to the above, under *Regulation 34 (5) of the Local Government (Financial Management) Regulations 1996*, each financial year a local government is to adopt a percentage of value, calculated in accordance with AAS 5, to be used in statements of financial activity for reporting material variances.

DETAILS:

The following documents, included as **Attachment 1** represent the Statement of Financial Activity for the period ending 30 September 2016:

Note	Description	Page
1.	Statement of Financial Activity by Programme Report and Graph	1-3
2.	Statement of Comprehensive Income by Nature and Type Report	4
3.	Net Current Funding Position	5
4.	Summary of Income and Expenditure by Service Areas	6-51
5.	Capital Works Schedule and Funding and Graph	52-63
6.	Cash Backed Reserves	64
7.	Rating Information and Graph	65-66
8.	Receivables	67
9.	Beatty Park Leisure Centre Report – Financial Position	68

The following table provides a summary view of the year to date actual, compared to the Year to date Budget.

Summary of Financial Activity By Programme as at 30 September 2016

	Adopted Budget 2016/17 \$	YTD Budget 2016/17 \$	YTD Actual 2016/17 \$	Variance 2016/17 \$	Variance 2016/17 %
Operating Revenue	27,515,406	7,459,866	6,531,803	(928,063)	-12%
Operating Expenditure	(56,304,295)	(14,135,645)	(11,941,390)	2,194,255	-16%
Add Deferred Rates Adjustment	0	0	20,526	20,526	0%
Add Back Depreciation	10,087,180	2,521,758	2,407,688	(114,070)	-5%
(Profit)/Loss on Asset Disposals	(1,020,686)	(67,530)	0	67,530	-100%
	9,066,494	2,454,228	2,428,214	(26,014)	-1%
"Percent for Art" and "Cash in Lieu" Funds Adjustment	1,544,740	0	0	0	0%
NET OPERATING EXCLUDING RATES	(18,177,655)	(4,221,551)	(2,981,373)	1,240,178	-29%
CAPITAL REVENUE					
Proceeds from Disposal of assets	1,450,166	373,500	0	(373,500)	-100%
Transfers from Reserves	1,310,020	327,501	54,509	(272,992)	-83%
	2,760,186	701,001	54,509	(646,492)	-92%
Capital Expenditure	(13,761,598)	(3,145,223)	(1,479,765)	1,665,458	-53%
Repayments Loan Capital	(818,840)	(198,564)	(198,563)	1	0%
Transfers to Reserves	(5,337,045)	(718,905)	(655,126)	63,779	-9%
	(19,917,483)	(4,062,692)	(2,333,454)	1,729,238	-43%
NET CAPITAL	(17,157,297)	(3,361,691)	(2,278,945)	1,082,746	-32%
TOTAL NET OPERATING AND CAPITAL	(35,334,952)	(7,583,242)	(5,260,318)	2,322,923	-31%
Rates	31,075,530	30,738,030	30,767,848	29,817	0%
Opening Funding Surplus	4,259,422	4,259,422	4,583,066	323,644	8%
CLOSING SURPLUS/(DEFICIT)	0	27,414,210	30,090,595	2,676,384	10%

Comments on Summary of Financial Activity by Programme:

Operating Revenue

There is a difference in classification in revenue reported by programme or by nature and type. Operating revenue in programme reporting includes 'Non-Operating Grants, Subsidies and Contributions' and 'Profit on Sale of Assets'. Revenue reporting by nature and type excludes these, but adds 'Rates Revenue'.

Revenue by programme is showing a negative variance of 12% (\$928k). This is due to reduced revenue in Law, Order and Public Safety (\$24k), Health Services (\$189k), Community Amenity (\$124k), Recreation and Culture (\$273k) and Transport (\$306k) of which \$187k relates to lower parking revenue.

Operating Revenue as presented on the 'Nature and Type' report (Page 4 of **Attachment 1**) is showing a negative variance of 2%.

Operating Expenditure

The favourable variance is currently at 16%. The underspend was mainly due to lower expenditure in building maintenance, ground maintenance, reversal of accrued salary for 2015-16 financial year. \$465k was underspent in Inspectorial Control area for parking licences, equipment maintenance. Also, some scheduled programmes and projects have not yet been carried out as planned.

Transfer from Reserves

This is on budget for the month of September 2016. Transfer from Reserves is aligned to the timing of commencement for Capital Works projects that are Reserves funded.

Capital Expenditure

The variance is attributed to the timing on receipt of invoices for the projects. For further detail, refer to Note 5 on **Attachment 1**.

Transfer to Reserves

Monthly transfer to reserves commenced in July 2016, based on budget phasing. This will be reviewed quarterly and transfers based on actuals will be adjusted after the review.

Opening Funding Surplus/(Deficit)

The surplus Opening Balance brought forward from 2015-16 is \$4,583,066, as compared to adopted budget opening surplus balance of \$4,259,422. The actual balance will change once the end of year process is completed and the accounts are audited.

Closing Surplus/(Deficit)

There is currently a surplus of \$30,090,595, compared to year to date budget surplus of \$27,414,210. This is substantially attributed to the positive variance in operating expenditure and the current level of Capital Expenditure.

It should be noted that the September 2016 closing balance does not represent cash on hand (please see the Net Current Funding Position on page 5 of the attachment). Comments on the financial performance as set out in the Statement of Financial Activity (**Attachment 1**) and an explanation of each report is detailed below:

1. Statement of Financial Activity by Programme Report (Note 1 Page 1)

This statement of Financial Activity shows operating revenue and expenditure classified by Programme.

2. Statement of Comprehensive Income by Nature and Type Report (Note 2 Page 4)

This statement of Financial Activity shows operating revenue and expenditure classified by nature and type.

3. Net Current Funding Position (Note 3 Page 5)

Net Current Asset is the difference between the current asset and current liabilities, less committed assets and restricted assets. This amount indicates how much capital is available for day to day activities.

The net current funding position as at 30 September 2016 is \$30,090,595.

4. Summary of Income and Expenditure by Service Areas (Note 4 Page 6 – 53)

This statement shows a summary of Operating Revenue and Expenditure by Service Unit.

5. Capital Expenditure and Funding Summary (Note 5 Page 54 - 65)

The following table is a Summary of the 2016/2017 Capital Expenditure Budget by programme, which compares Year to date Budget with actual expenditure to date. The full Capital Works Programme is listed in detail in Note 5 of Attachment 1.

	Original Budget \$	Year to date Budget \$	Year to date Actual \$	Full Year Budget Remaining %
Furniture & Equipment	737,070	157,420	11,772	98%
Plant & Equipment	3,537,050	425,000	82,540	98%
Land & Building	1,597,398	192,508	363,813	77%
Infrastructure	7,890,080	2,135,795	1,021,641	87%
Total	13,761,598	2,910,723	1,479,765	89%

	Original Budget \$	Year to date Budget \$	Year to date Actual \$	Full Year Budget Remaining %
Capital Grants and Contributions	2,551,355	872,794	807,360	68%
Cash Backed Reserves	1,287,534	50,000	54,509	96%
Other (Disposal/Trade In)	533,500	0	0	100%
Own Source Funding – Municipal	9,389,209	1,987,929	617,896	93%
Total	13,761,598	2,910,723	1,479,765	89%

Note: Detailed analysis are included on page 54 – 65 of Attachment 1.

6. Cash Backed Reserves (Note 6 Page 66)

The Cash Backed Reserves schedule details movements in the reserves, including transfers and funds used, comparing actual results with the annual budget.

The balance as at 30 September 2016 is \$7,043,233. The actual balance of Reserves may change once end of year process is completed and the accounts are audited.

7. Rating Information (Note 7 Page 67 - 68)

The notices for rates and charges levied for 2016/17 were issued on 08 August 2016.

The Local Government Act 1995 provides for ratepayers to pay rates by four (4) instalments. The due dates for each instalment are:

First Instalment	14 September 2016
Second Instalment	14 November 2016
Third Instalment	16 January 2017
Fourth Instalment	20 March 2017

To cover the costs involved in providing the instalment programme the following charge and interest rates apply:

Instalment Administration Charge (to apply to second, third, and fourth instalment)	\$13.00 per instalment
Instalment Interest Rate	5.5% per annum
Late Payment Penalty Interest	11% per annum

Pensioners registered with the City for rate concessions do not incur the above interest or charge.

The Rates debtors balance as at 30 September 2016 is \$13,607,857 (this includes deferred rates of \$132,426). This represents 42.73% of the collectable income compared to 39.77% at the same time last year. It should be noted that the rates notices were issued on 8th August 2016, which is three weeks later than the previous year due to the delayed budget adoption.

8. Receivables (Note 8 Page 69)

Receivables of \$3,070,278 are outstanding at the end of September 2016, of which \$2,766,181 has been outstanding over 90 days. This is comprised of:

\$436,617 (15.8%) relates to Cash in Lieu Parking. The Cash in Lieu Parking debtors have special payment arrangements for more than one year.

\$191,745 (6.9%) relates to Other Receivables, including recoverable works and property.

\$2,137,819 (77.3%) relates to unpaid infringements (plus costs) over 90 days. Infringements that remain unpaid for more than two months are sent to Fines Enforcement Registry (FER), who then collect the outstanding balance and return the funds to the City for a fee.

Administration has been following up outstanding items which relate to Other Receivables by issuing reminders when they are overdue and formal debt collection when payments remain outstanding.

9. Beatty Park Leisure Centre – Financial Position Report (Note 9 Page 70)

As at 30 September 2016 the operating deficit for the Centre was \$92,538 in comparison to the year to date budgeted deficit of \$199,398.

The cash position showed a current cash surplus of \$41,342 in comparison to year to date budget estimate of a cash deficit of \$19,779.

All material variance as at 30 September 2016 has been detailed in the variance comments report in **Attachment 1**.

10. Explanation of Material Variances

The materiality thresholds used for reporting variances are 10% and \$10,000. This means that variances will be analysed and separately reported when they are more than 10% (+/-) of the YTD budget, where that variance exceeds \$10,000. This threshold was adopted by Council as part of the Budget adoption for 2016-17 and is used in the preparation of the statements of financial activity when highlighting material variance in accordance with *Financial Management Regulation 34(1) (d)*.

CONSULTATION/ADVERTISING:

Not applicable.

LEGAL/POLICY:

Section 6.4 of the Local Government Act 1995 requires a local government to prepare an annual financial report for the preceding year and such other financial reports as are prescribed.

Regulation 34 (1) of the Local Government (Financial Management) Regulations 1996 requires the local government to prepare each month, a statement of financial activity reporting on the source and application of funds as set out in the adopted Annual Budget.

