

# agenda

Ordinary Meeting of Council



To: His Worship the Mayor and Councillors

Please be advised that an Ordinary Council Meeting will be held at **6.30pm** on **Tuesday 11 December 2018** in the **Council Chambers**, Administration Centre at 99 Shepperton Road, Victoria Park.

A handwritten signature in black ink, appearing to read "A Vuleta".

**MR ANTHONY VULETA**  
**CHIEF EXECUTIVE OFFICER**

7 December 2018

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## 1 OPENING

Almighty God, under whose providence we hold responsibility for this Town, grant us wisdom to understand its present needs, foresight to anticipate its future growth and grace to serve our fellow citizens with integrity and selfless devotion.

And to Thee, be all blessing and glory forever.

AMEN

### Acknowledgement of Country (by Mayor)

I acknowledge the traditional custodians of this land the Noongar people and pay my respects to the Elders past, present and future for they hold the memories, the traditions, the culture and hopes of Indigenous Australians.

## 2 ANNOUNCEMENTS FROM THE PRESIDING MEMBER

### 2.1 Recording of Proceedings

In accordance with clause 5.14 of the *Town of Victoria Park Standing Orders Local Law 2011*, as the Presiding Member, I hereby give my permission for the Administration to record proceedings of this meeting.

### 2.2 Public Question & Public Statement Time

There are guidelines that need to be adhered to in our Council meetings and during question and statement time people speaking are not to personalise any questions, or statements about Elected Members, or staff or use any possible defamatory remarks.

In accordance with clause 5.15 of the *Town of Victoria Park Standing Orders Local Law 2011*, a person addressing the Council shall extend due courtesy and respect to the Council and the processes under which it operates and shall comply with any direction by the presiding member.

A person present at or observing a meeting shall not create a disturbance at a meeting, by interrupting or interfering with the proceedings, whether by expressing approval or dissent, by conversing or by any other means.

When the presiding member speaks during public question time or public statement time any person then speaking, is to immediately stop and every person present is to preserve strict silence so that the presiding member may be heard without interruption.

### 2.3 No Adverse Reflection

In accordance with clause 14.1 of the *Town of Victoria Park Standing Orders Local Law 2011*, both Elected Members and the public when speaking are not to reflect adversely on the character or actions of Elected Members or employees

### 2.4 Town of Victoria Park Standing Orders Local Law 2011

All meetings of the Council, committees and the electors are to be conducted in accordance with the Act, the Regulations and the *Town of Victoria Park Standing Orders Local Law 2011*.

### 3 ATTENDANCE

<b>Mayor:</b>	Mr T (Trevor) Vaughan
<b>Banksia Ward:</b>	Cr C (Claire) Anderson Cr J (Julian) Jacobs Cr R (Ronhhda) Potter Cr K (Karen) Vernon
<b>Jarraah Ward:</b>	Cr J (Jennifer) Ammons Noble Cr B (Bronwyn) Ife Cr B (Brian) Oliver
<b>Chief Executive Officer:</b>	Mr A (Anthony) Vuleta
<b>Chief Operations Officer:</b>	Mr B (Ben) Killigrew
<b>Chief Financial Officer:</b>	Mr N (Nathan) Cain
<b>Chief Community Planner:</b>	Ms N (Natalie) Martin Goode
<b>Manager Development Services</b>	Mr R (Robert) Cruickshank
<b>Secretary:</b>	Mrs A (Alison) Podmore
<b>Public:</b>	

#### 3.1 Apologies

#### 3.2 Approved Leave of Absence

<b>Jarraah Ward:</b>	Cr V (Vicki) Potter (Deputy Mayor)
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### 4 DECLARATIONS OF INTEREST

Declarations of interest are to be made in writing prior to the commencement of the Meeting, (a form to assist Elected Members and Staff is attached at the end of this Agenda).

#### Declaration of Financial Interests

A declaration under this section requires that the nature of the interest must be disclosed. Consequently a member who has made a declaration must not preside, participate in, or be present during any discussion or decision-making procedure relating to the matter the subject of the declaration. An employee is required to disclose their financial interest and if required to do so by the Council must disclose the extent of the interest. Employees are required to disclose their financial interests where they are required to present verbal or written reports to the Council. Employees are able to continue to provide advice to the Council in the decision making process if they have disclosed their interest.

Name/Position	
Item No/Subject	
Nature of Interest	
Extent of Interest	

**Declaration of Proximity Interest**

Elected members (in accordance with Regulation 11 of the *Local Government [Rules of Conduct] Regulations 2007*) and employees (in accordance with the Code of Conduct) are to declare an interest in a matter if the matter concerns: a) a proposed change to a planning scheme affecting land that adjoins the person’s land; b) a proposed change to the zoning or use of land that adjoins the person’s land; or c) a proposed development (as defined in section 5.63(5)) of land that adjoins the persons’ land.

Land, the proposed land adjoins a person’s land if: a) the proposal land, not being a thoroughfare, has a common boundary with the person’s land; b) the proposal land, or any part of it, is directly across a thoroughfare from, the person’s land; or c) the proposal land is that part of a thoroughfare that has a common boundary with the person’s land. A person’s land is a reference to any land owned by the person or in which the person has any estate or interest.

Name/Position	
Item No/Subject	
Nature of Interest	
Extent of Interest	

**Declaration of Interest affecting impartiality**

Elected Members (in accordance with Regulation 11 of the *Local Government [Rules of Conduct] Regulations 2007*) and employees (in accordance with the Code of Conduct) are required to declare any interest that may affect their impartiality in considering a matter. This declaration does not restrict any right to participate in or be present during the decision-making process. The Elected Member/employee is also encouraged to disclose the nature of the interest.

Name/Position	Ronhdda Potter - Councillor
Item No/Subject	Item 12.2 – Lease of Residential Units and Lease of Administration Centre, Hall and Day Centre to Harold Hawthorne Senior Citizens Centre and Home Inc.
Nature of Interest	Impartiality
Extent of Interest	I am a member of the Board of Harold Hawthorne Senior Citizens Centre and Home Inc.

Name/Position	Brian Oliver - Councillor
Item No/Subject	Item 11.4 - 53 – 63 Burswood Road, Burswood – Amendment to Development Approval
Nature of Interest	Impartiality
Extent of Interest	I am friends with Paul Cunningham from Rowe Group who will be making a deputation on this item.

## 5 PUBLIC QUESTION TIME

### 5.1 Responses to Questions Raised and Taken on Notice at the Ordinary Council Meeting held on Tuesday 13 November 2018

#### John Collins

- Q. Is the Electricity billed every quarter or every year?
- R. This is the monthly bill for the street light electrical tariff. On average, the Town spends over \$700,000 per annum

#### Mike Lanternier

- Q. With regards to 'Change of Use from Office to Gyms' can the Town advise how many approvals for this change have been approved in the last 12 months?
- R. In the last 12 months (November 2017 to November 2018), there have been three applications approved for gyms within the Town.
- Q. How many gym memberships have been received by the Council operated Leisurelife and Aqualife, in the past 12 months?
- R. The Aqualife and Leisurelife facilities have received 3,396 memberships over the past 12 months with the peak active membership throughout that period of 2,840. The memberships added an average of ~4,700 weekly visitations from the community to the facilities and a combined 690,000 visitations in 2017/18.
- Q. Will the West Coast Eagles be harnessing solar power and harvesting rain water on their new buildings at Lathlain Park?
- R. Responsibility for sustainability initiatives for the West Coast Eagles' training and administrative development lie with the developer and lessee, the West Coast Eagles, and not with the Town. You are at liberty to contact the West Coast Eagles directly to request this type of information. It is the Town's understanding that the West Coast Eagles have a Sustainability Committee that oversee sustainability measures, both in the development and in their operational practices.

Our understanding is that solar panels have been incorporated into the training hall roof design to generate solar electricity for the facility. The buildings incorporate natural ventilation, the glazing is designed to provide thermal protection and to maximise natural lighting, with auto dimmable mechanical lighting sensor controllers for the internal lighting.

We are also advised that the sub-surface for the two ovals are constructed with perched water levels to capture rainwater accessible to the turf. The ovals also have moisture sensors installed that inform the watering reticulation controller when there is adequate moisture in the subsurface. Rainwater run-off from the buildings is directed back into the water table via Atlantis type cells on site.

Vince Maxwell

1. With regards to Item 13.2 – Can you advise what the Town’s total liability would be, should the existing seven committee members be paid the maximum permissible allowances as proposed under this policy change?
  - R. The payments have been estimated at \$2,000 per annum, based on the addresses of the current independent committee members and the current meeting schedules. This is subject to change.
  
2. The budget does not mention independent committee members and the report says it has been included; can you show me in the 2018/19 budget, where the new fees have been included and where in the budget that it indicates how much these independent committee member’s fees will amount to?
  - R. Independent committee member expenses have been budgeted for in the Leadership and Governance Service Area. They are not reported separately.

**5.2 Responses to Questions Raised at the Ordinary Council Meeting held Tuesday 11 December 2018**

**6 PUBLIC STATEMENT TIME**

**7 CONFIRMATION OF MINUTES**

**RECOMMENDATION**

That the minutes of the Ordinary Council Meeting held on Tuesday, 13 November 2018 be confirmed.

**8 PRESENTATIONS**

**8.1 Petitions**

**8.2 Presentations (Awards to be given to the Town)**

**8.3 Deputations (Planning / External Organisations)**

**9 METHOD OF DEALING WITH AGENDA BUSINESS**



## 10 CHIEF EXECUTIVE OFFICER REPORTS

### 10.1 Annual Report 2017-2018

<b>File Reference:</b>	FIN/11/0001~09
<b>Appendices:</b>	<a href="#">Annual Report 2017-2018</a>
<b>Attachments:</b>	No

<b>Date:</b>	27 November 2018
<b>Reporting Officer:</b>	C. Parsons / A. Thampoe
<b>Responsible Officer:</b>	N. Cain
<b>Voting Requirement:</b>	Absolute Majority

<b>Executive Summary:</b>	
<b>Recommendation – That Council accepts the Annual Report 2017-2018, and re-confirms the date, time and place of the 2018 Annual General Meeting of Electors.</b>	
<ul style="list-style-type: none"> <li>The report outlines the requirement for Council to produce and accept an annual report, and the processes and determinations associated with the holding of the Annual General Meeting of Electors.</li> </ul>	

#### **TABLED ITEMS:**

Nil.

#### **BACKGROUND:**

Each year a local government is required to produce an annual report and to hold an Annual General Meeting of Electors.

The process undertaken for the collation of the Annual Report 2017-2018 has included:

- August 2018 – Officers were requested to undertake an analysis of the activities undertaken in their respective areas and align these to the Strategic Community Plan and Corporate Business Plan;
- October 2018 – A first draft of the annual report text was released to officers, seeking suggestions, comments and corrections. The external auditors commenced audit procedures;
- November 2018 – A final draft of the annual report was collated and the external auditors completed their audit requirements. The Finance and Audit Committee received a presentation from the external auditors with regards to the annual financial report; and
- December 2018 – Via Council, Elected Members are requested to accept the final version of the Annual Report 2017-2018 prior to presentation to the Annual General Meeting of Electors (this report).

#### **DETAILS:**

The annual report is to contain:

1. A report from the Mayor or President;
2. A report from the Chief Executive Officer;
3. An overview of the Plan for the Future of the District made in accordance with Section 5.56 of the *Local Government Act 1995*, including major initiatives that are proposed to commence or to continue in the next financial year;

4. The financial report for the financial year;
5. Such information as may be prescribed in relation to the payments made to employees;
6. The Auditor’s report for the financial year;
7. A matter on which a report must be made under Section 29(2) of the *Disability Services Act 1993*;
8. Details of entries made under Section 5.121 of the *Local Government Act 1995* during the financial year in the register of complaints; and
9. Such other information as may be prescribed.

The Annual General Meeting of Electors is to be held not more than 56 days after the local government accepts the annual report for the previous financial year. The Chief Executive Officer is to convene the Annual General Meeting of Electors by providing at least 14 days’ local public notice and providing each Elected Member at least 14 days’ notice of the date, time, place and purpose of the meeting.

Council recently resolved to hold the Annual General Meeting of Electors on Tuesday 18 December 2018 at 6pm, in the council chambers (99 Shepperton Road, Victoria Park WA 6100) for the purpose of consideration of the Annual Report 2017-2018 and then any other general business. Public advertising, in accordance with the requirements, has been undertaken to provide advice of the meeting date, time and place. Additionally the social media channels of the Town also advertised the meeting. Should Council accept the annual report then this timeframe is still appropriate.

**Legal Compliance:**

The *Local Government Act 1995* refers, in particular:

1. Section 5.27 – Electors’ General Meeting;
2. Section 5.32 – Minutes of electors’ meetings;
3. Section 5.33 – Decisions made at electors’ meetings;
4. Section 5.53 – Annual Reports;
5. Section 5.54 – Acceptance of Annual Reports; and
6. Section 5.55 – Notice of Annual Reports.

The *Local Government (Administration) Regulations 1996*, also refers:

- a. Regulation 19B – Annual report to contain information on payments to employees.

**Policy Implications:**

Nil.

**Risk Management Considerations:**

<b>Risk &amp; Consequence</b>	<b>Consequence + Rating</b>	<b>Likelihood = Rating</b>	<b>Overall Risk Analysis</b>	<b>Mitigation/Actions</b>
<b>Compliance:</b> Council not accepting the Annual Report.	Moderate	Unlikely	Moderate	Provide reasoning and detailed explanations to Council to enable informed decision making.