A statement of financial activity and any accompanying documents are to be presented at the next Ordinary Meeting of the Council following the end of the month to which the statement relates, or to the next Ordinary Meeting of Council after that meeting.

RISK MANAGEMENT IMPLICATIONS:

Low: In accordance with *Section 6.8 of the Local Government Act 1995*, a local government is not to incur expenditure from its Municipal Fund for an additional purpose except where the expenditure is authorised in advance by an absolute majority decision of Council.

STRATEGIC IMPLICATIONS:

Strategic Plan 2013-2023:

“4.1 Provide good strategic decision-making, governance, leadership and professional management:

4.1.2 Manage the organisation in a responsible, efficient and accountable manner;

- (a) Continue to adopt best practice to ensure the financial resources and assets of the City are responsibly managed and the quality of services, performance procedures and processes is improved and enhanced.”*

FINANCIAL/BUDGET IMPLICATIONS:

Not applicable.

COMMENT:

All expenditure included in the Financial Statements is incurred in accordance with Council's adopted budget.

9.3.4 Lease of Leederville Early Childhood Centre by Department of Community Welfare (now Department Local Government & Communities) – Department’s request to ‘withdraw’ from Lease

Ward:	South	Date:	28 October 2016
Precinct:	Oxford Centre (4)	File Ref:	SC579
Attachments:	<u>1</u> – Location Plan <u>2</u> – Letter from Department dated 27 June 2016 <u>3</u> – Letter to Department dated 4 October 2016		
Tabled Items:	Nil		
Reporting Officer:	M Bancroft, Property Leasing Officer		
Responsible Officer:	J Paton, Director Corporate Services		

RECOMMENDATION:

That Council

1. **NOTES** the Department of Local Government and Communities’ advice dated 27 June 2016, as detailed in Attachment 2, proposing to withdraw from providing subsidised accommodation to community groups and childcare providers, including the Leederville Early Childhood Centre at 244A Vincent Street Leederville;
2. **ENDORSES** Administration’s advice to the Department as detailed in Attachment 3, indicating that the Department’s proposal is contrary to the provisions contained in the Lease for the Leederville Early Childhood Centre; and
3. **ADVISES** the Minister for Local Government and Communities that the City rejects the Department of Local Government and Communities’ proposal to withdraw from the Lease in 2. above, given:
 - (a) that option is not in compliance with the existing lease between the City and Department for the Leederville Early Childhood Centre; and
 - (b) the original development of the childcare centre undertaken by the Department was based on the understanding that the City would not have to commit any funds to the establishment and ongoing operations of the facility.

PURPOSE OF REPORT:

To provide an update on the Department of Local Government and Communities’ request to ‘*withdraw*’ from its lease of the childcare facility located at 244A Vincent Street, Leederville, operated by the Leederville Early Childhood Centre (LECC).

BACKGROUND:

In 1991, the Department for Community Services, Health & Housing, now Department of Local Government and Communities (Department) submitted a proposal to the City of Perth for the construction of several child care facilities / families centres within the City of Perth local government area to assist women with children working in the City. The Department confirmed that it would pay for the construction and meet all ongoing operational costs of the facilities.

In 1991 the portion of land between Leederville Oval and Keith Frame Reserve (now 244A Vincent Street, Leederville – **Attachment 1**) was recommended by the Department as a suitable location for a child care facility. The land was a portion of Crown Land Reserve 3839 and was vested in the City of Perth for the purpose of Recreation.

At the Ordinary Meeting of Council on 16 March 1992 the City of Perth approved the development application for the Leederville Early Childhood Centre (Childcare Centre) and negotiation of a 21 year lease to the Department for the Childcare Centre.

The report included the following reference in respect to the funding for the project:

“The capital funding for government subsidised child care facilities is provided by both State and Commonwealth Governments with operating recurrent funding provided by the Commonwealth through the Department for Community Services, Health and Housing.

The construction of the centre and establishment of a community based management committee is co-ordinated by the State Department for Community Services. The City will not be required to commit any funds to the establishment and on-going operations of the facility.”

The Childcare Centre was completed at the end of 1993 with the construction solely funded by the state and commonwealth governments. The Department established the Leederville Early Childhood Centre (LECC) to operate the Childcare Centre. The LECC is a not for profit incorporated association that enjoys exclusive use of the Childcare Centre, although the City has no record of the type of arrangement that exists between the Department (Lessee) and the LECC.

In order for the City to lease the Childcare Centre to the Department the purpose of Reserve 3839 was amended in 1995 from ‘recreation’ to ‘childcare and recreation purposes’, with the power to lease for a term up to 21 years. The lease with the Department was subsequently finalised and executed on 12 August 1996, with a commencement date of 1 May 1993 (date the Childcare Centre was completed), a term of 21 years and lease fee of \$1.00 per annum. The lease made it clear that the Department was responsible for the payment of all outgoings, rates and taxes and for the repair and maintenance of the Childcare Centre (fair wear and tear excepted).

The Lease was silent on the issue of structural maintenance, however the corporate record clearly reveals that the City of Perth held the Department responsible, in accordance with the original advice, which was also the position subsequently adopted by the Town/City of Vincent (City). It is noted that at least over the last few years, the City has undertaken some maintenance activities, however the cost was not recovered from the Department.

In 1996 the LECC contacted the City in respect to financial assistance to pay for its water rates. The City refused the request and notified the Department of repair work required to the building (including repainting) which was to be undertaken at the Department’s cost.

In 2003, in connection with the redevelopment of Leederville Oval, the northern portion of the Childcare Centre land was excised from the lease area to enable access between the redeveloped Loftus Recreation Centre, the City Administration building and Leederville Oval. In exchange, Council agreed to formalise the LECC’s use of the eastern area adjacent to the City’s administration building. A Variation of Lease was necessary to effect this amendment in the lease area, and while there is reference to a Variation of Lease being prepared, the City does not have a copy of the Variation of Lease. In conjunction with this variation of the lease area, the LECC constructed a new patio and pergola. Costs associated with the relocation of the sand hill and soffit were paid by the City (\$2,000).

It is understood, that the LECC Management committee received a number of grants in 2009 and undertook the following works (independently of the City):

- Constructed a mud pit, climbing net, sensory garden, extended sandpit and drinking fountains as part of Top Garden Renovation – Lotterywest Grant
 - renovated kitchen which included new pantry, cabinets, fridge, commercial oven – Lotterywest grant
 - replaced fences in toddlers and babies yard
 - installed new floor coverings
-

In 2010 the City of Vincent applied for the redescription of Reserves 3839 and 39009 (Keith Frame Park). The Department for Lands issued new titles for the land comprising Leederville Oval, the Childcare Centre, Loftus Recreation Centre, Keith Frame Reserve and the Administration building in 2010. The title for the land comprising the Childcare Centre (the lease area) is now Lot 503 (No. 244A Vincent Street) on Deposited Plan 65196, and being Crown Land Certificate of Title Volume 3157 Folio 914. The land is known as Reserve 346 and is vested in the City of Vincent for the purpose of 'childcare centre' with the power to lease for a term not exceeding 21 years, subject to the Minister of Land's consent.

At the Ordinary Meeting of Council of 23 February 2010 (Item 9.2.1) Council approved the allocation of \$50,000 to the LECC to cover the cost of the upgrade of the bathroom and toilet facilities. It is noted that the report did not refer to the Department's original commitment or the terms of the Lease.

The original lease expired on 30 April 2014 and Council at the Ordinary Meeting of 17 December 2013 (Item 9.3.4) approved a new lease over the revised lease area, but not including the eastern area adjacent to the City's Administration Building, which is currently used by the LECC and is comprised within the fenced area. The Lease was for a 10 year term commencing on 1 May 2014, with a 5 year option period and the following key terms approved (Lease):

Rent:	\$1.00
Outgoings:	to be paid by lessee
Rates & Taxes (incl ESL):	to be paid by lessee
Permitted Use:	Childcare Facility

Other terms and conditions, including repair and maintenance provisions were on the same terms as the previous lease.

To summarise:

- the City of Perth entered into the lease with the Department on the basis that the Department receive land for free to operate a child care centre, and the Department pay all development and ongoing costs.
- The Department constructed the childcare centre and has managed the use of the facility by the LECC (the City has no direct relationship with the LECC).
- The Department was held to be responsible for all structural repairs by the City of Perth and subsequently by the City, except for the 2010 kitchen refurbishment funding.
- There is however a record that over the last few years, the City has undertaken some maintenance activities, which were not recovered from the Department.
- The current lease term is 10 years commencing 1 May 2014, with a five year option commencing 1 May 2024.

DETAILS:

The Department wrote to the City on 27 June 2016 stating that the "*Department will cease leasing and owning property for the purpose of providing subsidised accommodation to community groups and childcare providers. The Department will withdraw from this role by 30 June 2018.*" A copy of this letter is attached at **Attachment 2**. The Department's justification for this course of action is that the "*...allocation of subsidised accommodation to relatively few community groups and childcare providers is considered inequitable...*" The Department's approach to its "*...withdrawal from property management...*" is to "*...consult with the current tenant to assist them in making new arrangements, and would support a direct lease agreement with the City of Vincent as the property owner.*"

The City sent an email to the Department on 1 July 2016, requesting further clarification of the Department's proposed 'withdrawal' from its lease, however no response was received. The City subsequently sent a letter to the Department on 4 October 2016 (**Attachment 3**) setting out the background to the Department's lease and reinforcing the following relevant lease provisions:

- The Lease provides that the Department (lessee) can only terminate the Lease if the Childcare Centre is damaged and becomes substantially unfit for use and occupation. Therefore, it is not possible for the Department to simply '*withdraw*' from the Lease.
- Clause 9 of the Lease provides that the Department may assign the Lease, subject to the consent of the City and the Minister for Lands, and therefore it would be possible for the Department to apply to the City for the Lease to be assigned to the LECC. The City would require evidence that the LECC has the financial capacity or financial support to comply with the terms of the Lease and is capable of operating the facility in accordance with the Lease.

CONSULTATION/ADVERTISING:

Administration and the Mayor have met with representatives of the LECC on two separate occasions to discuss the Department's proposal.

As the LECC has educational objectives and the members would not receive any pecuniary profit from the assignment of the lease, in the event that the Department seeks the City's consent to assign the Lease to the LECC this disposition would meet the requirements of an exempt disposition, in accordance with Section 3.58(5) of the *Local Government Act 1995*. Therefore there would be no requirement for the City to advertise an intention to enter into an assignment of lease with the LECC.

LEGAL/POLICY:

Local Government Act 1995 section 3.58 - Disposing of Property, provides that a local government can only dispose of property (which includes to lease) in accordance with section 3.58(3) unless the disposition falls within the scope of section 3.58(5), which includes:

"(d) *Any other disposition that is excluded by regulations from the application of this section.*"

In accordance with Section 3.58(5), Regulation 30 of the *Local Government (Functions and General) Regulations 1996* provides a range of dispositions that are exempt from the application of Section 3.58 of the Act, including dispositions to:

- *A body, whether incorporated or not the objects of which are of a charitable, benevolent, religious, cultural, educational, recreational, sporting or other like nature; and the members of which are not entitled or permitted to receive any pecuniary profit from the body's transactions;*

City of Vincent Policy 1.2.1 – Policy Statement:

1. Any new lease granted by the Council shall usually be limited to a five (5) year period, and any option to renew shall usually be limited to no more than a ten (10) year period.
 2. Council may consider longer periods where the Council is of the opinion that there is benefit or merit for providing a longer lease term.
-

RISK MANAGEMENT IMPLICATIONS:

High: The Department previously committed to fund the ongoing operation and management costs of the Childcare Centre and has entered into a Lease which binds it to these commitments. Full asset management responsibilities are likely to impose significant financial liability on the City and/or any future Lessee/Assignee in the event the Department was no longer responsible.

STRATEGIC IMPLICATIONS:

In accordance with the objective of Strategic Plan 2013-2023:

"2.1.3 Develop business strategies that reduce reliance on rates revenue

(c) Continue to review leases and commercial contracts to ensure the best return for the City, whilst being cognisant of its community service obligations."

SUSTAINABILITY IMPLICATIONS:

Not applicable.

FINANCIAL/BUDGET IMPLICATIONS:

The Department occupies the Childcare Centre for a peppercorn rent based on its commitment to fund the operation and maintenance of the facility throughout the term of the Lease. The building is now 23 years old and likely to require significant renewal expenditure in the future. Under the current Lease arrangements, that responsibility would reside with the Department.

Whilst the Department is responsible for the operational and maintenance costs, the City has incurred some costs, which correctly should have been undertaken by the Department or at least the cost recovered from the Department. The profit-loss table below shows that the City incurred a loss of \$2,062 on the Childcare Centre in 2015/16 due to tree pruning, lopping and cleaning costs not being recouped from the Department.

Leederville Early Child Care Centre Profit - Loss 2015/16		
Description	Expenditure	Income
Recoups (Insurance, ESL & fire appliance testing)		3,265.71
Maintenance - tree lopping & pruning	1,440.00	
Cleaning - Planned (VVM Pty Ltd)	546.08	
Specific Maintenance - Fire appliance testing (recouped)	152.20	
Weed Control	409.19	
Insurance Expenditure	1,733.44	
ESL	1,046.98	
	5,327.89	3,265.71
TOTAL	-2,062.18	

In prior years, the following 'loss' was incurred by the City:

2014/15	- \$9,326
2013/14	- \$3,859
2012/13	- \$25,723

COMMENTS:

It is clear from the background to the construction of the Childcare Centre and negotiation of the original lease that the City of Perth (now the City of Vincent) would approve the use of land free of charge for a child care facility on the basis that the Department would be responsible for all costs associated with the development and ongoing operation of the Childcare Centre.

It appears that the Department is now seeking to absolve itself of its commitments under the justification that the “...*allocation of subsidised accommodation to relatively few community groups and childcare providers is considered inequitable...*” Whilst the City is not aware of the financial arrangements between the LECC and the Department, this course of action is very likely to have implications for the LECC, given that by the Department’s own argument, it is providing ‘subsidised accommodation’.

Given the terms of the Lease do not permit the Department’s proposed withdrawal from the Lease, the City has invited the Department to enter into appropriate discussions with the City to negotiate terms for the assignment or termination of the Lease. These negotiations would need to satisfy the City’s concerns in respect to the potential financial liability that could transfer to the City.

9.3.5 Request for funding for carpet replacement – Lease of 286 Beaufort Street, Perth to Association for Services to Torture and Trauma Survivors

Ward:	South	Date:	28 October 2016
Precinct:	Hyde Park (12)	File Ref:	SC2411
Attachments:	<u>1</u> – Letter to ASeTTS dated 19 August 2016 <u>2</u> – Letter from ASeTTS dated 20 September 2016 <u>3</u> – Letter from ASeTTS dated 20 October 2016		
Tabled Items:	Nil		
Reporting Officer:	M Bancroft, Property Leasing Officer		
Responsible Officer:	J Paton, Director Corporate Services		

RECOMMENDATION:

That Council **REFUSES** the Association for Services to Torture & Trauma Survivors' (ASeTTS') request for \$20,000 to fund the replacement of the carpets within the building located at 286 Beaufort Street, Perth, on the basis that ASeTTS is the sole beneficiary and enjoys exclusive use of the buildings under a lease that imposes responsibilities for repair and replacement of carpets on the Lessee.

PURPOSE OF REPORT:

To consider a request from the Association for Services to Torture & Trauma Survivors (ASeTTS) for the City to fund the replacement of the carpet within the building located at 286 Beaufort Street, Perth, leased by ASeTTS from the City.

BACKGROUND:

ASeTTS has leased the buildings constructed at 286 Beaufort Street, Perth (Premises) from the City since 2003. The Lease was for an initial five year period, with three five year option periods (Lease). ASeTTS has exercised its right to the first two option periods, with the current option period to expire on 28 February 2018. The rent is currently \$15,768 including GST.

The main building at 286 Beaufort Street, Perth was constructed in 1962, with the Community Centre at the rear subsequently added. An inspection of the buildings was undertaken in January 2016 by Lycopodium as part of the City's Building Condition Assessment and Forward Works Plan. The buildings were found to be in an overall fair condition, with one of the concerns being that "*the carpet is worn in high traffic areas and is very uneven throughout the facility.*" Despite this, Lycopodium found that the carpet overall was only 60 per cent through its estimated 15 year life and therefore did not warrant immediate replacement.

Administration has visited the Premises on several occasions and notes that the carpet undulates, due to the underlay being uneven, and is very worn in high traffic areas. In Administration's opinion the carpet is nearing the end of its life and requires replacement within the next few years. However, at a minimum, defects are required to be resolved in high traffic areas. The City has obtained a quote to undertake the replacement of the carpet, with the estimated cost being \$20,000.

DETAILS:

Administration informed ASeTTS by email on 17 August 2016 that the carpet had not been listed for replacement in the 2016-17 financial year. Administration subsequently wrote to ASeTTS on 19 August 2016 informing ASeTTS that carpet replacement was the responsibility of ASeTTS pursuant to the Lease, however, Council could at its discretion consider a submission for financial assistance to fund the replacement as part of the 2017-18 budgetary process, or in the interim. A copy of the letter is attached to this report at **Attachment 1**.

The Lease provides that ASeTTS must “*repair and maintain the premises including all lighting and electrical installations, all fences, gates, reticulation, drainage systems and other fixtures and fittings in the premises in good order ...excluding the replacement of electrical switchboards, wiring, plumbing and piping if the damage is due to its age...*” The carpet is a fitting and therefore it is the responsibility of ASeTTS to repair and maintain it to ensure it remains in good order. The fact that the Lease clearly expresses the two situations in which the City would be responsible for replacement of items due to fair wear and tear (electrical wiring and plumbing) indicates that ASeTTS is responsible for repair of damage due to fair wear and tear in all other situations. Therefore ASeTTS is responsible to replace the carpet as necessary so that it remains in good order.

Furthermore, ASeTTS has leased the Premises since 2003 and the current lease will expire in 2023. This demonstrates that ASeTTS has had the sole benefit of the carpets within the Premises, and will have the benefit of any new carpets until 2023.

ASeTTS responded to the City’s letter on 20 September 2016 requesting the City to reconsider its request on the basis that ASeTTS is a ‘*not for profit provider with reduced funding over the past three years*’. A copy of this letter is attached at **Attachment 2**.

Administration subsequently requested ASeTTS to provide details, including financial evidence, as to why it should not be responsible to fund the replacement of the carpets. In response, ASeTTS wrote to the City on 20 October 2016 stating that it is ‘*unable to fund the replacement of the carpet as its funding has been drastically reduced and staff numbers are also greatly reduced*’. A copy of this letter is attached at **Attachment 3**.

The ASeTTS’ 2015/16 annual report identifies that:

- Total revenue was \$4.182 million down from \$7.159 million in 2013/14.
- ASeTTS had an operating surplus of \$619,100 in 2014/15, however, due to reduced revenue experienced a deficit of \$717,850 in 2015/16.
- ASeTTS had \$1.326 million cash and cash equivalent in 2014, while in 2016 this amount is recorded at \$2,076 million.

The Treasurer’s Report indicates that ‘*liquidity remains stable, with \$1.61 of current assets available to fund every \$1 of the organisation’s short term obligations (the 2014/15 figure was \$3.13 for every dollar). The forecasts for 2016/17 should see an improvement in liquidity levels.*’

The Annual Report indicates that ASeTTS’ annual income has reduced significantly, requiring restructuring to achieve reductions in employment, contractors, promotion, travel and advertising.

CONSULTATION/ADVERTISING:

Administration has met with representatives of ASeTTS on several occasions to examine the condition of the carpet.

LEGAL/POLICY:

The repair and maintenance clause of the Lease (see page 5) provides that the “*Lessee must repair and maintain the Premises including ...fittings... in good order and condition.*”

RISK MANAGEMENT IMPLICATIONS:

Low: It is ASeTTS’ responsibility to ensure the Premises is safe and fit for purpose, and therefore while the uneven and undulated carpet poses a potential health risk (trip hazard) it is ASeTTS that is responsible for rectifying this.

STRATEGIC IMPLICATIONS:

In accordance with the City's *Strategic Plan 2013-2023*, Objective 1 states:

"1.1 Improve and maintain the natural and built environment and infrastructure.

1.1.4 Enhance and maintain the City's infrastructure, assets and community facilities to provide a safe, sustainable and functional environment."

SUSTAINABILITY IMPLICATIONS:

To maintain the City's assets to an acceptable level of service.

FINANCIAL/BUDGET IMPLICATIONS:

The Table below sets out the City's net financial result, excluding depreciation, over the last four financial years in respect to the ASeTTS building:

Financial year	Net Loss incurred by City (excl GST)
2012/2013	\$10,228
2013/2014	\$6,120
2014/2015	\$15,181
2015/2016	\$8,636

The financial loss incurred by the City is a result of the City undertaking maintenance works at ASeTTS and in some instances, not recovering the Emergency Services Levy. Pursuant to the Lease, the cost of the majority of the maintenance works (general repairs and maintenance) if undertaken by the City could have been recouped from ASeTTS.