<b>Financial Impact:</b> Misstatement or significant error in the Annual Report.	Major	Unlikely	Moderate	Daily and monthly reconciliations, and internal and external audits.
<b>Financial Impact:</b> Fraud and illegal acts.	Catastrophic	Rare	Moderate	Stringent internal controls, internal audits and segregation of duties.

**Strategic Plan Implications:**

CL4 – Appropriate information management that is easily accessible, accurate and reliable.  
 CL6 – Finances are managed appropriately, sustainably and transparently for the benefit of the community.  
 CL10 – Legislative responsibilities are resources and managed appropriately, diligently and equitably.

**Financial Implications:**

Internal Budget:

Sufficient funds have been allocated in the annual budget to cover costs associated with the preparation of the annual report and the holding of the Annual General Meeting of Electors.

Total Asset Management:

Nil.

**Sustainability Assessment:**

External Economic Implications:

Nil.

Social Issues:

Nil.

Cultural Issues:

Nil.

Environmental Issues:

Nil.

**COMMENT:**

The annual report, as contained in the appendices, has been prepared in accordance with required legislative matters having been considered.

The date previously identified for conducting the Annual General Meeting of Electors should provide sufficient time for the final ‘print ready’ copy of the annual report to be produced as well as permit the meeting to occur prior to the Christmas recess of Council.

**CONCLUSION:**

Given the annual report, as contained in the appendices, has been prepared in accordance with all legislative matters and the date identified for conducting the Annual General Meeting of Electors remains as a suitable date, it is recommended that the annual report be accepted and the date, time and place for the 2018 Annual General Meeting of Electors be re-confirmed as 18 December 2018 commencing at 6:00pm, in the Council Chambers (99 Shepperton Road, Victoria Park WA 6100).

*It should be noted that included for the Elected Members Briefing Session is a 'text only' version of the annual report. A final 'print ready' version is currently being prepared. It is envisaged that this version will be ready in time for the December 2018 Ordinary Council Meeting.*

**RECOMMENDATION/S:**

**That Council:**

- 1. Adopts the Annual Report 2017-2018 as contained within the Appendices.**
- 2. Re-confirms the details for the 2018 Annual General Meeting of Electors as being held on Tuesday 18 December 2018 at 6pm, in the council chambers (99 Shepperton Road, Victoria Park WA 6100) for the purpose of consideration of the Annual Report 2017-2018 and then any other general business.**

**(Absolute Majority Required)**

## 11 CHIEF COMMUNITY PLANNER REPORTS

### 11.1 Review of Planning Delegations

<b>File Reference:</b>	GOV/2/0001~04
<b>Appendices:</b>	<ol style="list-style-type: none"> <li>1. <a href="#">Current version of Planning Delegations</a></li> <li>2. <a href="#">Draft amended Planning Delegations</a></li> </ol>

<b>Date:</b>	26 November 2018
<b>Reporting Officer:</b>	R. Cruickshank
<b>Responsible Officer:</b>	R. Cruickshank
<b>Voting Requirement:</b>	Absolute Majority

**Executive Summary:**

**Recommendation:** That Council, by Absolute Majority, delegates to the CEO the power to exercise those functions and powers detailed in Delegations 6.1 to 6.10 as contained in [Appendix 2](#).

- A review of the Planning Delegations relating to development applications and other planning functions has been undertaken.
- While a comprehensive review of Delegations across the organisation is occurring, there is a need for the Planning Delegations to be amended in the interim in order to improve efficiencies in processing development applications and provide greater clarity on some matters.
- The proposed modifications address some identified deficiencies and clarity in the current delegations. Most notably the amended delegations propose to delegate the power to the CEO (and sub-delegated to Council Officers) to approve car parking shortfalls where satisfied that this is warranted having regard to identified criteria.
- The proposed amendments will further improve the efficiency in the processing of development applications and reduce the extent of applications referred to Council for determination.

**TABLED ITEMS:**

Nil.

**BACKGROUND:**

Under the *Local Government Act 1995*, Council can delegate powers and functions to the CEO, who in turn can sub-delegate to assigned Council Officers. There are a number of planning powers and functions that Council has delegated to the CEO which have been subsequently sub-delegated to Council Officers to perform. A copy of the current Delegations relating to Planning matters is contained within [Appendix 1](#) for reference.

The majority of development applications are approved by Council Officers under delegated authority, and do not require referral to a Council meeting for a decision.

The level of delegation granted by Council to the CEO and sub-delegated to assigned Council Officers to determine development applications has increased over the last decade, and has resulted in less applications being presented to an Ordinary Council Meeting for

consideration by Elected Members and a greater percentage of applications being determined by Council Officers under delegated authority.

At its Meeting in July 2014, Council agreed to an amendment to the Delegations to authorise the CEO (and Council Officers under sub-delegation) to determine applications where objections had been received from members of the public. Prior to this time, whenever an objection was received in relation to an application, the application was referred to a Council Meeting for determination. As an example, it is calculated that in 2013, there were 15 applications that were referred to Council for determination solely because a written objection had been received to the proposed development.

This arrangement was considered by Council Officers to be inefficient and resulted in applications being unnecessarily referred to Council for determination.

At its meeting in October 2016 further amendments to the Planning related delegations were approved by Council, including the ability for the CEO (and Council Officers under sub-delegation) to approve or refuse all applications for residential developments, and the introduction of a “call-in” power where three (3) Elected Members can request any application to be referred to a Council Meeting for determination. This “call-in” power has been exercised on two (2) occasions since its introduction.

Under the current Delegations, the type of applications that are referred to a Council Meeting for determination are mainly applications:

1. proposing Unlisted Uses (requires approval by an Absolute Majority vote of Council);
2. involving a non-conforming use;
3. applications for non-residential development not supported by Council Officers (except patios, front fences and minor additions);
4. proposing a parking shortfall or a net increase in a car parking shortfall;
5. which are regarded under Clause 29 of the Scheme as a non-complying application as they do not comply with a requirement of the Scheme (requires approval by an Absolute Majority vote of Council);
6. proposing demolition of an existing dwelling listed in the State Heritage Register or the Town’s Municipal Heritage Inventory.

The current Delegations have worked fairly well and has reduced the burden on staff and Elected Members in respectively preparing and considering reports, and reduced timeframes for the assessment of relevant applications.

#### **DETAILS:**

Local governments utilise levels of delegated authority to undertake day-to-day statutory functions, thereby allowing Council to focus on policy development, representation, strategic planning and community leadership, with the organisation focussing on the day-to-day operations of the Town. The use of delegated authority means the large volume of routine work of a local government can be effectively managed and acted on promptly, which in turn facilitates efficient service delivery to the community.

As far as possible and reasonable, Councils should be predominantly concerned with dealing with higher level policy matters for their local governments. Those duties and powers which are operational in nature but exercise discretion should be delegated to the CEO.

In 2015, WALGA published a Guide for Planning Delegations to assist Local Government Elected Members and Council Officers in benchmarking their current delegation practices against best practice. The following parts of the WALGA Guidelines are noted:

- *“The delegation of planning approval functions has the following benefits:*
  1. *Enables Council to focus on strategic planning matters and development of planning policies by reducing the number of non-complex development applications required to be considered and determined at its meetings.*
  2. *Enabling the development approval process to operate in a more efficient manner by reducing the number of reports that need to be prepared and presented to Council.*
  3. *Enabling the development approval process to operate in a timely manner by reducing the actual time taken to determine applications as they do not need to await presentation at a council meeting.*
  4. *Retaining Council’s ability to consider more complex or community sensitive development applications where appropriate.*
  5. *Recognising the professionalism of Local Government planning staff by providing them with more responsibility for making decisions.”*
- *“Best practice planning approvals systems utilise both professional expertise in making delegated decisions as well as the value added to decision making by Elected Members local knowledge for more complex applications. There will always be some proposals where the planning merits of an application are finely balanced or the application of planning scheme or policy provisions are ambiguous or allow for significant discretion to be exercised. In these situations it is appropriate that community views and expectations, represented through Elected Members, carry weight in the decision making process.”*
- Suggests that a leading practice model would involve the following, but noting the ability for delegates to refer any application to Council for determination:
  1. For the vast majority of applications, staff assessment and decision making using known policies and objective rules and tests providing efficient and transparent assessment.
  2. Those applications that slightly fall outside the use of objective rules and contain a performance element be delegated (set up triggers for certain applications to be automatically presented to Council).
  3. Those more sensitive applications that reasonably fall outside the use of objective rules and contain a performance element may still be delegated while providing a set of triggers that may include a call-in power to allow the policy maker (i.e Council) to take control of applications that will either have

a significant impact on the achievement of policy, or due to their nature, are likely to establish policy. It is also recommended that the applicant and Council administration also be given opportunity to request Council consideration of the application in these instances.

4. Where planning applications are considered to have merit, however, and propose significant variations from Council policies, the proposal should be referred to Council for a decision.

### **Legal Compliance:**

Sections 5.16 through to 5.18 of the *Local Government Act 1995*; and Sections 5.42 through to 5.46 of the *Local Government Act 1995*.

The relevant sections of the Act are as follows:

#### **5.16. Delegation of some powers and duties to certain committees**

- (1) *Under and subject to section 5.17, a local government may delegate\* to a committee any of its powers and duties other than this power of delegation.*

*\* Absolute majority required*

#### **5.42 Delegation of some powers and duties to the Chief Executive Officer**

- (1) *A local government may delegate\* to the Chief Executive Officer the exercise of any of its powers or the discharge of any of its duties under this Act other than those referred to in Section 5.43.*

*\* Absolute majority required.*

- (2) *A delegation under this section is to be in writing and may be general or as otherwise provided in the instrument of delegation.*

#### **5.43 Limits on delegations to Chief Executive Officer**

*A local government cannot delegate to a Chief Executive Officer any of the following powers or duties:*

- (a) *any power or duty that requires a decision of an absolute majority or 75% majority of the local government;*
- (b) *accepting a tender which exceeds an amount determined by the local government for the purpose of this paragraph;*
- (c) *appointing an auditor;*
- (d) *acquiring or disposing of any property valued at an amount exceeding an amount determined by the local government for the purpose of this paragraph;*
- (e) *any of the local government's powers under Sections 5.98, 5.98A, 5.99, 5.99A and 5.100 of the Act;*
- (f) *borrowing money on behalf of the local government;*
- (g) *hearing or determining an objection of a kind referred to in Section 9.5;*
- (h) *any power or duty that requires the approval of the Minister or Governor; or*
- (ha) *the power under Section 9.49A(4) to authorise a person to sign documents on behalf of the local government; and*
- (i) *such other duties or powers that may be prescribed by the Act.*



**5.44 Chief Executive Officer may delegate powers and duties to other employees**

(1) *A Chief Executive Officer may delegate to any employee of the local government the exercise of any of the Chief Executive Officer's powers or the discharge of any of the Chief Executive Officer's duties under this Act other than the power of delegation.*

**5.45 Other matters relevant to delegations under this Division**

(2) *Nothing in this Division is to be read as preventing –*  
 (a) *a local government from performing any of its functions by acting through a person other than the Chief Executive Officer; or*  
 (b) *a Chief Executive Officer from performing any of his or her functions by acting through another person.*

**5.46. Register of, and records relevant to, delegations to CEO and employees**

(1) *The CEO is to keep a register of the delegations made under this Division to the CEO and to employees;*  
 (2) *At least once every financial year, delegations made under this Division are to be reviewed by the delegator; and*  
 (3) *A person to whom a power or duty is delegated under this Act is to keep records in accordance with regulations in relation to the exercise of the power or the discharge of the duty.*

**Policy Implications:**

Nil

**Risk Management Considerations:**

<b>Risk &amp; Consequence</b>	<b>Consequence + Rating</b>	<b>Likelihood = Rating</b>	<b>Overall Risk Analysis</b>	<b>Mitigation/ Actions</b>
<b>Compliance</b> Delays in processing of development applications due to need for application to be referred to Council for determination.	Moderate	Likely	Low	Support the proposed amended delegation.

**Strategic Plan Implications:**

Civic Leadership

CL8 – Visionary civic leadership with sound and accountable governance that reflects objective decision making; and

CL9 – Appropriate devolution of decision making and service provision to an empowered community.

**Financial Implications:**

Costs associated with time and resources of staff and Elected Members to prepare and consider report items.

**Sustainability Assessment:**External Economic Implications:

Nil.

Cultural Issues:

Nil.

Environmental Issues:

Nil.

**COMMENT:**

A review of the Planning Delegations has been undertaken with a draft amended Planning Delegations list contained at [Appendix 2](#).

The proposed amendments can be summarised as follows:

Amendment to Delegation 6.1

A number of the proposed changes are of an administrative nature and/or to provide clarity, including the following :

1. To reflect changes in clause numbers of the Town Planning Scheme;
2. To clarify that the CEO (and Officers under sub-delegation) do have the power to approve or refuse applications for minor additions/alterations to specific development types that would otherwise be determined by Council;
3. Provide clarity that applications seeking a time extension to substantially commence the development, or Form 2 DAP applications, can be determined by the CEO (and Council Officers under sub-delegation).

The more significant changes are to item (h) (and associated condition 2(vii)) and the amendment to condition 2(ii), addressed as follows:

In terms of item (h), the matter of parking shortfalls is a consistent issue particularly for change of use applications, which currently requires Council consideration. Particularly in the case of applications where the parking shortfall can be justified and is supported by Council Officers having regard to such matters as actual parking demand, reciprocal hours or parking arrangements, availability of public transport etc, it is considered appropriate that the CEO (and Council Officers under sub-delegation) be given the delegation to approve the parking shortfall. In exercising discretion when considering the merits of a proposed parking shortfall, condition 2 (vii) outlines the matters that Council Officers are to use as a basis for this assessment. This is considered to be a more efficient use of time and resources, and will reduce approval timeframes. Conversely if Council Officers conclude that the parking shortfall cannot be justified then the application will be referred to Council for determination.

In regards to condition 2 (ii), the existing delegation provides for the CEO (and Council Officers under sub-delegation) to determine applications where community consultation has resulted in objections being received, but subject to certain criteria. The first criteria, being that the objection is not valid, has been open to some interpretation as to what is considered a valid objection. The intent of this criteria is that where Council Officers assess the objection received and the merits of the application and conclude that the objection is not able to be upheld as the development or specific variations satisfy the relevant policy objectives or design principles, then the application can be determined by the CEO (or Council Officers under sub-delegation). To provide clarity on this point, it is proposed to remove the reference to the objection “not being valid” and provide alternative wording.

#### Amendment to Delegation 6.2

The amendment to this Delegations will empower the CEO (and Council Officers under sub-delegation) to deal with all subdivision applications and associated subdivision clearances, rather than restricting this to up to 10 lots only. There is no justification for such applications to be referred to a Council meeting for consideration, given that they are generally not controversial or of public interest, Council Officers have the necessary skills and knowledge to deal with applications for more than 10 lots, and noting that the WAPC are the responsible authority for determining subdivision applications.

#### Amendment to Delegation 6.3

The purpose of this amendment is to reflect changes in the names of State Government bodies, and Council positions.

#### Amendment to Delegation 6.4

The purpose of this amendment is to provide clarity that any reconsideration is to be by the original decision-maker.

#### Amendment to Delegation 6.10

The purpose of this amendment to clarify that Elected Member can “call-in” DAP applications that would otherwise be dealt with by the CEO (or Council Officers under sub-delegation).

#### Conclusion

The proposed amendments as outlined in [Appendix 2](#) and justified above, will result in further improvements in fulfilling the Town’s planning related functions in a timely manner, and allow the Council to focus on more strategic level matters. The power to “call-in” an applications remains should Elected Members consider this to be appropriate in a particular situation.

It is therefore recommended that Council approve the amended Planning Delegations contained in [Appendix 2](#).

#### **RECOMMENDATION/S:**

**That Council, by Absolute Majority, delegates to the CEO the power to exercise those functions and powers detailed in Delegations 6.1 to 6.10 as contained in [Appendix 2](#).**

**11.2 Making of Local Law to Revoke the Signs Local Law 2006**

<b>File Reference:</b>	LAW/8/0003~02
<b>Appendices:</b>	1. <a href="#">Town of Victoria Park Repeal Local Law 2018</a> 2. <a href="#">Town of Victoria Park Signs Local Law 2006</a>
<b>Attachments</b>	No

<b>Date:</b>	26 November 2018
<b>Reporting Officer:</b>	R. Cruickshank
<b>Responsible Officer:</b>	R. Cruickshank
<b>Voting Requirement:</b>	Absolute Majority

**Executive Summary:**  
**Recommendation - That Council, by Absolute Majority, gives notice of its intent to make the *Town of Victoria Park Repeal Local Law 2018* to repeal the existing *Town of Victoria Park Signs Local Law 2006*.**

- Council at its November 2018 meeting resolved to adopt Local Planning Policy 38 ‘Signs’ and undertake other associated actions.
- It is now necessary to commence the process to revoke the *Signs Local Law 2006*.
- The *Town of Victoria Park Repeal Local Law* has to be made to revoke the *Signs Local Law 2006*.

**TABLED ITEMS:**

Nil.

**BACKGROUND:**

At the November 2018, Ordinary Council Meeting it was resolved to adopt a Local Planning Policy ‘Signs’ and undertake other associated actions, including part 2 as follows:

3. *Notes the intention to prepare a separate report to Council proposing to prepare a new Local Law to repeal the Signs Local Law 2006.*

The following comments were included in the Officer’s report:

*“In view of the recommended adoption of Local Planning Policy 38 ‘Signs’ which will now form the basis for determining exemptions from development approval for signs, and the applicable standards that apply to signs, the following additional actions are necessary :*

1. *Repeal the [Town’s Signs Local Law 2006](#). The Local Law can now be repealed as LPP38 now identifies the standards that apply for signs to be exempt from development approval, and in lieu of a sign licence, building permits will now be required. It should be noted that a new Local Law needs to be prepared to repeal a Local Law. It is intended to present a separate report to Council to commence the process to repeal the Signs Local Law.”*

**DETAILS:**

A local law needs to be made in order to repeal a local law. The full procedural requirements of sections 3.12 to 3.15 of the Local Government Act need to be undertaken in order to repeal local law. The procedure to make a local law includes the following:

1. At a Council Meeting the Presiding Member is to give notice to the meeting of the purpose and effect of the proposed Local Law.
2. Statewide and local public notice to be given advising that the Town is proposing to make a local law and include a summary of the purpose and effect of the local law, where copies can be obtained and inviting submissions. The Town must allow at least 6 weeks for submissions to be made.
3. A copy of the proposed local law and the notice must be sent to the Minister for Local Government.
4. The Town must consider any submissions made then follow the procedure for making a local law that has minor variations from the proposed local law.
5. After making the local law, the Town must publish it in the Gazette and give a copy of it to the Minister.
6. After the local law has been published in the Gazette the Town must give Statewide and Local Notice:
  - (a) Stating the title of the local law;
  - (b) Summarising the purpose and effect of the local law (specifying the day on which it comes into operation); and
  - (c) Advising that copies of the local law may be inspected or obtained from the Town’s Administration Centre.

**Legal Compliance:**

The repeal of the local laws will comply with sections 3.12 to 3.15 of the Local Government Act, 1995 and section 43 (4) of the Interpretation Act, 1984.

**Policy Implications:**

Nil.

**Risk Management Considerations:**

Risk & Consequence	Consequence + Rating	Likelihood = Rating	Overall Risk Analysis	Mitigation/ Actions
<p><b>Compliance:</b>                      If not revoked, the <a href="#">Signs Local Law</a> will continue to operate even though it is effectively obsolete</p>	Moderate	Likely	Low	Commence the process to revoke the <a href="#">Signs Local law.</a>

**Strategic Plan Implications:**Civic Leadership

CL10 – Legislative responsibilities are resourced and managed appropriately, diligently and equitably.

**Financial Implications:**

There will be a cost for advertising of the proposal in the Southern Gazette newspaper, with their being funds available to cover this cost.

**Sustainability Assessment:**External Economic Implications:

Nil.

Cultural Issues:

Nil.

Environmental Issues:

Nil.

**COMMENT:**

In order to repeal the *Signs Local Law 2006*, Council must now give Statewide notice of its intent to make the *Town of Victoria Park Repeal Local Law 2018* with its purpose and effect being to repeal the *Signs Local Law 2006*.

**RECOMMENDATION/S:****That Council:**

1. Gives public notice outlining the purpose and effect of the proposed *Town of Victoria Park Repeal Local Law 2018*.
2. Seeks public submissions in line with s3.12 of the *Local Government Act 1995* for the proposed local law as included in [Appendix 1](#).
3. Receives a further report to consider submissions on the proposed *Town of Victoria Park Repeal Local Law 2018* after the close of the submission period.

(Absolute Majority required)

### 11.3 No. 693 (Lot 3) Albany Highway, East Victoria Park – Change of Use from ‘Office’ to ‘Unlisted Use (Gymnasium - Karate School and Fitness Centre) and Signage

<b>File Reference:</b>	PR3358
<b>Appendices:</b>	1. <a href="#">Site plan and Floor plan</a> 2. <a href="#">Applicant cover letter</a> 3. <a href="#">Signage proposal</a> 4. <a href="#">Site Inspection Photographs</a>
<b>Attachments:</b>	No
<b>Landowner:</b>	Tung Danh
<b>Applicant:</b>	Architectural Studio63 Pty Ltd
<b>Application Date:</b>	26/10/2018
<b>DA/BA or WAPC Ref:</b>	5.2018.836.1
<b>MRS Zoning:</b>	Urban
<b>TPS Zoning:</b>	District Centre
<b>TPS Precinct:</b>	Precinct P11 ‘Albany Highway’
<b>Use Class:</b>	Unlisted Use
<b>Use Permissibility:</b>	‘AA’ (Discretionary) use

<b>Date:</b>	26 November 2018
<b>Reporting Officer:</b>	D. Rowley
<b>Responsible Officer:</b>	R. Cruickshank
<b>Voting Requirement:</b>	Approval - Absolute Majority Refusal - Simple Majority

#### Executive Summary:

#### Recommendation – Approval by Absolute Majority subject to conditions

- The application seeks to change the use of a tenancy from ‘Office’ to a ‘Gymnasium’ (Karate School/Fitness Centre), which is an Unlisted Use and is therefore considered a discretionary use under the Town Planning Scheme No. 1 (TPS1).
- The community consultation period commenced on 2 November 2018 and concluded on 26 November 2018. Four (4) submissions were received during the consultation period.
- Council Officers are satisfied that the property will be appropriately managed and that any amenity impacts associated with the use can be managed through conditions of approval.
- The proposal is recommended for Approval subject to conditions and advice notes.

#### TABLED ITEMS:

Nil.

#### BACKGROUND:

The earliest available record for the property at No. 693 Albany Highway, East Victoria Park is a building approval in 1967, for additions to the existing two (2) storey building on the premises for ‘Shop and Residence’ on the ground floor and ‘Residence’ on the upper floor.

In 1969, further additions to the ground floor of the building, which was identified as 'Shop and 'Showroom and Office' on the upper floor was approved by the City of Perth.

In 1999 and 2016, the Town of Victoria Park granted approval for signage to the ground floor 'Shop' fronting Albany Highway. No further development approvals are identified for the site.

Pedestrian access to the existing building on the subject site is possible from the Albany Highway frontage and from the rear right-of-way. There are four (4) car parking bays in tandem at the rear of the subject site, accessed from the right-of-way.

#### **DETAILS:**

An application has been submitted to the Council, seeking approval to change the use from 'Office' to 'Gymnasium (Karate School/Fitness Centre) to the upper level tenancy of the commercial building at No. 693 Albany Highway, East Victoria Park.

#### Site Context

The property is located in the 'East Victoria Park Shopping Area' of the District Centre Zone in the Albany Highway P11 Precinct. The existing commercial building fronts Albany Highway and a right-of-way is located at the rear of the site.

The Town of Victoria Park's Public Car Park No. 16 (Bowling Club area) containing 82 free, unrestricted car parking bays, is located 200 metres from the subject site on Kent Street. There are also a number of time restricted car parking bays along Albany Highway and Kent Street adjacent to the subject site and public transport by means of bus routes exist along Albany Highway and Kent Street.

#### Proposed Development

The application proposes to change the use of the upper floor from an 'Office' to a 'Gymnasium (Karate School/Fitness Centre)' with associated signage.

The proposed 'Gymnasium (Karate School/Fitness Centre)' has a net floor area of 160m<sup>2</sup> of training area with approximately 40m<sup>2</sup> of associated office/reception/waiting area. The open area of the proposed floor plan is to be fitted with floor mats for training purposes.

The applicant has submitted details that the proposed 'Gymnasium' is to operate a Karate School and Fitness Centre for kickboxing classes on the first floor of the subject site. The proposed gymnasium would be opened to the public with access to the upper floor gained from the rear and front entrances via stairwells, exclusive to the tenancy.

The proposed operational times are as follows:

#### Trading Days and Hours

Monday – Friday: 6.00am – 7.00am;  
9.30am – 10.30am;  
3.30pm – 9.00pm; and  
Saturday – Sunday: 7.00am - 2.00pm

#### Maximum Expected Number of Employees

Number of Staff: 1 full time, 5 casuals (note: 2 staff on premises at any given time).



Maximum Number of Expected occupancy at any time

Approximately 25 persons (Staff and customers).

Signage

The signage for the proposed 'Gymnasium (Karate School/Fitness Centre)' is black, red and white in colour, displaying the corporate logo.

The proposed signage is identified as a 'Wall Sign' in accordance with Local Planning Policy 38 'Signs', of a maximum height of 2.0 metres x 9 metres length and is to be located above the existing windows of the upper storey, fronting Albany Highway.

**Legal Compliance:**Relevant General Provisions of Town Planning Scheme No. 1

In assessing and determining this application, Council is to have regards to the following general provisions of the Scheme:

- Clause 16 'Unlisted Uses' of the Scheme Text;
- Clause 28 'Determination of Application for an Unlisted Use'
- Statement of Intent contained in Precinct Plan P11 'Albany Highway'
- Deemed Clause 67 'Matters to be considered by Local Government' of the *Planning and Development (Local Planning Scheme) Regulations 2015*;
- Clause 30A 'Determination of Application for Advertisement'.

Compliance with Development Requirements

- TPS 1 Scheme Text and Precinct Plan P11;
- Deemed Clause 67 'Matters to be considered by Local Government' of the *Planning and Development (Local Planning Scheme) Regulations 2015*;
- Local Planning Policy (LPP) 23 'Parking Policy'
- Local Planning Policy (LPP) 30 'Car Parking Standards for Developments along Albany Highway';
- Local Planning Policy (LPP) 17 'Street Frontage Design Guidelines for District Centres and Commercial Areas Along Albany Highway'
- Local Planning Policy (LPP) 38 'Signs'.