ASeTTS pay an annual rent of \$14,600 (excl GST). The cost of the carpet replacement is estimated to be \$20,000.

COMMENTS:

Administration acknowledges that the carpet at the Premises is nearing its end of life and will require replacement within the next few years and may require interim repair in high traffic areas. Administration is, however exercising tighter control over leases and requiring lessees to accept the relevant responsibilities prescribed in the lease. In this instance, the Lease imposes responsibility for the repair and, as necessary, the replacement of the carpet on ASeTTS as the lessee.

Whilst ASeTTS occupies one of the City's buildings and is a not for profit organisation, the services they provide are for the wider community. Also, despite experiencing significant reductions in funding, requiring restructuring of its operations, ASeTTS still appears to have good liquidity. Notwithstanding, Council could at its absolute discretion fund the carpet replacement, not as a landlord responsibility, but by way of providing financial assistance.

ASeTTS has put forward its significant reduction in government funding as justification for Council exercising its discretion to fund the replacement of the carpet. It is Administration's opinion that reduced funding does not amount to financial inability to fund the carpet replacement.

Therefore it is recommended that Council does not exercise its discretion to fund the replacement of the carpets.

9.3.6 Arrangements for an Extraordinary Election

Ward:	-	Date:	28 October 2016
Precinct:	-	File Ref:	SC2639
Attachments:	<u>1</u> – Letter to the WAEC conveying Council's decision of 18 October 2016 <u>2</u> – Reply from the WAEC dated 21 October 2016 <u>3</u> – Letter to WAEC advising of the date fixed for the election		
Tabled Items:	Nil		
Reporting Officers:	T Evans, Manager Governance and Risk		
Responsible Officer:	J Paton, Director Corporate Services		

RECOMMENDATION:

That Council:

1. **NOTES** that, further to item 9.3.5 of the Ordinary Council Meeting held on 18 October 2016, and in accordance with Section 4.9(1) of the *Local Government Act 1995* the Mayor has fixed the date for an extraordinary election on Friday 24 February 2017; and
2. **RESOLVES BY ABSOLUTE MAJORITY** to:
 - a) **DECLARE** in accordance with section 4.20(4) of the *Local Government Act 1995*, the Electoral Commissioner be responsible for the conduct of the extraordinary election;
 - b) **NOMINATE** in accordance with section 4.61(2) of the *Local Government Act 1995*, the method of conducting the election will be as a postal election; and
 - c) **APPROVE** in accordance with section 6.8(1)(b) of the *Local Government Act 1995*, the unbudgeted expenditure of \$37,000 for the carrying out of the extraordinary election.

PURPOSE OF REPORT:

To put in place arrangements for the extraordinary election of a South Ward Councillor.

BACKGROUND:

Following the resignation of Cr Laine McDonald on 21 September 2016, it is necessary for the City to make arrangements to hold an extraordinary election, pursuant to section 4.8(1) of the *Local Government Act 1995* (the Act).

A report was presented to Council at the 18 October 2016 Ordinary Council Meeting at which Council resolved:

"That Council:

1. *OBJECTS* to the need to hold an extraordinary election to fill the vacancy for a Council Member of the South Ward and *REQUESTS* the vacancy be held over until the October 2017 Local Government Election;
2. *In the event that the Electoral Commissioner does not accept the Council's request from Recommendation 1, REQUESTS* approval, pursuant to Section 4.9(2) of the *Local Government Act 1995*, from the Electoral Commissioner to allow the City to hold an extraordinary election for the vacancy of a Council Member for the South Ward on a date that is later than 4 months after the vacancy occurred and for that date to be fixed by Council."

DETAILS:

Administration wrote to the Western Australian Electoral Commission (WAEC) on 19 October 2016 (included as **Attachment 1**) to relay Council's decision and the Commissioner wrote back on 21 October 2016. The Commissioner's response is included as **Attachment 2**.

In response to the City's request to hold over the vacancy until October 2017, the Commissioner wrote that: *"Due to the timing of the resignation, neither Council nor the Western Australian Electoral Commission has any capacity to dispense with the explicit legislative requirement that an extraordinary election be held. The only available discretion relates to the process by which the date is determined."* The Commissioner was, however, receptive of the City's request to hold the election on a date that is later than 4 months after the vacancy occurred and he expressed a willingness to accept the date of Friday 24 February 2017 for the election date

In order to hold an extraordinary election, the City must first fix a date for the election, and it is required to do so within one month of the vacancy occurring (s.4.9(1)). Since the vacancy occurred on 21 September 2016, the City was required to fix a date on or before Friday 21 October 2016.

Administration considered the Commissioner's response (dated 21 October 2016) and liaised with the Mayor on that day. The Mayor consulted with Council Members via email that afternoon and subsequently fixed a date for the extraordinary election of a South Ward Councillor on Friday 24 February 2017. Administration advised the WAEC of the fixing of the date via email on 21 October 2016 and followed this up with a letter on Monday 24 October 2016 (**Attachment 3**). The City's letter also advised the WAEC of the need, pursuant to section 4.40(1) of the Act, to prepare a residents' roll for the election.

An election timeline has been developed by the WA Electoral Commission and included within **Attachment 2**. The timeline shows that the nomination period for candidates opens on 11 January 2017 and closes on 18 January 2017. It also shows that election packages will be posted to electors on, or close to, 27 January 2017.

Returning Officer

The City must decide who to appoint as the Returning Officer for the election. Under section 4.20(1) of the Act, the CEO is to be the Returning Officer unless other arrangements are made and Administration strongly recommend that other arrangements are made so as to not place undue burden on the CEO.

Council has the option of appointing any suitably qualified person as Returning Officer (s.4.20(2)). Otherwise, Council can declare that the Electoral Commissioner be responsible for the conduct of the election. In either case, prior written approval from the Electoral Commissioner is required before such a decision can be made, which has been received by the City.

Method of Conducting the Election

Pursuant to section 4.61 of the Act, the City is required to choose whether to conduct the election as a postal election or a "voting in person election". Postal elections are the norm and are generally more cost effective. It is also a condition of the Electoral Commission that, if they are running the election, it must be held as a postal election.

Costs of the Election

Following a request to the WA Electoral Commission for a quotation to conduct this extraordinary election, they have responded with a cost estimate for conducting the election of \$36,000. The WA Electoral Commission operate a full cost recovery model and have based this estimate on:

- 12,000 electors;
 - Use of Australia Post's priority mail service;
 - Response rate of approximately 30%;
 - Appointment of a local Returning Officer; and
 - The count being conducted at Vincent.
-

They note that this is an estimate only and that the actual cost of the election will be charged to the City. It is common practice for Australia Post to raise the cost of postage on 1 January each year and Administration considers that providing a contingency budget that allows for a 5% increase in postage costs is prudent. Accordingly, Administration is requesting that a budget of \$37,000 be set for the carrying out of the extraordinary election.

CONSULTATION/ADVERTISING:

Administration has consulted with the Electoral Commission on the timeline and requirements to run the extraordinary election.

The necessary consultation and advertising required to run the election is set out in Part 4 of the Act and will be the responsibility of the Returning Officer.

LEGAL/POLICY:

Local Government Act 1995, Part 4, Division 4;

- Section 4.9(1) - Council must fix a date for an extraordinary election at a meeting held within one month of the vacancy occurring. That is to say, no later than 20 October 2016.
- Section 4.9(2) - The election day fixed for an extraordinary election cannot be later than 4 months after the vacancy occurs, unless the Electoral Commissioner approves or section 4.10(b) applies. That is to say, no later than 20 January 2017.
- Section 4.20(4) - A local government may, having first obtained the written agreement of the Electoral Commissioner, declare* the Electoral Commissioner to be responsible for the conduct of an election.
- Section 4.61(2) - The local government may decide* to conduct the election as a postal election.

*(absolute majority required)

RISK MANAGEMENT IMPLICATIONS:

Low: The holding of elections is highly regulated by the *Local Government Act 1995* and consequently, there is a risk of the City being non-compliant if it does not act expediently to arrange the extraordinary election.

STRATEGIC IMPLICATIONS:

Not applicable.

SUSTAINABILITY IMPLICATIONS:

Not applicable.

FINANCIAL/BUDGET IMPLICATIONS:

The WA Electoral Commission has provided a cost estimate of \$36,000 to run the election, however since the election is now being held in February, it is believed that the costs will increase due to a likely increase in postage charges. Accordingly, it is recommended that a budget of \$37,000 be approved. These costs have not been budgeted in 2016/17 and it is requested that Council approve this as unbudgeted expenditure, pursuant to section 6.8(1)(b) of the Act.

COMMENTS:

The Mayor has fixed the date for the extraordinary election on 24 February 2017. Administration do not have the necessary resources available to run the election and recommends that the WAEC be responsible for running the election. This is consistent with previous elections held at the City of Vincent and in line with common practice across the local government sector. To give effect to this, Council must adopt Recommendation 2 which will allow for the necessary arrangements for the extraordinary election to take place.

9.3.7 Aged Persons Trust Account - Update

Ward:	Both	Date:	28 October 2016
Precinct:		File Ref:	SC363
Attachments:	Nil		
Tabled Items:	Nil		
Reporting Officer:	J Paton, Director Corporate Services		
Responsible Officer:	J Paton, Director Corporate Services		

RECOMMENDATION:

That Council NOTES:

1. That Administration's reconciliation of the surplus transfers from Leederville Gardens Inc. identified that the full surplus funds received in 2001/02, 2004/05, 2007/08 and 2010/11 were not transferred to the Senior Citizens and Aged Persons Reserve; and
2. The shortfall in transfers in 1. above of \$417,163 plus interest owing of \$217,782 totalling \$634,945 has been recognised in the Draft 2015/16 Annual Financial Report as an accrued debt.

PURPOSE OF REPORT:

To consider an update on the Aged Persons Trust Account, held in in trust by the City in accordance with the 'trust' created by the Leederville Gardens Inc. Constitution.