**Town of Victoria Park Town Planning Scheme No. 1:**

The Statement of Intent for the 'East Victoria Park Shopping Area' of the District Centre Zone of Precinct P11 is as follows:

*"This area shall be consolidated as a centre containing retail, civic, community and recreational facilities. New development shall enhance the integration of these activities in the one general area, as well as providing various facilities to improve the public domain."*

The proposed development is consistent with the intent for the Albany Highway Precinct by way of offering a wider variety of commercial uses in the form of a recreational facility. The proposed use would provide an integration of activities in the 'East Victoria Park Shopping Area' in Albany Highway Precinct, improving the public domain.

**Deemed Clause 67 Matters to be considered by local government’ of the *Planning and Development (Local Planning Schemes) Regulations 2015:***

In this instance, in relation to Deemed Clause 67, it is considered that the following items are relevant matters that the Town must have regard to:

- (b) *the requirements of orderly and proper planning including any proposed local planning scheme or amendment to this Scheme that has been advertised under the Planning and Development (Local Planning Schemes) Regulations 2015 or any other proposed planning instrument that the local government is seriously considering adopting or approving;*
- (g) *any local planning policy for the Scheme area;*
- (m) *the compatibility of the development with its setting including the relationship of the development to development on adjoining land or on other land in the locality including, but not limited to, the likely effect of the height, bulk, scale, orientation and appearance of the development;*
- (n) *the amenity of the locality...*
- (s) *the adequacy of –*
  - (i) *the proposed means of access to and egress from the site; and*
  - (ii) *arrangements for the loading, unloading, manoeuvring and parking of vehicles;*
- (x) *the impact of the development on the community as a whole, notwithstanding the impact of the development on particular individuals;*
- (y) *any submissions received on the application*

**Local Planning Policy 23 ‘Parking Policy’ and Local Planning Policy 30 – Car Parking Standards for Developments Along Albany Highway**

In relation to the car parking requirement for the subject site, Local Planning Policy 30 ‘Car Parking Standards for Developments Along Albany Highway,’ (LPP30) Clause 3, permits all existing developments (with the exception of Hotels/Taverns) approved prior to 30 September 1998 within the District Centre zone to be assessed on the basis that the approved use for the purposes of parking is ‘Shop’ for the ground floor and ‘Office’ on the upper floor.

Based on the above, parking for the change of use has been assessed as follows:

Existing Use

<b>Activity / Use</b>	<b>Parking Requirement</b>	<b>Bays Required</b>
Upper Floor Office (240m <sup>2</sup> )	1 per 40m <sup>2</sup> net floor area	6

In relation to the car parking requirement for the proposed ‘Gymnasium’ use, the car parking requirement associated with a ‘Health Studio’ has been applied in accordance with LPP23 at a rate of 1 for every 30m<sup>2</sup> of net floor area, which is consistent with other approved ‘Gymnasium’ uses in the Town.

Proposed Use

Activity / Use	Parking Requirement	Bays Required
Upper Floor Office ( maximum 40m <sup>2</sup> )	1 per 40m <sup>2</sup> net floor area	1
Upper Floor Health Studio (160m <sup>2</sup> )	1 per 30m <sup>2</sup> net floor area	5 (5.33)
	<b>Total Required</b>	<b>6</b>

The proposed change of use of the upper floor from an ‘Office’ to a ‘Gymnasium’ therefore does not result in any changes to the parking requirement for the site.

Four (4) car parking bays are provided on the subject site in a tandem configuration. It is anticipated that the patrons of the proposed ‘Gymnasium’ may also park in the nearby public parking area of the public on No. 16 Kent Street (Carpark No. 8), which is approximately 200 metres from the subject site or arrive by means of walking or utilising the public transport in close proximity to the site.

Signage

The proposed signage for the ‘Gymnasium’ has been assessed in accordance with Local Planning Policy 17 ‘Street Frontage Design Guidelines for District Centres and Commercial Areas Along Albany Highway’ and Local Planning Policy 38 ‘Signs’.

The proposed wall sign was assessed as per the requirements of LPP17, having regard to the following requirements: *“All signs should be in keeping with the character of the building and the surrounding locality”*.

Figures 1 & 2, as below depicts the signage proposed as part of the development application on the subject site:



Figure 1

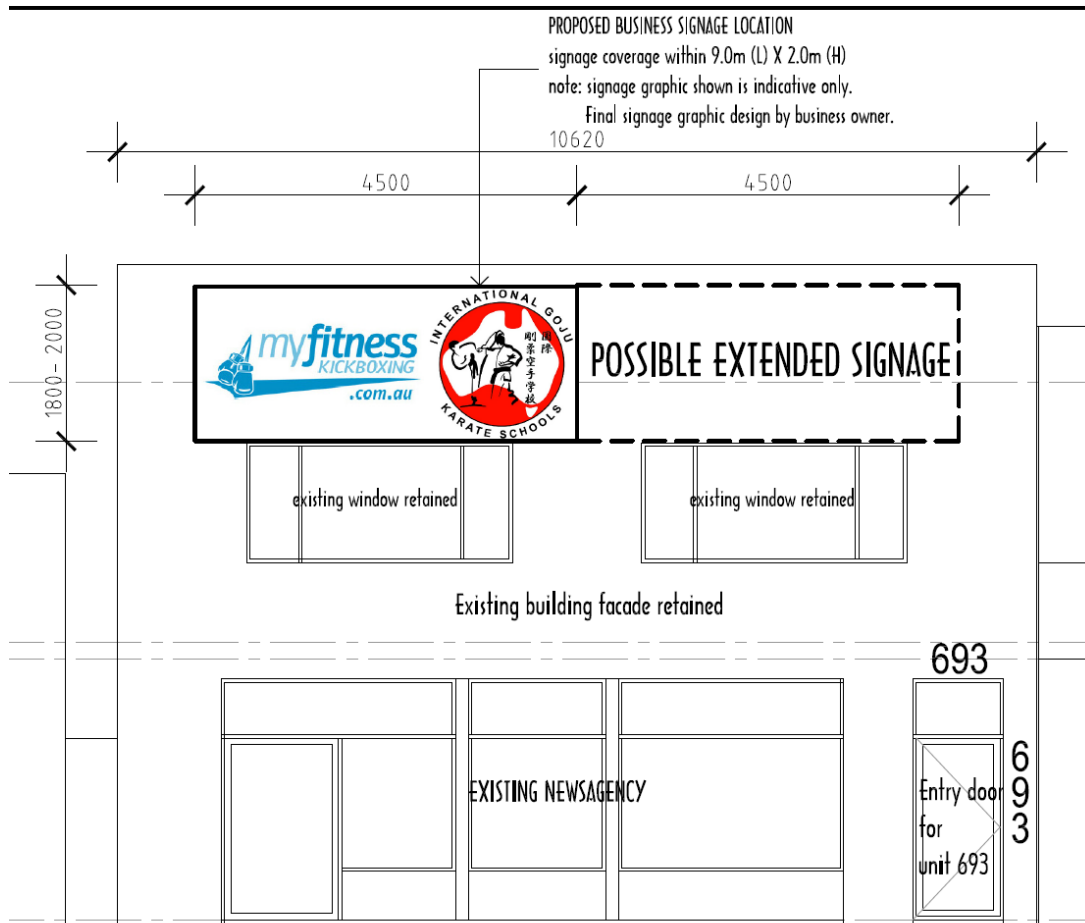


Figure 2

The sign is to be located above the windows of the upper storey fronting Albany Highway, with the sign being a maximum height and length of 2.0 metres and 9.0 metres respectively.

LPP38 permits exempt wall signs to be an aggregate area of 0.4m<sup>2</sup> per 1m of street frontage of the subject tenancy up to a maximum 10m<sup>2</sup>. The proposed sign has an area of 18m<sup>2</sup>. While there are numerous existing signs to the ground floor of the ground floor 'Shop' tenancy on the site, the proposed 'Gymnasium' seeks approval for only one (1) wall sign to be erected to the upper floor level of the building.

**Community Consultation:**

In accordance with Council's Local Planning Policy (LPP) 37 'Community Consultation on Planning Proposals', the proposed Unlisted Use/Gymnasium (Karate School/Fitness Centre) was advertised to surrounding properties for a period of 21 days. The term 'surrounding properties' is defined in LPP 37 as those properties which fall wholly or partly within approximately 100m radius of the subject site.

Advertisement included letters to the owners and occupiers of the surrounding properties, a sign installed on site for the duration of the consultation period and newspaper notices published in the Southern Gazette local newspaper for three (3) consecutive weeks of the consultation period.

During the advertising period, four (4) submissions were received by the Council with one submitter confirming that they did not wish to comment.

<b>CONSULTATION SUBMISSIONS</b>	
<b>Comments Received</b>	<b>Officer's Comments</b>
<i>Submission 1 – Objection</i>	
<ul style="list-style-type: none"> <li>As the tenant on the ground floor of the same building, which operates every day from 5am to 12am, we raise concerns in regards to the noise and vibration of the proposed use. A trial session with a single person activity was conducted on the first floor for the use and we feel that the noise and vibration from the first floor is beyond an acceptable level, which will impact both our health and business.</li> </ul>	<ul style="list-style-type: none"> <li>Noted (see Officers Comments below)</li> </ul>
<i>Submission 2 - Support</i>	
<ul style="list-style-type: none"> <li>Support the proposal. Unused commercial space that will possibly improve the fitness of the locals.</li> </ul>	<ul style="list-style-type: none"> <li>Noted – Supported.</li> </ul>
<i>Submission 3 – Objection</i>	
<ul style="list-style-type: none"> <li>Parking is insufficient. Please mandate at least 2 or more parking bays outside the deli for 10 minutes only. It is currently difficult to nip into the shop...an additional 10 to 25 vehicles will destroy the access to other retail shops.</li> </ul>	<ul style="list-style-type: none"> <li>Noted (see Officers Comments below)</li> </ul>

**Internal Referrals**

<b>Service Area</b>	<b>Comments</b>
Building	No objections. Advice notes requested. The applicant has been advised of the requirements for a building permit regarding compliance with disability access and sign licence application.
Environmental Health	No objections. Advice notes requested. The applicant has been advised of the requirements for Environmental Health in regards to noise regulations compliance and compliance for the use as a public building.

**Policy Implications:**

Nil

**Risk Management Considerations:**

<b>Risk &amp; Consequence</b>	<b>Consequence Rating</b>	<b>Likelihood Rating</b>	<b>Overall Risk Analysis</b>	<b>Mitigation / Actions</b>
<p><b>Compliance:</b> The proponent has a right of review to the State Administrative Tribunal against Council's decision, including any conditions.</p>	<p>Moderate</p>	<p>Likely</p>	<p>High</p>	<p>Ensure that Council is provided with information to make a sound recommendation based upon relevant planning considerations including the Scheme and applicable Local Planning Policies.</p>

**Strategic Plan Implications:**

Social

S1 – A healthy community.

Economic

EC1 – A desirable place for commerce and tourism that support equity, diverse local employment and entrepreneurship.

Environment:

EN1 – Land use planning that puts people first in Urban Design, allows for different housing options for people with different housing needs and enhances the Town's character.

**Financial Implications:**

Should the applicant or owner be aggrieved by the Council's decision they have a right of review to the State Administrative Tribunal. If the applicant or owner were to exercise this right, then there may be financial implications for the Town in terms of representation to defend Council's decision

**Sustainability Assessment:**

External Economic Implications:

Nil.

Social Issues:

The proposed development provides a recreation facility and meeting space for people who live and/or work in the locality.

Cultural Issues:

Nil.

Environmental Issues:

Any issues relating to noise will need to comply with the *Environmental Protection (Noise) Regulations 1997*.

**COMMENT:**

The 'East Victoria Park Shopping Area' within the District Centre Zone of the Albany Highway Precinct is largely commercial in nature, accommodating a wide range of uses in addition to the predominant retail use on both northern and southern sides of Albany Highway. As the application involves a change of use to an 'Unlisted Use (Gymnasium)' the Council must determine the application in accordance with Clauses 16 and 28 Town Planning Scheme No. 1, having regard to the orderly and proper planning of the locality and the conservation of the amenities of the locality and whether the use is consistent with the intended purpose of the East Victoria Park Shopping Area' within the District Centre Zone in which the site is located.

Land Use

While the proposal is classified as an 'Unlisted Use' under the Scheme, the proposed use is consistent with the Statement of Intent that *"the area shall be consolidated as a centre containing retail, civic, community and recreational facilities"*.

The proposal will increase the range of commercial activities within the 'East Victoria Park Shopping Area' and it is considered that the proposed use would not have an adverse impact on the immediate locality.

Given the matters above, it is considered that the proposed change of use from 'Office' to 'Gymnasium' is consistent with the intent of the Precinct Plan and is consistent with the orderly and proper planning of the area.

Car parking

The change of use does not result in any change to the parking requirement for the site. However, with there being potentially up to 25 staff and customers accessing the premises, the public car parking bays available on Kent Street and Albany Highway located in close proximity to the subject site, will provide parking to accommodate potential patrons to the facility.

Council Officers recommend that the operator of the business advise its patrons to utilise the public car parking bays and use other means of transport to access the site, which can be managed through a management plan as a condition of the development approval.

Signage

With respect to the proposed wall sign to the Albany Highway frontage, it is acknowledged that there is an existing wall sign of smaller dimension that will be removed in a similar location as proposed. While the proposed new wall sign will be more visually dominant given its increased size and colours, Council Officers recommend a reduced dimension of 2.0 metre height x 4.5m length to be constructed centrally to the building façade in the same location as proposed, which would not detract from the quality of the streetscape, noting that signs exist on adjoining commercial tenancies in approximately the same height of the proposal. Therefore, the proposed sign is supported in this instance with a reduced maximum dimension, still sufficient to identify the business.