BACKGROUND:

Administration has previously presented two comprehensive reports to Council dealing with the operation of the Leederville Gardens Retirement Village (the Village), the associated Constitution and surplus transfers under the Constitution, specifically:

- 8/12/2015 – item 9.3.2 City of Vincent Aged Persons and Senior Citizens Reserve
- 8/03/2016 – item 9.3.5 Leederville Gardens Retirement Village estate

In summary, key points identified were:

- The City of Vincent has an involvement with the Village through the Constitution, to nominate members on the Board and hold and distribute surplus funds;
- There have been various Constitution changes over the years, but they all provided for the annual surplus from the activities of the Board to be transferred to the City to be held 'on trust'.
- Administration previously (2006) and incorrectly advised that the proper accounting treatment for the surplus funds was to transfer it into a Reserve account. Therefore, Council approved the establishment of the Aged Persons and Senior Citizens Reserve (Seniors Reserve). Legal advice confirmed the funds should have been held in a Trust account.
- The Constitution prescribes the surplus funds are to be distributed by the City to Public Benevolent Institutions, with further constraints imposed in the particular version of the Constitution. Legal advice confirmed the distribution must be based on the 'trust' terms that existed at the time of the transfer (specific Constitution wording) and that the funds could not be used by the City or Leederville Gardens Inc.
- Council resolved to reimburse funds previously utilised by the City and transferred the balance of the Senior Reserve into the City's Trust account.

DETAILS:

In considering the development of guidelines to ultimately guide the distribution of the surplus funds held in the City's Trust account (Aged Persons Trust Account), for completeness, Administration initiated a review and reconciliation of the accumulated funds, which at 30 June 2016 (prior to transfer to Trust), the recorded balance in the Seniors Reserve was \$4,411,697, reflecting transfers in of \$2,447,623, with the balance being Interest earnings since 1997/98. The review incorporated a validation process, including a search of archives to obtain Annual Financial Statements for Leederville Gardens Inc. This process identified a discrepancy between the surplus values recorded as being transferred to the City by Leederville Gardens Inc. and the actual transfers to the Seniors Reserve, as detailed below:

<i>Financial Year</i>	<i>LG Inc. Statement</i>	<i>Transfer to Reserve</i>	<i>Difference</i>
1997-98	\$925,405	\$925,405	\$0
1998-99	\$21,739	\$21,739	\$0
1999-00	\$147,909	\$147,909	\$0
2000-01	\$17,448	\$17,448	\$0
2001-02	\$60,118	\$54,652	\$5,466
2002-03	\$0	\$0	\$0
2003-04	\$281,354	\$281,353	\$1
2004-05	\$119,272	\$50,000	\$69,272
2005-06	\$0	\$0	\$0
2006-07	\$191,030	\$191,030	\$0
2007-08	\$339,968	\$0	\$339,968
2008-09	\$0	\$0	\$0
2009-10	\$0	\$0	\$0
2010-11	\$72,456	\$70,000	\$2,456
2011-12	\$81,820	\$81,820	\$0
2012-13	\$362,638	\$0	\$362,638
2013-14	\$243,629	\$243,629	\$0
2014-15	\$0	\$362,638	(\$362,638)
2015/16	\$0	\$0	\$0
Total	\$2,864,786	\$2,447,623	\$417,163

Actual receipts have been confirmed for the surplus transfers, which should then as a matter of procedure have been held on trust, which at that time would have involved being transferred into the Seniors Reserve. As these funds were not transferred, they were effectively absorbed into the City's Closing Balance.

In view of the terms of the trust between the City and Leederville Gardens Inc., the outstanding transfer is actually recognised as a debt to the Trust account, inclusive of the interest it should have accumulated. The interest component has been calculated as \$217,782, based on the average interest rate received during each of the subsequent years. This therefore equates to a total of \$634,945, which will bring the balance held on trust to \$5 million.

CONSULTATION/ADVERTISING:

Not applicable

LEGAL/POLICY:

6.9. Trust fund

- (1) *A local government is to hold in the trust fund all money or the value of assets —*
 - (a) *that are required by this Act or any other written law to be credited to that fund; and*
 - (b) *held by the local government in trust.*
- (2) *Money or other property held in the trust fund is to be applied for the purposes of, and in accordance with, the trusts affecting it.*

- (3) *Where money or other property is held in the trust fund, the local government is to —*
- (a) *in the case of money, pay it to the person entitled to it together with, if the money has been invested, any interest earned from that investment;*
 - (b) *in the case of property, deliver it to the person entitled to it.*
- (4) *Where money has been held in the trust fund for 10 years it may be transferred by the local government to the municipal fund but the local government is required to repay the money, together with any interest earned from its investment, from that fund to a person claiming and establishing a right to the repayment.*

RISK MANAGEMENT IMPLICATIONS:

High: The City has an obligation to manage the surplus funds transferred by Leederville Gardens Inc. in accordance with the 'trust' established under the Leederville Gardens Inc. Constitution.

STRATEGIC IMPLICATIONS:

Strategic Plan 2013-2023:

"4.1 Provide good strategic decision-making, governance, leadership and professional management:

4.1.2 Manage the organisation in a responsible, efficient and accountable manner;

- (a) *Continue to adopt best practice to ensure the financial resources and assets of the City are responsibly managed and the quality of services, performance procedures and processes is improved and enhanced."*

SUSTAINABILITY IMPLICATIONS:

Not applicable.

FINANCIAL/BUDGET IMPLICATIONS:

The full surplus funds received in 2001/02, 2004/05, 2007/08 and 2010/11 were not transferred to the Seniors Reserve and therefore formed part of the City's Retained Surplus.

As the discrepancy in the transfers was discovered prior to the finalisation of the 2015/16 financial year audit, it is necessary to report items of materiality to the Auditor. In view of this, the auditors were advised and the relevant Financial Statements amended to take up an accrual for the debt (\$634,945) and make the necessary transfer from Retained Surplus to Trust in the Draft 2015/16 Annual Financial Report.

COMMENTS:

The City is obligated to hold the surplus funds transferred by Leederville Gardens Inc. on trust. It is not clear why Administration would not have immediately transferred all the surplus funds at the time of receipt, either to the Seniors Reserve or more correctly to the Trust Account, however, the terms of the trust remain. Administration, in consultation with the City's Auditor therefore initiated the appropriate amendment to the Draft 2015/16 Annual Financial Report to recognise the accrued debt.

It is of note that the 2016/17 Annual Budget was developed utilising an estimated closing Balance for 2015/16 of \$4,259,422 (including funding for carry forward projects). Following the above adjustment, the Draft 2015/16 Annual Financial Report, still subject to final audit reflects a Closing Balance of \$4,251,223.

9.3.8 Leederville Gardens Retirement Village – Village Manager

Ward:	North	Date:	4 November 2016
Precinct:	Leederville (3)	File Ref:	SC313 & SC308
Attachments:	<u>1</u> – Confidential Report 10.4.5 (20 November 2001)		
Tabled Items:	Nil		
Reporting Officer:			
Responsible Officer:	J Paton, Director Corporate Services		

RECOMMENDATION:

That Council **ADVISES** the Board of Leederville Gardens Inc. that the City:

1. **INTENDS** to withdraw from the role of Village Manager no later than 1 July 2017;
2. **WILL ASSIST** the Board in developing and undertaking an appropriate procurement process to identify suitably qualified and experienced providers to undertake the role of Village Manager, with a transition/handover period prior to the end of the financial year; and
3. **REAFFIRMS** its commitment to maintain a stewardship role with the Board, which could include providing ex-officio support to the Board or Board meetings.

PURPOSE OF REPORT:

To consider the City's ongoing management role of the Leederville Gardens Retirement Village.

BACKGROUND:

The Leederville Gardens Retirement Village (the Village) is a 66 unit independent living retirement village that was opened in 1993. The Village is located at 37 (Lot 100) Britannia Road, Leederville, which is owned in freehold by Leederville Gardens Inc. (the Association).

Administration has previously provided the following reports to Council dealing with the City's involvement with the Association, Board and the Village management:

- Item 9.4.1 to the Ordinary Council Meeting of 22 September 2015
- Item 14.1 to the Ordinary Council Meeting of 17 November 2015 (Confidential Report)
- Item 9.3.5 to the Ordinary Council Meeting of 8 March 2016
- Item 14.1 to the Ordinary Council Meeting of 3 May 2016 (Confidential Report)

In summary, key points of note are:

- The original Constitution and the Association was established by the City of Perth in the early 1990's when it provided land in Leederville for the establishment of the Village;
- The Objects of the Association were established on broad 'benevolent' principles, however over time and successive amendments to the Constitution the breadth of the Objects have been significantly reduced.
- The Constitution provided for a continuing 'stewardship' role for the City (originally Perth, now Vincent) to nominate 50% of the membership of the Board, with the Chairperson selected from those nominees. The Chairperson exercises a casting vote when necessary.
- Until 2015, the City's nominees to the Board had always been members of Council, however in November 2015 (item 14.1), the nominees were selected from a public expression of interest process.

In addition to the past involvement of Council members on the Board, the City has since 2002 also had a role in the operational management of the Village. Relevant background on how this came to be is detailed below:

A confidential report (Item 10.4.5 – See **Attachment 1**) was presented to the Ordinary Council Meeting of 20 November 2001 on the subject of the management of the Village. At that time, the Village had since 1995 been managed by Eldercare Pty Ltd, which was part of the St Ives Group.

The report stated that this “*report has been prepared at the request of some Elected Members who have been approached by residents of the Village who have raised concerns regarding the level of the Common Service Fee for residents, the lack of sales in the Village for properties on the market. As a result it was advised by the Mayor at the Annual General Meeting of the Leederville Gardens Retirement Village to review the operations of the Village and assess the possibility of management of the village being transferred to the Town of Vincent.*”

In presenting a case for the Town to undertake the management of the Village, the following table of perceived advantages and disadvantages was included in the report:

Advantages	Disadvantages
<ul style="list-style-type: none"> • Single focus on the requirements of Leederville Gardens. 	<ul style="list-style-type: none"> • No specific experience in management of Retirement Villages.
<ul style="list-style-type: none"> • Full Council resources available to the Village. 	<ul style="list-style-type: none"> • Possible priority of work conflicts with maintenance work at the Village.
<ul style="list-style-type: none"> • Allay resident’s concerns of perceived conflicts of interest with the Management Group. 	
<ul style="list-style-type: none"> • Additional communications available through Council network. 	
<ul style="list-style-type: none"> • Envisaged reduction in operating costs. 	
<ul style="list-style-type: none"> • Council management removes profit component from operation. 	
<ul style="list-style-type: none"> • Increased focus on requirement Leederville Gardens residents as only one (1) village under Council management. 	
<ul style="list-style-type: none"> • Proven track record in Administration. 	
<ul style="list-style-type: none"> • Anticipated reduction in management fees. 	
<ul style="list-style-type: none"> • Use of existing Council contracts for required work. 	
<ul style="list-style-type: none"> • Ability to subsidise costs through use of Council funds. 	