### Noise Management

While noise and associated vibration concerns have been raised from the ground floor tenancy of the subject lot in association with the practical training of the proposed use on the first floor level, the use would be subject to compliance with the *Environmental Protection (Noise) Regulations 1997*.

There are a number of existing gymnasiums/fitness centres and karate schools within the Town of Victoria Park, which includes the gymnasium on the first floor tenancy at No. 828-932 Albany Highway, East Victoria Park with a retail tenancy on the ground floor of the premises. The Town's Environmental Health Officers have confirmed that no noise or vibration complaints have been received by the Town in relation to the existing first floor gymnasium and generally, noise complaints to gymnasiums relate to large, heavy weights being dropped on the floor, which is not the type of gymnasium being sought by this development application.

The Town's Environmental Health Officer recommends that noise control measures such as floor padding could be installed to reduce the level of noise impact to adjoining properties and to ensure compliance with the noise regulations can be achieved.

In light of the above, it is considered that the proposed use would not have an adverse impact on the immediate locality, provided appropriate actions are taken to comply with the applicable noise regulations.

### **CONCLUSION:**

The change of use to the first floor tenancy of the existing commercial building at No. 693 Albany Highway, Victoria Park from 'Office' to 'Gymnasium (Karate School/Fitness Centre)' is acceptable and it is considered that the use will not cause any significant amenity impacts in the area. The site is a suitable location for a gymnasium with walking access, public parking and public transport being available for use by patrons.

A gymnasium is an 'Unlisted Use' under the Scheme and as such, requires Council to exercise its discretion to determine if the use meets the objectives and purposes of the zoning.

Having regard to the objectives of the zone and those matters to be considered under Deemed Clause 67 of *the Regulations*, the proposed 'Unlisted Use (Gymnasium -Karate School/Fitness Centre)' is consistent with the objectives of the 'East Victoria Park Shopping Centre Area', providing a compatible use and activating the precinct and servicing nearby residents and employees. The proposed land use is supported as it is consistent with the intent of the Precinct and provides a recreational facility, consolidating the civic, community and retail area.

For these reasons, this application for development approval is recommended for Approval by Absolute Majority, subject to conditions.



**RECOMMENDATION/S:****That Council:**

1. In accordance with the provisions of the Town of Victoria Park Town Planning Scheme No. 1 and the Metropolitan Region Scheme, approve by Absolute Majority, the application submitted by Architectural Studio63 Pty Ltd (DA Ref: 5.2018.836.1) for Change of Use from 'Office' to 'Unlisted Use (Gymnasium, Karate School/Fitness Centre)' at No. 693 (Lot 3) Albany Highway, East Victoria Park as indicated on the plans and document dated received 2 November 2018 subject to the following conditions:
  - 1.1 The development, once commenced, is to be carried out in accordance with the approved plans at all times, unless otherwise authorised by the Town.
  - 1.2 This approval is for the use of the first floor tenancy of the building as an Unlisted Use (Gymnasium), to be in accordance with the plans and details stamped approved 11 December 2018. Any changes to the operations may require lodgement of a new application for development approval for consideration by the Town of Victoria Park.
  - 1.3 Prior to the occupation of the premises, the applicant is to submit a parking management plan for the business, outlining the measures to be taken by the business to advise patrons of the availability of parking within the public car park at No. 16 Kent Street, East Victoria Park and to utilise other means of transport, with the management plan to be to the satisfaction of the Town of Victoria Park.
  - 1.4 The approved wall sign fronting Albany Highway is restricted to a maximum dimension of 2m height and 4.5m length and is to be located centrally to the building façade on the site, to the satisfaction of the Town of Victoria Park.
  - 1.5 The approved sign must be constructed and maintained to the satisfaction of the Town of Victoria Park and all redundant signs to the tenancy being removed prior to occupancy.
  - 1.6 All building works to be carried out under this development approval are required to be contained within the boundaries of the subject lot.

**Advice to Applicant**

- 1.7 The applicant/owner should refer to the Requirements of Other Council Business Units, enclosed with this development approval, which are relevant to the submission of a building permit and/or the carrying out of the development for which this approval is granted. This development approval does not remove the need to obtain licences, permits or other forms of approval that may be required under other legislation or requirements of Council.

- 1.8 Any modifications to the approved drawings forming part of this development approval may require the submission of an application for modification to planning approval and reassessment of the proposal.
- 1.9 The development approval is granted on the merits of the application under the provisions of the Town of Victoria Park Town Planning Scheme No. 1 and does not constitute approval for the purposes of the Strata Titles Act 1985 or its subsidiary regulations nor affect any requirement under the by-laws of the body corporate in relation to a proposed development pursuant to such legislation.
- 1.10 A building permit is required to be obtained from the Town prior to commencement of any work in relation to this development approval.
- 1.11 In addition to the disabled access and facility requirements of the Building Code of Australia, it is the responsibility of the building owner/developer to ensure the development complies with the Disability Discrimination Act 1992. Further information may be obtained from the Disability Services Commission.
- 1.12 A Sign Licence is required to be obtained from the Town prior to the installation of any signage.
- 1.13 Sound levels created as a result of the proposed uses are not to exceed the provisions of the Environmental Protection (Noise) Regulations 1997.
- 1.14 If/As it is intended to use the premises as a “public building” as defined in Section 173 of the Health Act 1911 (as amended), it is necessary to make application for a Certificate of Approval stipulating the maximum accommodation numbers from the Town of Victoria Park Environmental Health Services before commencing use as a public building.
- 1.15 Adequate enclosing wall or guard rails shall be provided in accordance with the Building Code of Australia. Steps and landings shall be provided with hand rails in accordance with the Building Code of Australia.
- 1.16 All public building exits shall be marked with an "EXIT" sign that conforms with Australian Standard 2293.
- 1.17 Where an exit or passage does not provide a clear means of egress from a public building the exit or passage shall be marked with a "NO ESCAPE" sign in letters not less than 100 mm high and 12 mm wide.
- 1.18 Luminaries in gymnasiums shall be so designed and placed to provide protection against damage from normal activities in such an area.
- 1.19 All exit doors, barriers and gates in a public building are to open outwards, in the direction of egress, except where automatic sliding doors are provided.

- 1.20 All rooms containing sanitary conveniences shall be provided with appropriate signs to indicate for which sex its use is intended and the signs shall be illuminated during darkness.**
- 1.21 A person shall not store within a public building any materials of a flammable nature that are not required for the purpose of the usual activities carried out in the public building.**
- 1.22 Separate dressing rooms, water closets and hand basins to be provided for both males and females. Decorative treatments in a public building that are not referred to in the Building Regulations 1989 shall be made of non-toxic materials unless the Town otherwise approves. Note: “non-toxic” includes in any circumstances specified by the Executive Director, Public Health.**
- 1.23 An electric fan, other than ceiling fans, in any area of a public building to which members of the public have access shall be installed in a permanent position and so that the blades of the fan are –**
  - i. not less than 2000mm above floor level; and**
  - ii. protected by a robust guard.**

**(Absolute Majority Required)**

- 2. Advise those persons who lodged a submission of Council’s decision.**



## 11.4 53-63 (Lot 905) Burswood Road, Burswood – Application for Amendment to Development Approval

<b>File Reference:</b>	PR2127
<b>Appendices:</b>	<a href="#">Applicant Justification Report</a>
<b>Landowner:</b>	Watersun Property Pty Ltd
<b>Applicant:</b>	Rowe Group
<b>Application Date:</b>	29/10/2018
<b>DA/BA or WAPC Ref:</b>	5.2018.840.1
<b>MRS Zoning:</b>	Urban
<b>TPS Zoning:</b>	Office/Residential
<b>TPS Precinct:</b>	Precinct P3 'Causeway'
<b>Use Class:</b>	Office
<b>Use Permissibility:</b>	'P' (permitted) use

<b>Date:</b>	26 November 2018
<b>Reporting Officer:</b>	J. Arnott
<b>Responsible Officer:</b>	R. Cruickshank
<b>Voting Requirement:</b>	Simple Majority
<b>Executive Summary:</b>	
<b>Recommendation – Approval subject to conditions</b>	
<ul style="list-style-type: none"> <li>• Application for modification of the conditions of planning approval of DA11/0272 approved on 28 June 2011;</li> <li>• The existing approvals for the site limit the use of the existing building for 'Office' purposes until 17 December 2028.</li> <li>• Application seeks the removal of this time limited approval to allow for the 'Office' land use to operate from the building indefinitely.</li> </ul>	

**TABLED ITEMS:**

Nil.

**BACKGROUND:**

The subject site was granted development approval in February 2001 for a redevelopment of the site with a mixed-use development consisting of office space and multiple dwellings. In December 2002 a further approval was granted for a larger mixed-use development also consisting of commercial and residential components over six (6) buildings. Subsequent modifications to the planning approval were granted in May 2004 and October 2004.

On 25 September 2007, a development application (DA 07/0430) for Additions/Alterations and Change of Use from 'Office/Warehouse' to 'Office' was approved by Council, subject to conditions. Unlike the previous approvals, involving removal of the existing buildings and a redevelopment of the site, the proposal involved the refurbishment and renovation of the existing building including the construction of a mezzanine level to create five (5) office tenancies with a total area of 7,761m<sup>2</sup>. As the development was inconsistent with the ultimate intended form of development on the site envisaged under the Causeway Precinct Review, namely a residential tower with commercial/office uses on the lower levels, and included a significant area of open air car parking, Council officers recommended a temporary approval period of five (5) years to allow for the continued occupation and use of

the site as an interim measure until such time as its comprehensive redevelopment became viable. Council instead determined to approve the change of use for a temporary period of ten (10) years until 25 September 2017 as requested by the applicant, and as specified by Condition 1 of that approval.

An application (DA 09/0014) seeking a modification to Condition 1 of the September 2017 approval was received in January 2009, requesting the extension of the temporary approval period to 17 December 2018 to cover the time taken to secure tenants and undertake the renovations and internal fitout of the building. During the Elected Members Briefing Session (EMBS) held on 27 January 2009, the Council was made aware that the applicant had secured four (4) of the five (5) office tenancies until 25 September 2017 (corresponding to the 10 year expiry date) and that only one of those tenancies (occupied by Internet Pty Ltd) had a lease that extended to 17 December 2018. On 3 February 2009 Council resolved to approve the application, limiting the extension of the temporary approval period for the tenancy occupied by Internet Pty Ltd only to 17 December 2018, with the remainder of the tenancies being restricted to 17 December 2017.

On 11 May 2011 a development application (DA 11/0272) was received by the Town seeking a modifications to Conditions 1, 2 and 3 of the February 2009 approval DA09/0014. The application sought the modification of these conditions as follows:

1. Condition No. 1 being modified to read as:  
"The owner entering into a legal agreement with the Town, prepared by the Town's Solicitors at the owner's cost, limiting the use of the subject property for 'Office' purposes until 17 December 2028 with an agreement to cease the temporary use at that time should Council not grant a further planning approval.
2. Condition No. 2 being deleted.
3. Condition No. 3 being modified to read as:  
"The remainder of development complying with development applications; DA 07/0430 approved on 25 September 2007; DA 08/0076 approved on 5 March 2008; DA 08/0734 approved on 13 January 2009 and DA 09/0025 approved on 27 January 2009 excluding the date of expiry of the approval."

Council Officers recommended refusal of the application due to its non-compliance with the intended form of development of this portion of the Causeway Precinct and the extension of the time period being premature and detrimental to the progression and intended redevelopment of the subject site. Notwithstanding this, Council approved the application subject to the conditions outlined by the applicant above.

Therefore the current development approvals restrict the use of all tenancies within the building for 'Office' purposes until 17 December 2028 only.

#### **DETAILS:**

An application has been received seeking modification to DA 11/0272 through the deletion of Conditions 1, 4 and 5. Specifically, these conditions are as follows:

1. Condition No. 1 of Planning Approval DA No. 09/0014 dated 3 February 2009 being modified to read as follows:

- “1. Condition No. 1 of Planning Approval DA No. 07.0430 dated 25 September 2007 being modified to read as follows:

*“The owner entering into a legal agreement with the Town, prepared by the Town’s Solicitors at the owner’s cost, limiting the use of the subject property for Office purposes until 17 December 2028 with an agreement to cease the temporary use at that time should Council not grant a further planning approval.”*

2. The existing legal agreement between the owner and the Town being modified at the owner’s expense within 60 days of this approval, to reflect Condition No. 1 of this approval.
3. The subject planning approval shall cease and expire and Condition/s Nos. 1.1, 1.2 and 1.3 of this planning approval shall cease to have any force or affect in the event the requirements of condition No. 1.4 of this planning approval are not complied with.

The proposed modifications to the current conditions of approval in effect seek the extension of the ‘Office’ land use indefinitely.

The applicant’s written submission (see Appendix 1) acknowledges the high-density residential development envisioned for the site and the wider Causeway Precinct, and indicates that whilst the property owner intends to develop their site to the highest and best use in the future, it is currently unfeasible given present market conditions. The applicant also states that the further restriction, by way of conditions on the development approval limiting the ‘Office’ use of the subject site, has negative consequences with respect to securing tenants.

Furthermore, the applicant states that the deletion of the time limitation imposed on the ‘Office’ use at the subject site will enable a greater degree of flexibility in relation to the continuing operation of the subject site for ‘Office’ purposes and for the consideration and planning of the redevelopment of the site for mixed use purposes.

#### **Legal Compliance:**

##### Relevant General Provisions of Town Planning Scheme No. 1

In assessing and determining this application, Council is to have regard to the following general provisions of the Scheme:

- Deemed Clause 67 ‘Matters to be considered by Local Government’ of the *Planning and Development (Local Planning Scheme) Regulations 2015*;
- Statement of Intent for Precinct P3 ‘Causeway Precinct’; and
- Local Planning Policy 22 – Development Standards for Causeway Precinct.

##### Compliance with Development Requirements

The proposal has been assessed for compliance with the following statutory documents and policies:

- TPS 1 Scheme Text and Precinct Plan P3; and
- Local Planning Policy 22 – Development Standards for Causeway Precinct.

**Town of Victoria Park Town Planning Scheme No. 1:**

The Statement of Intent for Precinct P3 is as follows:

*“The Causeway Precinct presents a rare opportunity to achieve a sustainable mixed use urban environment with its own distinctive identity on the city doorstep. Providing significant employment and housing, the Precinct offers opportunities for people to live and work locally, with many services and facilities within easy walk. Workplaces, local retail and the Albany Highway shopping strip, two train stations and the Bus Port, the river and parks and Burswood Peninsula leisure activities are all close by.*

*Reinforcing the State Network City policy, this Precinct will become a major activity node providing homes for 2,300 people integrated with an intensive commercial centre of some 87,000m<sup>2</sup> floor space and 3,300 jobs within a high amenity setting. The centre will be of sufficient scale to become a sought after business destination in its own right. It will operate as part of the Perth inner metropolitan employment hub expanding the range of economic activity in the Town, particularly in professional and skilled employment areas.*

*Links will be development with the proposed commercial activity around Burswood train station. Together these commercial areas will provide an equivalent of about half the commercial floor space of West Perth, making Burswood a regionally significant business and employment centre.*

*High quality apartments, many with river and city views, will overlook upgraded public open spaces that will be safer and more pleasant for all users. Building heightm siting and design will be controlled to ensure it is a ‘good neighbour’ to adjacent residential development, accommodates view sharing from the ridge and presents an attractive address to the Town. A limited number of tall buildings up to 18 storeys are proposed to take advantage of the assets of this location whilst signifying arrival at a major mixed use centre.”*

The continuation of the ‘Office’ land use does not directly align with the intent of the Causeway Precinct by way of offering a mixture of land uses.

Notwithstanding the above, the subject site is zoned ‘Office/Residential’ under TPS1, in which an ‘Office’ land use is a ‘P’ (permitted) use pursuant to the Use Class table of Precinct Plan P3.

**Local Planning Policy 22 – Development Standards for Causeway Precinct**

While the existing building has been approved for ‘Office’ use, an assessment of the existing development has been undertaken to determine the consistency with the current planning framework, as follows:

<b>Item</b>	<b>Requirement</b>	<b>Proposed</b>	<b>Compliance</b>
Land Use	Residential towers with an office/commercial component only being permitted within the first 3 to 4 storeys and required to all streets at ground level.	Two storey office building without any residential component	Non-compliant



Item	Requirement	Proposed	Compliance
Density	R160	N/A – no residential component	N/A – no residential component
Plot Ratio	3:1	0.697 (7,761m <sup>2</sup> )	Complies
Building Height and Form	Up to 18 storey high (max 67.5m) residential tower with min 2 storey and max 3 storey podium at street frontages.	Two storey office building. No built form on portions of Lot 905 east of Craig Street (car parking area) and rear portion of main land parcel with car parking fronting west side of Craig Street.	Non-compliant
No. Car Parking Bays	191	192 plus 3 small car bays	Complies
Location of Car Parking Bays	All parking screened from view, no forecourt parking permitted.  Car parking at ground level located behind a viable depth of commercial or residential activity for majority of street frontage.	All car parking located at grade. Parking areas front both sides of Craig Street and are highly visible.	Non-compliant

**Submissions:**

Community Consultation:

Nil.

**Policy Implications:**

The proposed deletion of the temporary approval period will allow a form of development inconsistent with the long-term vision for the Causeway Precinct to continue on the site for indefinitely. The subject site is one of the several landmark tower sites identified for development within the Causeway Precinct and the continuation of this development is considered to be inconsistent with the strategic plan envisioned for the Precinct.

Notwithstanding the above, the continuation of the land use does not prevent the redevelopment of the site in accordance with the Town’s intended vision in the future.

**Risk Management Considerations:**

Risk & Consequence	Consequence Rating	Likelihood Rating	Overall Risk Analysis	Mitigation / Actions
<b>Compliance:</b> The applicant / owner has a right of review to the State Administrative	Moderate	Likely	High	Ensure that Council is provided with information to make a sound recommendation based upon relevant

Tribunal (SAT) in relation to any conditions of approval, or if the application was refused by the Council.				planning considerations including the Scheme and applicable Local Planning Policies.
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**Strategic Plan Implications:**

En1:

Land use planning that puts people first in urban design, allows for different housing options for people with different housing needs and enhances the Town’s character.

Ec1:

A desirable place for commerce and tourism that support equity, diverse local employment and entrepreneurship.

**Financial Implications:**

Should the applicant be aggrieved by the Council’s decision they have a right of review to the State Administrative Tribunal. If the applicant were to exercise this right, then there may be financial implications for the Town in terms of representation to defend Council’s decision.

**Sustainability Assessment:**

External Economic Implications:

Nil.

Social Issues:

Nil.

Cultural Issues:

Nil.

Environmental Issues:

Nil.

**COMMENT:**

Planning and Development (Local Planning Schemes) Regulations 2015 – Deemed Clause 67

In considering an application for development approval the Town is to have due regard to the matters, where relevant, listed under Deemed Clause 67 of the Planning and Development (Local Planning Schemes) Regulations 2015 (Planning Regulations). The following are considered relevant to the proposed development:

- **The aims and provisions of this Scheme and any other local planning scheme operating within the Scheme area.**

The proposed deletion of the temporary approval for the ‘Office’ land use to allow its ongoing use indefinitely, does not directly align with the statement of intent for the TPS1 Precinct Plan P3 ‘Causeway’ with respect to offering a mixed land use developments within the area. Notwithstanding this, an ‘Office’ use is a permitted (P) land use within the ‘Office/Residential’ zone.

- **The requirements of orderly and proper planning including any proposed local planning scheme or amendment to this Scheme that has been advertised under the *Planning and Development (Local Planning Schemes) Regulations 2015* or any other proposed planning instrument that the local government is seriously considering adopting or approving.**

Notwithstanding the departure from the strategic vision for this area of the Causeway Precinct, the 'Office' land use is considered to be in accordance with orderly and proper planning as it is a permitted (P) land use. Furthermore, the refusal of a permitted land use to encourage redevelopment of the site to that encouraged under Local Planning Policy 22 – Development Standards for Causeway Precinct (LPP22) is not considered to be orderly and proper planning.

- **Any local planning policy for the Scheme area.**

The proposed continuation of the 'Office' land use indefinitely does not align with the strategic vision of the site as outlined by LPP22. The vision for the subject site is for residential towers to a maximum height of 18 storeys with an office/commercial component only being permitted within the first 3 to 4 storeys and required to all streets at ground level.

- **The compatibility of the development with its setting including the relationship of the development to development on adjoining land or on other land in the locality including, but not limited to, the likely effect of the height, bulk, scale, orientation and appearance of the development.**

The surrounding development consists predominantly of office land uses and a built form of 1 to 2 storeys.

- **The amenity of the locality including the following –**

- **Environmental impacts of the development;**
- **The character of the locality**
- **Social impacts of the development.**

The continuation of the 'Office' land use is unlikely to have a detrimental impact on the amenities of the locality. The proposed use is a permitted land use within the 'Office/Residential' zone and is compatible with the surrounding office and commercial land uses seen within the immediate locality.

#### **CONCLUSION:**

While the continued reuse of the existing building for Office purposes is inconsistent with the preferred form of development for the site envisaged under the Causeway Precinct Review and LPP22, the use of the site for these purposes has been approved and is a "P" (permitted) use under TPS 1.

Furthermore deletion of the relevant conditions of approval as requested by the applicant, does not prevent the site from being developed consistent with the preferred form of development at a future time.

While Council Officers and Council have imposed conditions of previous approvals on the Office use so as to encourage the redevelopment of the site, it is now considered inappropriate to continue to do so. In particular, Offices are a permitted land use and therefore under the Planning and Development (Local Planning Schemes) Regulations 2015

would no longer require approval, nor would an alternative permitted use (ie. Consulting Rooms). To elaborate further, if there were a proposal to change the use of the building to Consulting Rooms, this would not require Council approval as it is a permitted use of land, and therefore if not requiring approval there would be no ability for Council to impose conditions on the use of the land.

While it would be preferable for the site to be redeveloped in the shorter term consistent with the Causeway Precinct vision, this is unlikely given market conditions and furthermore it is a well-established planning principle that planning decisions be made on the merits of the application and that decisions cannot be made based upon a different development or land use being preferable.

Having regard to the submission from the applicant and the above Officer comments it is recommended that Council agree to the deletion of the relevant conditions of the previous approval so as to remove the time restriction on Offices on the site.

#### **RECOMMENDATION/S:**

1. That Council, in accordance with the provisions of the Town of Victoria Park Town Planning Scheme No. 1 and the Metropolitan Region Scheme, approve the application submitted by Rowe Group (DA Ref: 5.2018.840.1) for Amendment of Development Application (DA Ref: 11/0272) at No. 53-63 (Lot 905) Burswood Road, Burswood, as indicated on the documents dated received 30 October 2018 subject to the following conditions:

1.1 Condition No. 1, No. 4 and No. 5 of Planning Approval DA No. 11/0272 dated 28 June 2011 being deleted.

#### **Advice to Applicant**

1.2 Should the applicant be aggrieved by this decision a right of appeal may exist under the provisions of the Town Planning Scheme or the Metropolitan Region Scheme and the applicant may apply for a review of the determination of Council by the State Administrative Tribunal within 28 days of the date of this decision.



**11.5 Draft Parklets Policy And Policy Guidelines**

<b>File Reference:</b>	PLA/6/45
<b>Appendices:</b>	1. <a href="#">Draft Parklets Policy</a> 2. <a href="#">Draft Parklets Policy Guidelines</a>
<b>Attachments:</b>	No.

<b>Date:</b>	23 August 2018
<b>Reporting Officer:</b>	Z. Knight
<b>Responsible Officer:</b>	D. Doy
<b>Voting Requirement:</b>	Simple Majority

**Executive Summary:**  
**Recommendation – That Council endorse the Draft Parklets Policy and Policy Guidelines for public advertising, as contained within the Appendices**

- In 2014, the Town funded and installed five public Parklets along Albany Highway, as part of the Albany Highway Activation! Program (AHA!).
- Parklets and Alfresclets are small public parks. They are temporary moveable structures, often placed in parking bays, which provide publicly accessible seating and amenities for the community.
- As a result of business interest in Parklets, the Town has drafted a Policy to formally administer hosted Parklets and Alfresclets.
- Administration is seek Council’s endorsement for the Draft Parklets Policy to proceed to public advertising.

**TABLED ITEMS:**  
 Nil.

**BACKGROUND:**  
 In 2014, as part of a Council initiative to create a vibrant and strong main street, the Town instigated the Albany Highway Activation! (AHA!) Project. As part of the AHA! Program, the Town funded and installed five Parklets along Albany Highway.

A Parklet is a moveable structure placed in parking bays. They are an extension of the footpath that provide seating, shade and amenity for the community’s enjoyment. Parklets are micro public open spaces. An Alfresclet is a moveable structure placed in a parking bay that is formalised as an alfresco area while also being available to the general public.

There are a number of local governments in Perth that have constructed and encouraged the installation of Parklets. Parklets have become popular installations within communities, as they create a vibrant and inviting street scene.

Currently, three of the five Parklets installed by Council in 2014 remain, and at present there is no guiding policy or application pathway for business or community-led Parklets (hosted Parklets) or Alfresclets. A Draft Parklet Policy and supporting Policy Guidelines has been prepared and Administration is seeking Council’s endorsement of the Draft Parklet Policy and Policy Guidelines to proceed to public advertising.

**DETAILS:**

After the installation of the Town funded Parklets along Albany Highway, the Town received requests from local businesses for approval to install a Parklet adjacent to their business.

It was determined that a clear and transparent process was required to ensure that the Town appropriately and efficiently assessed formal requests for hosted Parklets. This process ensures matters such as appropriate location, potential impact on services, safety, accessibility and maintenance are considered by Administration.

The Town has now drafted a Parklets Policy and Policy Guidelines which seeks to define the standards and expectations for Parklets within the Town. These documents are contained in Attachments 1 and 2 respectively.

The installation of Parklets requires the abeyance of one or more parking bays for the term of the Parklet permit, and may also have an impact on services and infrastructure which are maintained by local and/or state government.

The Parklets installed by the Town in 2014 under the AHA! Project provided valuable insight and guidance on the formulation of the proposed criteria that covers location, design and technical compliance which is outlined in the Draft Parklets Policy Guidelines contained in Attachment 2.

A key aspect of the Draft Parklet Policy and Policy Guidelines, is the ability for an applicant to host either a Parklet or Alfresclet.

An Alfresclet is just like a Parklet, however, it includes table service and is capable of being liquor licensed by the hosting business or organisation. Alfresclets also require additional approval from the Department of Planning, Lands and Heritage as they derive a commercial benefit through the use of the road reserve.

The Draft Policy Guidelines outlines three core elements which a Parklet or Alfresclet will be assessed upon by the Town. The three assessment criteria are:

- Location Criteria
- Design Guidelines
- Technical Guidelines

Location Criteria

The Location Criteria aims to ensure that Parklets or Alfresclets are suitably located for safety, functionality and useability. The criteria seeks to ensure the location:

- is safe for Parklet or Alfresclet users;
- is safe for users of the adjoining road or footpath;
- does not impact on the efficient function of public transport,
- is accessible to the community; and
- will not require substantial works to existing infrastructure (ie. modification to the kerb or footpath).