As a result, Council resolved:

“That;

- (i) *the report on the Management of Leederville Gardens Retirement Village Inc be received;*
- (ii) *this report be submitted as an agenda item for the next Leederville Gardens Retirement Village Inc Board;*
- (iii) *the Council instructs the Town of Vincent Board Members to support the proposal for the management of the Leederville Gardens Retirement Village Inc to be awarded to the Town of Vincent;*

- (iv) *in the event that (ii) and (iii) above are approved, the Chief Executive Officer be authorised to implement the necessary legal and administrative arrangements to manage the Leederville Gardens Retirement Village Inc;*
- (v) *the Chief Executive Officer be authorised to make public this report (or any part thereof) at the appropriate time; and*
- (vi) *the Council write to all Board Members and the Management organisation and inform them of Council's decision and that the Council wishes to assume responsibility for management of the Leederville Gardens Retirement Village Inc."*

In accordance with recommendation (v) above, the Chief Executive Officer has now authorised release of Confidential Report 10.4.5, which is included as **Attachment 1**.

On 23 April 2002, a further report (Item 10.4.3) was presented to Council, outlining:

- the outcome of the establishment of a working group by the Leederville Gardens Board, which included the then Town's Chief Executive Officer; and
- a proposed administrative structure for the Town to undertake the management role for Leederville Gardens.

The report included the following recommendation which was adopted unanimously:

"That the Council;

- (i) *ENDORSES the action taken by the Chief Executive Officer to implement the necessary legal and administrative arrangements for the Town's management of the Leederville Gardens Retirement Village (Inc); and*
- (ii) *NOTES that the Town's management of the Village is effective from 1 July 2002."*

The Council resolutions make reference to the Chief Executive Officer implementing the "necessary legal and administrative arrangements". Despite the City undertaking the management role for the past 14 years, there is no record that a contract was ever developed and executed, nor any form of agreement entered into that defines the scope of the role, resources to be provided, financial arrangements and contract period.

Whilst the 20 November 2001 report included a financial table outlining the estimated operating costs for the Village under the Town's management, including an entry for 'Administration' of \$60,000 (down from \$67,596), there was no explicit reference to what the service would cost the Town to undertake or indeed the overall resourcing level or expertise required to perform that role

In undertaking the Village Manager role, the City invoices the Board an annual management fee. A review of records reveals the following fees were levied between 2010 and 2015:

2010/11	\$40,000
2011/12	\$41,200
2012/13	\$46,200
2013/14	\$48,000
2014/15	\$55,000

In the lead up to the 2015/16 budget, it was identified that the actual cost incurred by the City was (conservatively estimated) in the order of \$150,000, therefore the service charge was increased accordingly.

DETAILS:

Over the last 12 months, significant change has been occurring, impacting on the management of the Village, including:

- Changes to legislation – introduction of the Retirement Villages Amendment Regulations 2015 and the Code of Fair Practice for Retirement Villages 2015 (the Code) which sets out the practices that apply to the promotion, sale and operation of retirement villages. The Code had a phased introduction through to 1 July 2016 and has implications on financial reporting, budgeting, disclosure requirements and residence contracts.
- Board induction – the appointment of independent Board members by the City has required the provision of significant information on the background, financial position, operations, legislation and tenancies to ensure the Board is in a position to make informed decisions and operate strategically.
- Termination of tenancies – a number of residential units have progressively been vacated, requiring Board decisions on refurbishment standards and sales processes, together with contract management of the refurbishment works.
- Operational changes – a review of service contracts to ensure best value.

Changes within the City's Administration over the last 12 months have compounded the challenges confronted by Administration in fulfilling its obligations as Village Manager. Personnel turnover has impacted on the level of knowledge and relevant expertise to effectively manage the Village in an efficient and compliant manner. In view of these challenges, it has been necessary for the City to enter into a short term contract with Village Solutions Australia (VSA) to provide support to the City in its ongoing role of Village Manager.

VSA specialises in the management of retirement villages and therefore brings a degree of expertise that does not otherwise exist at the City. The scope for VSA has included a review of current management practices, systems and compliance audit and support in updating those systems as required. The contract was initially for 3 months, however it has been necessary to extend it for a further 3 months, expiring 10 January 2017.

Notwithstanding the temporary appointment of VSA, the City is still the principal contractor to the Village, therefore routine operational oversight is still required. In addition, the City retains full responsibility for all financial bookkeeping, Board secretarial and reporting functions.

CONSULTATION/ADVERTISING:

At various times over the last 12 months the City has advised the Board and residents of the Village that the City considers there are more qualified organisations, better suited and resourced to undertake the role of Village Manager, however it has been reiterated the City would not simply withdraw from the service.

At the latest Board meeting on 10 October 2016, this matter was again discussed and advice given that the matter would be presented to Council for consideration. The Board indicated a 30 June 2017 / 1 July 2017 implementation would be appropriate.

LEGAL/POLICY:

Not applicable

RISK MANAGEMENT IMPLICATIONS:

Medium Due to the City's resourcing capacity and limited technical knowledge of the retirement village industry and associated legislation, the risks are primarily associated with the City remaining the Village Manager, not in exiting from the service, which is the recommendation of this report.

STRATEGIC IMPLICATIONS:

Strategic Plan 2013-2023

"4.1 Provide good strategic decision-making, governance, leadership and professional management

4.1.2 Manage the organisation in a responsible, efficient and accountable manner."

SUSTAINABILITY IMPLICATIONS:

Not applicable.

FINANCIAL/BUDGET IMPLICATIONS:

The 2016/17 Annual Budget included Management Fee income of \$75,000, which was calculated by allowing for a six month proportion of the fee charged in 2015/16. This was on the basis that it was anticipated the City would work with the Board over that period and have implemented a process to transition to an external provider by the midway point of the 2016/2017 financial year. This will need to be reviewed if the transition period is extended to the end of the current financial year.

COMMENTS:

Increasingly over the last 12 months, the Board has been demonstrating its capacity to operate independently, whilst the administrative processes have been progressively refined and brought up to an appropriate standard through the efforts of the City's Administration and with the support of VSA.

It is therefore timely to give consideration to the City's withdrawal from the Village Manager function. There are significant factors that support a withdrawal, including:

1. Liability – the role of Administrator of a retirement village is covered by the *Retirement Villages Act 1992, Retirement Villages Regulations 1992 and Code of Fair Practice for Retirement Villages 2015*. In addition, in supporting the Board, it is necessary to understand the Constitution and comply with the requirements of the *Association Incorporations Act 2015*. These are specialist knowledge areas in which the City does not possess the required expertise and experience.
2. Cost recovery – the current Management Fee charged by the City is \$150,000. Whilst that is a substantial increase over the fee of \$55,000 charged in 2014/15, it is unlikely to be covering the full cost of the service provided by the City, particularly given the requirement for the City to supplement existing skills and capacity through the contract with VSA.

It is noted that two of the original arguments supporting the City undertaking the management role for the Village were:

- *Council management removes profit component from operation*
- *Ability to subsidise costs through use of Council funds*

Administration does not support these arguments because it is considered inappropriate and inequitable for the City to subsidise the service, particularly as external professional providers are now likely able to provide the service directly at a lower cost to the Village residents than on a full cost recovery fee from the City.

3. Resourcing – related to the cost recovery issue, the City has limited resources to sustain the management function and despite the temporary subcontracting of functions to VSA is still required to divert valuable resources to the Village and Board, rather than providing and improving services to the benefit of the entire community.

In addition, as Village Manager, there is an expectation of 24 hour support, which imposes significant responsibility on the respective City officer(s), beyond that normally required in their roles. Through the contract with VSA, this level of service is able to be provided, however in the absence of that temporary contract, this could lead to a conflict with the Award or relevant Contract of Employment, or flow on to the performance of regular City duties.

In the absence of a management agreement or contract between the City and the Board Council may resolve to withdraw from the management function without the need for Board endorsement. Equally the Board may terminate the City's management of the Village without the need for Council endorsement.

It is increasingly clear, that whilst there is merit in the City maintaining a stewardship role at the Board level, there are more appropriate options for the ongoing operational management of the Village. It is therefore recommended that Council advises the Board of the following: to provide for a smooth transition to an alternative provider:

- The City intends to withdraw from the role of Village Manager no later than 1 July 2017;
 - The City will assist the Board in developing and undertaking an appropriate procurement process to identify suitably qualified and experienced providers to undertake the role of Village Manager, with a transition/handover period prior to the end of the financial year; and
 - Reaffirms that the City is committed to maintain a stewardship role with the Board, which could include providing ex-officio support to the Board.
-

9.4 COMMUNITY ENGAGEMENT

9.4.1 Manna Inc. – Provision of Free Meal Services for the Homeless at Weld Square

Ward:	South	Date:	10 November 2016
Precinct:	Beaufort	File Ref:	SC1789
Attachments:	<u>1</u> – Weld Square Site Map		
Tabled Items:	Nil		
Reporting Officers:	L Keillor, Community Development Officer C Mooney, A/Manager Community Development		
Responsible Officer:	M Quirk, Director Community Engagement		

RECOMMENDATION:

That Council:

1. **APPROVES** the use of Weld Square by Manna Inc. for a 12 month period concluding 30 November 2017 for the purposes of providing the free meal service for people who are experiencing homelessness or at risk of homelessness, subject to the following conditions:
 - 1.1 Hours of operation shall be between 1.30pm and 2:30pm, six days a week excluding Saturdays;
 - 1.2 A direct contact number for Manna Inc. shall be provided and made available to local residents and businesses on the City of Vincent website;
 - 1.3 Manna Inc. shall ensure that the service provision will have minimal impact and disturbance to the nearby amenities and environment, and comply with all relevant legislation;
 - 1.4 Manna Inc. staff shall pick up all rubbish and litter pertaining to its client group before leaving the Square;
 - 1.5 Manna Inc. must maintain appropriate public liability insurance coverage and indemnify the City against any accident, injury and damage resulting from or incidents arising from Manna Inc.'s use of Weld Square as per Policy No. 2.1.7 Parks, Reserves and Hall Facilities;
 - 1.6 No more than two vehicles shall be allowed access on the Square at any time;
 - 1.7 Manna Inc. will enter the Square via the Newcastle Street crossover and provide its meal service at the southern side of the park in Winter (May to October) and northern side of the park in Summer (November to April) as identified within Attachment 1 with specific dates to be determined by Administration through liaison with Manna Inc. dependent upon high temperatures; and
 - 1.8 Permission to operate within the Square may be withdrawn by the City at its discretion.
2. **APPROVES** a fee waiver up to the amount of \$13,125 for usage of Weld Square by Manna Inc. during the period November 2016 to November 2017; and
3. **NOTES** that Administration will provide a quarterly update through the Council Information Bulletin detailing key statistics related to the Manna Inc. free meal service at Weld Square including any complaints, issues and associated actions.