Design Guidelines

The Design Guidelines seeks to encourage Parklet or Alfresclets that positively contribute to the overall character of the surrounding streetscape.

The Design Guidelines aim to ensure that Parklets or Alfresclets are visually appealing functional, fit for purpose, innovative and creative, and encourage the use of sustainable materials and finishes.

**Technical Guidelines**

The Technical Guidelines require Parklets or Alfresclets be designed without the need for alteration or relocation of civic infrastructure or furniture. The Technical Guidelines also ensure that Parklets or Alfresclets are designed to address the specific constraints of the proposed site.

The Technical Guidelines ensure that appropriate safety measures are incorporated into the design of the Parklets or Alfresclets.

**Legal Compliance:**

The Town has the ability to approve ‘*private works on, over, or under public places*’ under the provisions of Section 5.42 of the Local Government Act 1995 and Regulation 17 of the *Local Government (Uniform Local Provisions) Regulations 1996*.

The ability to approve Parklets or Alfresclets has been delegated to the Chief Executive Officer via Delegation 2.8: Private Works on, over, or under Public Places in the Town’s Delegated Authority Register.

**Policy Implications:**

**Strategic Community Plan:**

EC1 – A desirable place for commerce and tourism that supports equity, diverse local employment and entrepreneurship

EC2 – A clean, safe and accessible place to visit

EN6 – Appropriate, inviting and sustainable green spaces for everyone that are well maintained and well managed

CL8 – Visionary civic leadership with sound and accountable governance that reflects objective decision making.

**Council Policies:**

GEN3 – Community Consultation

GEN6 – Public Participation

**Risk Management Considerations:**

<b>Risk &amp; Consequence</b>	<b>Consequence + Rating</b>	<b>Likelihood = Rating</b>	<b>Overall Risk Analysis</b>	<b>Mitigation/Actions</b>
<b>Compliance</b> Community opposition to policy guidelines requirements	Moderate	Possible	Moderate (9)	Public consultation of policy and policy guidelines



<b>Risk &amp; Consequence</b>	<b>Consequence + Rating</b>	<b>Likelihood = Rating</b>	<b>Overall Risk Analysis</b>	<b>Mitigation/Actions</b>
<b>Timeframe</b> Insufficient community consultation	Moderate	Unlikely	Moderate (6)	Preparation of clear community consultation plan prior to commencement of consultation. Sufficient consultation period (minimum 21 days)
<b>Reputational</b> Location, design and technical criteria insufficient in addressing infrastructure, design or safety considerations	Major	Unlikely	Moderate (8)	Continual review of design, technical and location criteria against best practice, proposed parklets, benchmark standards implemented by other local governments.

**Financial Implications:**

The Town is proposing that applicants incur an application fee to cover the administrative costs for assessing and determining a proposed Parklet or Alfresclet.

Application fee/renewal application fee

The proposed application fee for the assessment of the Parklet or Alfresclet is \$295.00.

This fee amount is modelled on the fee currently charged for a planning application for a ‘change of use’. The assessment of a Parklet would require similar internal resourcing requirements as a ‘change of use’ application.

Annual permit fee

There are a number of factors to consider when determining whether an annual permit fee is appropriate.

It is intended that Parklets or Alfresclets will encompass a maximum of two parking bays. The proposed permit period for a Parklet or Alfresclet would be 24 months, with potential for renewal subject to a renewal application being submitted to the Town.

The following matters were considered in the deliberation of whether an annual permit fee should be implemented by the Town:

1. The current work zone permit fee: Under the current 2018-2019 Fees and Charges Schedule a work zone permit for a parking bay costs an applicant \$200.00 per month, per bay. Having regard to the current Fees and Charges Schedule, an annual work zone permit would be \$2,400.00 per bay. Given it is anticipated that most Parklets would utilise two parking bays, the annual fee for a Parklet could be \$4,800.00 if the Town replicated the work zone permit fee format.

2. Current commercial letting rates: If current commercial letting rates were used as a guide for the annual permit fee then a Parklet measuring 10sqm would attract approximately \$255.00/sqm or \$2,550.00/annum.
3. Fees charged by other Local Governments: The City of Vincent is an example of an inner-city local government with a successful Parklet program. The City of Vincent charges a one-off approval fee, of \$1,000.00 and an annual fee of \$500 for its parklets. Conversely, the City of Fremantle does not charge fees for the lodgement or permitting of their Parklets.
4. The potential income generated by paid parking bay(s). The income derived from parking ticket machines within the Town varies depending on location. Over a 6 month period, a high income generating ticket machine (for example a ticket machine servicing the parking bays on Albany Highway between Rushton and Harvey Street), generated \$12,721.81 between May and October or approximately \$2,120 per month.

Conversely, a parking ticket machine on Basinghall Street between Berwick Street and Albany Highway generated \$3,537.02, or \$622.50 over the same 6 month period.

It is Administration's view that an annual permit fee based on the Town's current work zone fees, income derived from ticket machines or local average commercial letting rates would be a disincentive for businesses and community organisations seeking to host a Parklet or Alfresclet.

During the policy's infancy, the imposition of any annual permit fee may be a disincentive to businesses seeking to install a Parklet, as the potential benefits of a Parklet or Alfresclet are unknown. However, once Parklets and Alfresclets are established, and the benefits of their installation evident to businesses, the imposition of an annual permit may be appropriate.

Given that businesses will derive a benefit from the use of a parking bay, an annual permit fee will allow the Town to receive funds that can help to provide complimentary activation initiatives near the Parklet or Alfresclet, or help to improve the off-street parking facilities managed by the Town.

Having regard to the above, it is therefore recommended that an annual permit fee 'waiver period' of 24 months from policy adoption for Parklets be considered by the Town, to encourage businesses to install and host a Parklet or Alfresclet.

After the initial 24 month period, the Town can revisit the potential need for the imposition of an annual permit, with the revenue derived from the Parklet or Alfresclet annual permits directed to off-street parking improvements and place making initiatives throughout the Town.

### **Sustainability Assessment:**

#### External Economic Implications:

Parklets and Alfresclets allow the hosting business to contribute to the general economic development of their immediate area by creating spaces of interest and attraction, promoting customer and visitors to linger within the area.

**Social Issues:**

The creation of useable and inviting spaces within the Town will promote community use and reduce anti-social behaviour in the precinct through creation of welcoming communal spaces.

Poorly designed and dysfunctional public spaces can have an adverse impact on the safety and usability of public spaces and as such, the proposed Location Criteria, Design Guidelines and Technical Guidelines in the Draft Policy Guidelines seek to prevent the creation of poorly designed and unwelcoming Parklets and Alfresclets.

**Cultural Issues:**

Nil.

**Environmental Issues:**

The creation of functional and welcoming public spaces with landscaping will help improve the walking environment within the area. Some Parklets and Alfresclets may include bicycle parking which will also encourage alternative transport methods by users and visitors to the area.

**COMMENT:**

The formulation of the Draft Parklets Policy and Policy Guidelines creates a pathway for local businesses and community groups to apply to host and install a Parklet or Alfresclet. Parklets installed by the Town under the AHA! Project have provided valuable learnings in relation to the appropriate design, materials, construction and installation of Parklets which have been captured in the requirements outlined in the Draft Policy and Policy Guidelines.

Feedback from local businesses via ongoing one-on-one conversations and community members as well as a review of other similar Local Government policies have informed the preparation of the Draft Parklet Policy and Policy Guidelines.

The Draft Parklet Policy and Policy Guidelines sets out a clear approvals process for the applicant as well as Location Criteria, Design Guidelines and Technical Guidelines. This provides clarity for both the assessing officer and the applicant and ensures that only Parklets and Alfresclets that enhance the vitality and attractiveness of the public realm within the Town are capable of approval. A consultation process with surrounding businesses and landowners is also built into the process.

The proposed application fee is considered appropriate for the level of assessment being carried out by technical staff within the Town. The proposal for an annual permit fee 'waiver period' of 24 months from policy adoption for Parklets will help to encourage businesses to install and host a Parklet or Alfresclet. After the initial 24 month waiver period, the Town can then revisit the potential need for an annual permit.

The draft Parklet Policy and Policy Guidelines was extensively workshopped with the Economic Development Committee (EDC). The EDC advised officers that due to the extensive workshop of the draft Policy and Policy Guidelines, a report to EDC would not be required and it was a preference of Committee that the draft policy go directly to OCM for consent to advertise the Policy and Policy Guidelines.

Should Council endorse the draft Parklets Policy and Policy Guidelines, the Town will undertake extensive and targeted engagement during the public advertising period. This will include a variety of street walks, with Place Leaders explaining the Policy to businesses via one-on-one conversations. Social media, flyers, a media release in the Southern Gazette and the Town's E-Newsletters will be used to attract submissions via the Town's Your Thoughts page.

**CONCLUSION:**

The Draft Parklet Policy and the proposed application process and assessment criteria in the Policy Guidelines will allow for a clear and transparent assessment and decision making process, which can be easily followed and utilised by businesses and the community in general.

The Draft Parklet Policy and Policy Guidelines provides a clear Location Criteria, Design Guidelines and Technical Guidelines that will ensure Parklets contribute to the vitality and attractiveness of the public realm in the Town of Victoria Park.

**RECOMMENDATION/S:**

**That Council endorse the Draft Parklets Policy and Policy Guidelines for public advertising, as contained within the Appendices.**

## 12 CHIEF OPERATIONS OFFICER REPORTS

### 12.1 Tender TVP/18/17 – John Mactivation Project – Park Upgrade Works Tender

<b>Tender Number:</b>	TVP/18/17
<b>Appendices:</b>	<a href="#">John Mactivation Project Concept Plan &amp; 3D Renders</a>
<b>Attachments:</b>	No

<b>Date:</b>	22 November 2018
<b>Reporting Officer:</b>	J. Bidwell
<b>Responsible Officer:</b>	B. Killigrew
<b>Voting Requirement:</b>	Absolute Majority

<p><b>Executive Summary:</b>  <b>Recommendation - That Council:</b></p> <ol style="list-style-type: none"> <li>1. <b>Accepts the tender submitted by PHASE3 Landscape Construction Pty Ltd at a total cost of \$890,792.98 (ex GST) for Part A and Part B and a total budget of \$150,000 (ex GST) for Part C as per the tender specifications; and</b></li> <li>2. <b>By Absolute Majority, approves the budget amendment request to fully fund the total project.</b> <ul style="list-style-type: none"> <li>• A tender has been called for the John Mactivation Project – Park Upgrade Works.</li> <li>• Evaluation of tender submissions against qualitative and price criteria has been completed.</li> <li>• It is recommended to accept the tender submission from PHASE3 Landscape Construction Pty Ltd.</li> <li>• Preferred option is to deliver all associated works for Part A, Part B <u>and</u> Part C of the tender specification, which will require a budget amendment.</li> </ul> </li> </ol>	
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**TABLED ITEMS:**

Nil.

**BACKGROUND:**

The John Mactivation Project will seek to revitalise the precinct along Sussex St, outside the Town Library, with an aim to meet community needs and provide a safer and more inviting space. The project was conceptualised after years of limited capital expenditure in the precinct, which has resulted in degraded facilities, under-utilisation of the park outside of scheduled events and on-going anti-social and safety issues, specifically during the evening.

The concept design was informed by a community engagement process where the community voted on their most desired elements that they would like to see in the park to make it more active and inviting. Through the community engagement process, it was identified that 98.1% of online participants supported the upgrade project. Following community engagement, the Town took the design elements prioritised by the community and contracted EPCAD Pty Ltd to undertake a concept level design, which was finalised in August 2018.

In preparation for public tender, a workshop item was presented at the Finance and Audit Committee meeting on 10 September 2018 outlining the proposed approach to delivering the project in multiple stages, which was necessitated due to budget restrictions. Committee members discussed the range of options presented and expressed that delivering all the project upgrades in one stage, not multiple stages, would likely be more widely supported.

To reduce risks and financial implications to the Town the project team proposed the tender be released as a single contract comprised of three (3) parts:

- Part A included all works for Stage 1 estimated to be delivered under the existing project budget and included items such as; demolition, site works, earthworks, hardscaping, landscaping and the new toilet block.
- Part B included additional elements that could be delivered if additional funding was identified. This included; the playground, basketball half-court and additional park fixtures. Part B was to be selected on an “all, some or none” basis, allowing the Town to have flexibility in choosing what was delivered based on the prices received in the tender and identifying additional funding opportunities.
- Part C included the additional lighting feature designed by an artist in partnership with the respondent which is to be funded from the Community Art Reserve Fund as identified for this project in the Public Art Strategy 2018 – 2023 (adopted by Council in August 2018). This funding is not currently included in the Annual Budget and is separate to the existing project budget.

#### **DETAILS:**

The tender was advertised on Tenderlink on Monday 15 October 2018 and closed Wednesday 7 November 2018.

Tenderers were required to complete and submit a lump sum and price schedule for Part A as well as Part B and provide a demonstration of understanding of how they would partner with an artist to deliver Part C. The budget for Part C is to be provided after the award of the contract and is not included in the tender contract lump sum price. Tenderers were provided with a copy of the concept design and a detailed specification breakdown to ensure accurate estimates for quotation.

Four (4) submissions were received for the tender TVP/18/17 - John Mactivation Project – Park Upgrade Works. These were:

- Phase3 Landscape Construction Pty Ltd;
- Environmental Industries;
- Total Eden Pty Ltd; and
- Tim Davies Landscaping Pty Ltd.