PURPOSE OF REPORT:

To consider the ongoing use of Weld Square by Manna Inc. from November 2016 to November 2017 for the purposes of providing a free meal service for people who are experiencing homelessness or at risk of homelessness.

BACKGROUND:

Manna Inc. is a volunteer driven, not for profit organisation focussed on providing assistance and dignity to the homeless and the vulnerable. Their key services include Hot and Healthy Lunch Service, School Breakfast Program and Winter School Uniform Program. In particular, their provision of meals has grown to be Perth's largest humanitarian food outlet for the homeless and disadvantaged. This includes serving soup, a main meal, dessert and drink six days a week (excluding Saturday) at Weld Square. An average of 200 meals per day are provided to a wide range of men, women and children. These freshly prepared meals are provided with no expectation that the recipients need to contribute financially.

In August 2008, the City approved use of Weld Square by Manna Inc. for this purpose six days per week (excluding Saturday) from 4.30pm – 6.30pm on a temporary basis until they were able to secure a suitable permanent premises. The City implemented an agreement that required Manna Inc. to take steps to minimise any disturbance and impact to nearby residents as well as picking up all associated rubbish and litter.

In October 2013, the City and Manna Inc. agreed to work together to find another site or premises for the service. At the Ordinary Meeting of Council held on 5 November 2013 it was then resolved to approve the continued use of Weld Square for a period of 12 months subject to a range of conditions. During this period the City in conjunction with Manna Inc. entered into negotiations with the Aboriginal Advancement Council regarding potential usage of their property on Beaufort Street. This option did not eventuate due to associated costs and that this location would not address or alleviate nearby resident concerns. As a result, at the Ordinary Meeting of Council on 2 December 2014 it was resolved to again approve the continued use of Weld Square six days per week (excluding Saturday) between 5.00pm – 6.00pm for a 12 month period. Council also approved the installation of a \$10,000 crossover at the Newcastle Street entrance for the purpose of Manna Inc. vehicle entry and exit.

In June 2015, the Mayor attended a community meeting in response to nearby resident and business complaints regarding anti-social behaviour at Weld Square which were allegedly linked to Manna Inc. services. At that time, Administration identified that there were several contributing factors leading to such anti-social behaviour and many of them were not attributable to Manna Inc. The Parks Working Group then worked in collaboration with WA Police, Salvation Army, Nyoongar Outreach Services and Manna Inc. to determine solutions to local resident and business concerns. The key outcome was changing the free meal service time from 5.00pm – 6.00pm to 1.30pm – 2.30pm. In addition, the service was moved to the Newcastle Street side of Weld Square to reduce impacts on adjacent apartments.

Upon these changes being made, the Mayor sent correspondence to approximately 600 nearby residents with only three responses received of which one supported Manna Inc.'s services and two sought to have the service moved elsewhere. Feedback from the City's Rangers, WA Police and Nyoongar Outreach Services following these changes identified that anti-social behaviour incidents dropped significantly. Nonetheless, Council again requested that Manna Inc. seek an alternative site or premises given the increased development surrounding Weld Square. Manna Inc. engaged an independent consultant to investigate alternatives however an appropriately sized premises in a suitable location could not be identified, and the anticipated costs associated with an indoor premises were deemed not financially sustainable for such a not-for-profit organisation.

In October 2015, Administration identified three options in regards to Manna Inc.'s future at Weld Square including:

- Manna Inc. continue to operate for a further 12 months to better determine with the associated issues have reduced, and if so, Council may make an informed decision about whether their long-term use of Weld Square should be considered.
- Manna Inc. be advised to find an alternative indoor venue and is not permitted to operate from Weld Square after this period.
- Manna Inc. operates from another outdoor area in the City or elsewhere noting that this may reduce accessibility to the free meal service and may be seen as moving the issue rather than resolving it.

These options were considered at the Ordinary Meeting of Council held on 17 November 2015 and it was resolved that Council:

- “1. *NOTES that Manna Inc. has revised its hours of operation to reduce the impact and disturbance to the nearby amenities and environment, and that Manna Inc. has not found an alternative venue;*
 2. *APPROVES the waiving of fees of \$13,125 for Manna Inc.'s use of Weld Square to carry out a free meal service for people who are homeless or at risk of homelessness for a period of 12 months, concluding 7 December 2016, subject to the following conditions:*
 - 2.1 *Hours of operation shall be between 1.30pm and 2:30pm, six days a week excluding Saturdays;*
 - 2.2 *An afterhours contact number for Manna Inc. shall be provided to the City of Vincent;*
 - 2.3 *Manna Inc. shall ensure that the service provision will have minimal impact and disturbance to the nearby amenities and environment, and comply with all relevant legislation;*
 - 2.4 *No more than two vehicles shall be allowed access on the Square at any time;*
 - 2.5 *Manna Inc. will enter the Square via the new Newcastle Street crossover and provide its meal service at the southern side of the park;*
 - 2.6 *Manna Inc. staff shall pick up all rubbish and litter pertaining to its client group before leaving the Square;*
 - 2.7 *Permission to operate within the Square may be withdrawn by the City at its discretion; and*
 - 2.8 *Manna Inc. must maintain public liability and endorse to indemnify the City against any accident, injury and damage resulting from or incidents arising from Manna Inc.'s use of Weld Square as per Policy No. 2.1.7 Parks, Reserves and Hall Facilities; and*
 3. *NOTES that Administration will report back to Council on the outcome of the revised hours of operation and future suitability of Manna Inc. remaining located at Weld Square before December 2016.”*
-

Prior to Administration providing a report back to Council to consider a more long-term recommendation regarding Manna Inc.'s use of Weld Square a petition was received at the Ordinary Meeting of Council on 18 October 2016. The petition from residents and businesses contained 90 signatures and requested that "the City of Vincent (Council) keep their promise and relocate the Manna Inc. feeding service from Weld Square to a non-residential location by December 2016. City of Vincent is to propose a new location as they see fit to offer the individuals in need the dignity they deserve." The accompanying correspondence from the lead petitioner further states that "the food trucks attract a vast majority of obnoxious people resulting in detrimental social and financial impacts."

During the period that the petition was being circulated the City also received three responses from residents directly opposing the petition with two of these responses utilising the petition signatory form. These two residents stated that they were not in support of the petition and that further marginalising the homeless by removing them from a community location will not be beneficial to the long term mental health of those individuals. The residents suggested that rather than treating those in need with an 'out of sight, out of mind' mentality increasing levels of support to get those affected into housing and appropriate treatment would be more appropriate.

The other response from a local resident identified that the issues raised within the petition are not solely related to the Manna Inc. service but are related to the nearby entertainment venues and fast food establishments in close proximity to the Square. This resident encouraged the community to work collaboratively towards sustainable solution including the continuation of the free meal service during the day, litter clean up by Manna Inc. and regular Police and Ranger patrols.

DETAILS:

Homelessness is a serious community issue particularly within the Perth CBD and immediately surrounding inner-City areas including Vincent. Perth Registry Week 2016, a Ruah Community Services led initiative to survey homeless people as the basis to provide support services, identified that 28 people were sleeping rough within Vincent and 319 people were sleeping rough within the City of Perth. Of those within Vincent the average age is 37, the majority are male (65% compared to 35% female) and 47% are from an Aboriginal background. Given the inner-City location of these individuals it is likely that many of them currently access the free meal service provided by Manna Inc. at Weld Square.

There are a range of factors that need to be taken into consideration when assessing the ongoing suitability of Weld Square as the location for the free meal service:

Manna Inc. Service Delivery

Manna Inc. has effectively serviced homeless people from Weld Square for an extended period of time and the location is now well established as Perth's largest humanitarian food outlet for the homeless and disadvantaged. Weld Square is utilised only six hours per week for this purpose.

The free meal service is operated from a public place and substantially delivered through volunteers to enable Manna Inc. to maintain low overheads and administration costs. This ensures that their funds go straight to providing food and essential services to the community. Despite continued efforts by both the City of Vincent and Manna Inc. a suitable indoor premises has not been located to accommodate the free meal service. Given that the service only operates one hour per day it is unlikely that such a premises will be available within the inner-City without dramatically impacting the financial sustainability of Manna Inc. and the Feeding the Homeless Program.

Manna Inc. has regularly adhered to the Weld Square usage conditions and over the last twelve months has remained highly responsive to any requests from the City to deal with issues. This has primarily related to the removal of litter and their volunteers have made a concerted effort to remove all rubbish at completion of the free meal service each day. In addition, Administration has granted approval for the relocation of the free meal service during winter and summer months to ensure adequate shade coverage for recipients. Manna Inc. has adhered to this seasonal changeover and therefore Administration recommends that this arrangement continues for the next twelve month period albeit with more defined periods – winter (May to October) and summer (November to April).

Manna Inc. has advised the City that their preference is to continue to operate from Weld Square and they have committed to continue working with the City and other key agencies to quickly address any associated impacts.

Weld Square Anti-Social Behaviour & Other Associated Issues

It is evident that Weld Square given its proximity to Perth CBD and its prominent location on both Beaufort and Newcastle Streets attracts a wide variety of people at varying times of the day. As a result, while there has been some instances of anti-social behaviour and other incidents at Weld Square over the last twelve months although the significant majority of these issues cannot be directly linked to the Manna Inc. free meal service.

Advice from the WA Police confirms that anti-social behaviour at Weld Square has dropped significantly since the movement of the free meal service to the afternoon, and therefore this would not be a justifiable reason to discontinue the service at that location. Similarly, the City's Rangers have identified that while Weld Square remains an important hotspot for regular patrols there have been no significant issues associated with the free meal service over the last twelve months.

Representatives from the City's Community Engagement Directorate have also attended Weld Square on multiple occasions over the last twelve month period and not witnessed any anti-social behaviour during or immediately following the free meal service. In response to regular resident complaints about litter within Weld Square the City now attends and empties all rubbish bins on a daily basis.

While Administration contends that previous anti-social behaviour and littering issues associated with the free meal service have been effectively managed the recent petition and sentiment of local residents and businesses is acknowledged. On this basis, given that community concerns remain it may not be timely for Council to approve a longer tenure for Manna Inc. at Weld Square. Through ongoing collaboration with key stakeholders such as the WA Police and Nyoongar Outreach Services the City will seek to maintain the management of any associated impacts as well as the broader anti-social behaviour issues occurring at Weld Square.

Community Partnerships

The complexity of homelessness in our community requires a collaborative approach between government, service delivery organisations, businesses and residents. The City of Vincent has established strong partnerships with key organisations such as the Salvation Army, Department for Child Protection and Support, Shelter WA, Uniting Care West and the Department of Housing through the Parks Working Group. Notably, advice from the Parks Working Group Chairperson has confirmed the importance of the free meal service provided by Manna Inc. and the suitability of Weld Square given the strong awareness amongst homeless people as a location to obtain food. The Chair also confirmed that Salvation Army had undertaken mapping of the food service delivery across Perth and Manna is unique in offering a lunchtime meal service. Additionally, service providers do attend the meal service to engage with clients that they otherwise may not be able to make contact with.

In addition, Council recently approved a new Partnership Understanding Agreement between the City of Vincent and Nyoongar Outreach Services. As part of this agreement Nyoongar Outreach Services will attend the Weld Square free meal service on weekdays to support Manna Inc. and provide outreach support services. This is highly relevant given that homelessness is a considerable issue for Aboriginal people who make up a disproportionate number of Perth's homeless including within Vincent and the Perth CBD. The Nyoongar Outreach Services Chief Executive Officer has also reaffirmed the importance of the free meal service and the accessibility of Weld Square for homeless people within the inner-City area.

Proposed Relocation to Non-Residential Area

The recent petition requests that the free meal service delivered by Manna Inc. be relocated to a non-residential location. As an inner-City Local Government area with increasing mixed-use and residential densification there are no such locations that would be considered 'non-residential.'

The close proximity of Weld Square to other support services in inner-city Perth is vital to ensure that those who need the services are able to easily access them. For this disadvantaged population, transport is often an issue. Ruah Day Centre, Tranby Day Centre and Passages Resource Centre are all located nearby in Northbridge and all provide accommodation assistance, a variety of health, education, support and meal services. The Salvation Army, Red Cross and Uniting Care West's services are all located in the surrounding streets that are walking distance to Weld Square. Emergency accommodation services including Hope Inc., Passages Resource Centre and The Salvation Army are all located close by in Northbridge.

Given the unavailability of an indoor premises in the foreseeable future, whether that be a public or private building, the free meal service will likely continue to be delivered from a public open space. With homeless people having limited mobility it remains vitally important that the location for the free meal service remains in close proximity to their current location. Upon reviewing public open spaces within this location it is apparent that Weld Square remains the most appropriate location. Any such relocation to another public place will simply lead to the perceived impacts being shifted to other local residents and businesses. Again it is important to note Administration's view that the majority of the issues and complaints regarding antisocial behaviour at Weld Square are not linked to the Manna Inc. free meal service.

In addition, the lead petitioner has identified that the Manna Inc. free meal service would benefit from relocating to a currently unoccupied Salvation Army shelter. Administration has liaised directly with the Salvation Army and no such unoccupied shelter exists so this is not an option. The petition also specifically requests that Council "keep their promise by relocating the Manna Inc. free meal service." While for an extended period of time the City only granted temporary use of Weld Square and required Manna Inc. to identify another more permanent location at no time has Council 'promised' their relocation. Indeed the most recent Council resolution in November 2015 requires Administration to report back the outcomes of the revised hours of operation to determine the future suitability of Manna Inc. remaining at Weld Square.

CONSULTATION/ADVERTISING:

Nil.

LEGAL/POLICY:

- Policy No. 2.1.7 – Parks, Reserves and Hall Facilities – Conditions of Use; and
 - Policy No. 3.10.5 – Donations, Sponsorship and Waiving of Fees.
-

RISK MANAGEMENT IMPLICATIONS:

Moderate: Weld Square attracts a wide range of users given its prominent location and will continue to attract focus from local residents and businesses should the Manna Inc. free meal service continue to operate from this location. Although usage of Weld Square for this purpose remains relevant given the prevalence of homelessness within the inner-City area. Discontinuing or relocating the service presents a risk to ongoing delivery of an essential community service.

STRATEGIC IMPLICATIONS:

The ongoing use of Weld Square by Manna Inc. aligns with key objectives within the City's *Strategic Community Plan 2013-2023* as follows:

"Economic Development

2.1.2 *Develop and promote partnerships and alliances with key stakeholders.*

Community Development and Wellbeing

3.1.2 *Promote and foster community safety and security.*

3.1.3 *Promote health and wellbeing in the community."*

SUSTAINABILITY IMPLICATIONS:

Nil.

FINANCIAL/BUDGET IMPLICATIONS:

In accordance with Council's Adopted Fees & Charges Schedule it would cost \$13,125 for Manna Inc. to utilise Weld Square six days per week for a twelve month period. As per previous arrangements with Manna Inc. it is recommended that these reserve hire fees be waived by Council in recognition of their voluntary service to the community.

COMMENTS:

Given the existence of homelessness within inner-City Perth, including the City of Vincent, the ongoing provision of free meal services by Manna Inc. remains vitally important. All stakeholders including government, community, business and individuals have a role to play in responding to homelessness. Strong leadership is required particularly at Local Government level to continue to work collaboratively with organisations such as Manna Inc. to provide assistance and dignity to the homeless and the vulnerable. On this basis, it is recommended that Manna Inc. again be granted approval to utilise Weld Square for the free meal service.

The views of local residents and businesses, communicated most recently through a petition, must be acknowledged although based on monitoring over the last twelve months it is not considered that the alleged anti-social behaviour issues are necessarily associated with the free meal service. Nonetheless, Administration proposes to provide regular statistics through the Council Information Bulletin so that Councillors remain well-informed about the impacts of the free meal service. The City will continue to work with Manna Inc., Nyoongar Outreach Services, WA Police, Parks Working Group and other key stakeholders to manage any associated impacts as well as the broader anti-social behaviour issues that may occur at Weld Square.

While Manna Inc. should continue to monitor the availability of an indoor premises to accommodate the free meal service it is evident that no such premises has been identified despite investigations over a number of years. Therefore, it is considered that such investigations should no longer be a condition or expectation associated with their ongoing usage of Weld Square. As long as approval conditions and any associated issues remain effectively managed then Manna Inc. should be provided with certainty that Weld Square will remain available for the free meal service on an ongoing basis.

9.5 CHIEF EXECUTIVE OFFICER

9.5.1 Information Bulletin

Ward:	-	Date:	28 October 2016
Precinct:	-	File Ref:	-
Attachments:	-		
Tabled Items:	-		
Reporting Officer:	L Hood, A/Governance & Council Support Officer		
Responsible Officer:	L Kosova, Chief Executive Officer		

RECOMMENDATION:

That Council **RECEIVES** the Information Bulletin dated 15 November 2016 as distributed with the Agenda.

ITEM	DESCRIPTION
IB01	Unconfirmed Minutes of the Business Advisory Group Meeting held on 17 August 2016
IB02	Unconfirmed Minutes of the Design Advisory Committee Meeting held on 28 September 2016
IB03	Unconfirmed Minutes of the Reconciliation Action Plan Working Group Meeting held on 3 October 2016
IB04	Unconfirmed Minutes of the Safer Vincent and Crime Prevention Partnership (SVCPP) Meeting held on 19 October 2016
IB05	Unconfirmed Minutes of the Road Safety Advisory Group Meeting held on 28 September 2016
IB06	Minutes of Mindarie Regional Council Meeting held on 20 October 2016
IB07	Minutes of Tamala Park Regional Council Meeting held on 20 October 2016
IB08	Register of Legal Action (Confidential – Council Members Only) – Monthly Report as at 27 October 2016
IB09	Register of State Administrative Tribunal (SAT) Appeals – Progress Report as at 27 October 2016
IB10	Register of Applications Referred to the MetroWest Development Assessment Panel – Current
IB11	Register of Petitions – Progress Report – November 2016
IB12	Register of Notices of Motion – Progress Report – November 2016
IB13	Register of Reports to be Actioned – Progress Report – November 2016

10. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil.

11. QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

Nil.

12. REPRESENTATION ON COMMITTEES AND PUBLIC BODIES

Nil.

13. URGENT BUSINESS

Nil.

14. CONFIDENTIAL ITEMS/MATTERS (“BEHIND CLOSED DOORS”)

14.1 CONFIDENTIAL REPORT: No. 42 (Lot: 10 DP: 167) Shakespeare Street (Formerly No. 86 Hobart Street), Mount Hawthorn – Amendment to Development Approval for 18 Multiple Dwellings – Supreme Court Appeal of State Administrative Tribunal Decision No. 115

Ward:	North	Date:	1 November 2016
Precinct:	Precinct 1 – Mt Hawthorn	File Ref:	PR14061; 5.2015.358.1
Attachments:	Confidential – Location and Notification Map Confidential – Development Plans Illustrating Proposed Overlooking Confidential – State Administrative Tribunal Decision Confidential – Supreme Court Appeal Notice Confidential – Legal Advice		
Tabled Items:	Nil		
Reporting Officer:	P Di Perna, Manager Approval Services		
Responsible Officer:	J Corbellini, Director Development Services		

DETAILS:

The Chief Executive Officer is of the opinion that this report is of a confidential nature as it contains information concerning legal advice obtained, or which may be obtained, by the local government and which relates to a matter to be discussed at the meeting.

LEGAL:

The Local Government Act 1995, Section 5.23(2) prescribes that a meeting or any part of a meeting may be closed to the public when it deals with a range of matters.

The City of Vincent Local Law Relating to Standing Orders states the following:

“2.14 Confidential business

(1) All business conducted by the Council at meetings (or any part of it) which are closed to members of the public is to be treated in accordance with the Local Government (Rules of Conduct) Regulations 2007.

The confidential report is provided separately to Council Members, the Acting Chief Executive Officer and Directors.

In accordance with the legislation, the report is to be kept confidential until determined by the Council to be released for public information.

At the conclusion of these matters, the Council may wish to make some details available to the public.

14.2 CONFIDENTIAL REPORT: Consideration of Ex Gratia Payment

Ward:	Both	Date:	1 November 2016
Precinct:	All	File Ref:	-
Attachments:	Confidential – Location Plan Confidential - Photographs		
Tabled Items:	Nil		
Reporting Officer:	L Kosova, Chief Executive Officer		
Responsible Officer:	L Kosova, Chief Executive Officer		

DETAILS:

The Chief Executive Officer is of the opinion that this report is of a confidential nature as it contains information concerning a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting.

LEGAL:

The Local Government Act 1995, Section 5.23(2) prescribes that a meeting or any part of a meeting may be closed to the public when it deals with a range of matters.

The City of Vincent Local Law Relating to Standing Orders states the following:

“2.14 Confidential business

- (1) *All business conducted by the Council at meetings (or any part of it) which are closed to members of the public is to be treated in accordance with the Local Government (Rules of Conduct) Regulations 2007.*

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In accordance with the legislation, the report is to be kept confidential until determined by the Council to be released for public information.

At the conclusion of these matters, the Council may wish to make some details available to the public.

15. CLOSURE