**Description of compliance criteria**

Compliance criteria for TVP/18/17 was as below:

<b>Description of Compliance Criteria</b>		
<b>i) Compliance with the Conditions of this Tender</b> Tenderers are to provide acknowledgment that your organisation has submitted in accordance with the Conditions of Tender including completion of the Offer Form and provision of your pricing submitted in the format required by the Principal		Yes / No <input type="checkbox"/> <input type="checkbox"/>
<b>ii) Compliance with the Conditions of Contract</b> Tenderers are required to indicate their agreement to comply with the Contractual Conditions of this Request for Tender as provided in Part 4 – General Conditions of Contract.  If "NO", please provide further details in the below table provided		Yes / No <input type="checkbox"/> <input type="checkbox"/>
Clause Reference No., Part 4	Contractual Condition	Comments
<b>iii) References</b> Provide a minimum of three (3) references. You should give examples of work provided for your referees where possible.		Yes / No <input type="checkbox"/> <input type="checkbox"/>
<b>iv) Specification</b> Compliance with the Specification contained in the Request. If "NO", please provide further details in a separate document		Yes / No <input type="checkbox"/> <input type="checkbox"/>
<b>v) Licencing</b> Compliance with all Australian and Western Australian license requirements for the Requirements of Tender as stated in Part 2 – Specification.		Yes / No <input type="checkbox"/> <input type="checkbox"/>
<b>vi) Occupational Health and Safety</b> Compliance with OHS requirement, Complete Appendix B – Part 3 Tender Response Form		Yes / No <input type="checkbox"/> <input type="checkbox"/>
<b>vii) Complete Respondents Offer</b>		Yes / No <input type="checkbox"/> <input type="checkbox"/>
<b>viii) Complete Pricing Schedule</b>		Yes / No <input type="checkbox"/> <input type="checkbox"/>
<b>ix) Corporate Information</b> Respondents to submit organisation profile. Advise if agent for another party, include name and address of Principal.		Yes / No <input type="checkbox"/> <input type="checkbox"/>

<p><b>x) Trusts</b>                  Are you acting as a trustee of a trust?                  If Yes:                  a) give the name of the trust; and                  b) the names and addresses of beneficiaries. (If insufficient space, include as attachment).                  c) Attach copy of the Trust Deed</p>	<p>Yes / No  <input type="checkbox"/> <input type="checkbox"/></p>
<p><b>xi) Sub-Contractors</b>                  Do you intend to subcontract any of the Requirements?                  If Yes, attach details of the subcontractor(s) including the name, address, location of premises and the number of people employed.</p>	<p>Yes / No  <input type="checkbox"/> <input type="checkbox"/></p>
<p><b>xii) Financial Position</b>                  a) Respondent to confirm ability to pay all debts in full as and when they fall due; and                  b) Advise of any current litigation as a result of which you may be liable for \$50,000 or more.                  c) Will you be able to fulfil the Financial Requirements from your own resources or from resources readily available to you to pay all your debts in full as and when they fall due?</p>	<p>Yes / No  <input type="checkbox"/> <input type="checkbox"/>                  Yes / No  <input type="checkbox"/> <input type="checkbox"/>                  Yes / No  <input type="checkbox"/> <input type="checkbox"/></p>
<p>Attach a <b>financial statement</b> for your organisation and each of the other proposed contracting entities, together with a list of financial referees.                   Authorisation from the tenderer for the Town to conduct inquiries with the tenderer’s bank or accountant may be included in the submitted tender in lieu of a financial statement.</p>	<p>Attached  <input type="checkbox"/>                   Attached  <input type="checkbox"/></p>
<p><b>xiii) Conflict of Interest</b>                  Advise of any actual or potential conflict of interest in the performance of your obligations under the Contract, or if any such conflict of interest likely to arise during the Contract.                  If Yes, please supply in an attachment details of any actual or potential conflict of interest and the way in which any conflict will be dealt with.</p>	<p>Yes / No  <input type="checkbox"/> <input type="checkbox"/></p>
<p><b>xiv) Quality Assurance</b>                  Does your organisation have any quality assurance or quality assurance systems?                  If you propose to subcontract, does your subcontractor have a “third party” quality management system in place?                  Supply evidence or details of your quality assurance position and where relevant of your supplier’s or subcontractor’s position in an attachment.</p>	<p>Yes / No  <input type="checkbox"/> <input type="checkbox"/>                  Yes / No  <input type="checkbox"/> <input type="checkbox"/>                  Attached  <input type="checkbox"/></p>



<p><b>xv) Insurance</b>                  The insurance requirements for this Request are stipulated in the General Conditions of Contract. Tenderers are to supply evidence of their insurance coverage below.                  Insurance cover for the entire contract period shall be with an insurer approved by the Australian Prudential Regulation Authority (APRA) as per their list of Insurers Authorised to conduct New or Renew Insurance Business in Australia.</p>				Attached <input type="checkbox"/>
Type	Insurer - Broker	Policy No.	Value (\$)	Expiry Date
Public & Product Liability				
Worker's Compensation				
Contractor's Risk				
Other (specify):				

**Evaluation Process**

After assessment of the compliance criteria, the Evaluation Panel assessed the submissions in accordance with the Qualitative and Price criteria nominated in the tender documents. The criteria were point scored according to the weighting system which indicated the relative degree of importance for each criteria.

Tenders were assessed against the following weighted criteria:

<p><b>Relevant Experience</b>                  Describe your experience in completing /supplying similar Requirements. Respondents must, as a minimum, address the following information in an attachment and label it "<b>Relevant Experience</b>":</p> <ul style="list-style-type: none"> <li>i) Relevant industry experience (including public sector), including details of similar work undertaken;</li> <li>ii) The Tenderer's involvement in these projects, including details of outcomes produced;</li> <li>iii) Past record of performance and achievement;</li> <li>iv) References from past and present clients; and</li> <li>v) Occupational safety and health track record.</li> </ul>	Weighting 15%
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<p><b>Capability</b>                  i) Qualifications, skills and experience of key personnel.                  ii) Plant, equipment and staff resources available.                  iii) Percentage of operational capacity represented by this work.                  iv) Quality systems.                  Tenderers must address the enquired information in an attachment and label it: <b>(Capability)</b></p>	<p>Weighting 15%</p>
<p><b>Demonstrated Understanding</b>                  Respondents should detail the process they intend to use to achieve the Requirements of the Specification. At a minimum, you are required to address the following:                  i) Demonstrate understanding of Tender documents;                  ii) Demonstrate understanding of work required                  iii) Demonstrate how the lighting feature design achieves the scope objectives outlined in Attachment C;                  iv) Demonstrate ability to meet delivery dates in regard to overall work commitments;                  Supply details and provide an outline of your proposed methodology in an attachment labelled <b>“Demonstrated Understanding”</b>.</p>	<p>Weighting 40%</p>
<p><b>Tendered Fees and Price/s</b>                  The price to supply the goods or services in accordance with the Request Rates or prices for variations</p>	<p>Weighting 30%</p>

Note: Demonstrated Understanding iii) was removed from the criteria through an Addendum to the tender as it was already addressed in item ii) and therefore a duplicate.

The assessment of the submissions was formally undertaken by a panel of three (3) Town officers:

1. Manager Infrastructure Operations
2. Strategic Projects Manager
3. Place Leader Urban Design

The Senior Procurement Officer was involved for advice and as an internal probity advisor throughout the process.

After evaluating the tenders against the compliance and qualitative criteria, a consensus scoring meeting was held with the evaluation panel members. The top four (4) qualitative ranks are shown below:

Company	Rank	Score
PHASE3 Landscape Construction Pty Ltd	1	85.7
Tim Davies Landscaping Pty Ltd	2	82.3
Total Eden Pty Ltd	3	74.3
Environmental Industries	4	73.3

**Legal Compliance:**

*Local Government Act 1995 Section 3.57.*

*Local Government (Functions and General) Regulations 1996 Division 2 Part 4.*

In accordance with Part 4 of the *Local Government (Functions and General) Regulations 1996 ("the Regulations")*, tenders shall be invited before the Town enters into a contract for another person to supply goods or services if the consideration under the contract is or is expected to exceed \$150,000.

Section 6.8 of the *Local Government Act 1995* (Expenditure from municipal fund not included in annual budget) states –

*(1) A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure —*

- (a) is incurred in a financial year before the adoption of the annual budget by the local government; or*
- (b) is authorised in advance by resolution\*; or*
- (c) is authorised in advance by the Mayor or president in an emergency.*

*\* Absolute majority required.*

*(1a) In subsection (1) —*

*additional purpose means a purpose for which no expenditure estimate is included in the local government's annual budget.*

*(2) Where expenditure has been incurred by a local government —*

- (a) pursuant to subsection (1)(a), it is to be included in the annual budget for that financial year; and*
- (b) pursuant to subsection (1)(c), it is to be reported to the next ordinary meeting of the council.*

**Policy Implications:**

Council Policy FIN4 Purchase of Goods and Services requires Council to invite tenders before the Town enters into a contract if the consideration under the contract is or expected to exceed \$150,000. Council Policy FIN4 has been complied with.

Council Delegation 1.24 – Limits on Delegations to CEO requires all tenders exceeding \$200,000 to be by Council determination. The value of the total contract is expected to exceed \$200,000 therefore it is required that this item be brought before Council for determination.

The design, supply and installation of the lighting feature will adhere and make reference to:

- REC N7 Public Art Policy; and
- Public Art Management Plan.

**Risk Management Considerations:**

<b>Risk &amp; Consequence</b>	<b>Consequence + Rating</b>	<b>Likelihood = Rating</b>	<b>Overall Risk Analysis</b>	<b>Mitigation/Actions</b>
<b>Reputational.</b> Negative reaction to Town due to reduced capacity of the park during upgrade works	Moderate	Possible	Moderate	<ul style="list-style-type: none"> <li>Project Team to work with Market Vendors and Community Members to provide as little disruption to the park activities as possible.</li> <li>Successful contractor to provide detailed traffic management and site management plan.</li> </ul>
<b>Financial</b> Council not accepting budget amendment recommendation	Major	Possible	High	<ul style="list-style-type: none"> <li>Provide reasoning and detailed explanations to Council to enable an informed decision.</li> <li>Regular workshop items to educate elected members on the preferred project approach</li> </ul>
<b>Timeframe</b> Project not completed in time	Low	Unlikely	Low	Successful Contractor to provide detailed work breakdown structure and regular reporting milestones
<b>Environmental</b> Damage to existing trees from upgrade works	Minor	Unlikely	Low	Successful contractor to provide tree protection management approach as part of project documentation

**Strategic Plan Implications:**

The project will seek to contribute to the following Strategic Community Plan Outcomes:

Social – To promote sustainable, connected, safe and diverse places for everyone.

- S4 - A place where all people have an awareness and appreciation of arts, culture, education and heritage
- S3 – An empowered community with a sense of pride, safety and belonging

Civic Leadership – To show leadership by communicating with, empowering and supporting people in the community

- CI3 – Well thought out and managed projects that are delivered successfully
- CI6 – Finances are managed appropriately, sustainably and transparently for the benefit of the community

Environment – To promote sustainable, connected, safe and diverse places for everyone.

- En5 – Appropriate and sustainable facilities for everyone that are well built, well maintained and well managed
- En6 – Appropriate, inviting and sustainable green spaces for everyone that are well maintained and well managed

**Financial Implications:**

Internal Budget:

The existing budget for the project is \$430,000. The project also has \$150,000 identified in the Public Art Strategy 2018-2023 being held in the Community Art Reserve, although this is not yet shown in the Annual Budget.

The existing project budget of \$430,000 is insufficient to deliver both Part A and Part B of the tender, therefore a budget amendment, approved by absolute majority, is required to deliver all the project upgrade works.

The \$150,000 identified to be drawn from the Community Art Reserve is also restricted to deliver Part C only and cannot be reallocated to deliver works in Part A or Part B as they do not meet the public art requirements.

A total of \$510,000 additional funding (excluding the \$150,000 identified in the Public Art Strategy) is required to deliver all of the proposed upgrade works in the concept plan. A detailed breakdown of the costs required can be seen below:

<b>Specification Item</b>	<b>Current Budget</b>	<b>Cost</b>	<b>Funds Required</b>
Part A Lump Sum	\$430,000	\$650,140	\$220,140
Part B Lump Sum	\$0	\$240,660	\$240,660
Part C Lump Sum *	\$0	\$150,000	\$150,000
Contingency *	\$0	\$50,000	\$50,000
<b>TOTAL PROJECT COSTS</b>	<b>\$430,000</b>	<b>\$1,090,800</b>	<b>\$660,000</b>

\*Note: Part C and Contingency are Budget Only figures and any surplus funds will be returned should they not be required.

Due to the budget implications of delivering all of the project upgrades in one stage, the Town has assessed and outlined 3 options available to proceed:

**Preferred Option – Budget Amendment to Deliver All Parts**

The preferred option, and subsequent recommendation below is for an approved budget amendment to deliver all of the proposed upgrade works in one stage. This would enable the Town to deliver the project in the most time and cost efficient approach as well as eliminating any risks associated with multiple stage delivery. This option has also been expressed as the preferred option by the Finance and Audit Committee Members and by community members through the community engagement phase. If this recommendation is approved, it will eliminate any further requirements for future tendering of subsequent stages, reduce additional establishment, mobilisation and project management costs and deliver against all the project objectives in one stage. The additional required funds have been proposed as coming from the Future Projects Reserve Fund (as well as the amount to come from the Community Art Reserve). The table below outlines the additional funds not budgeted for that are required to deliver the option.

<b>Specification Item</b>	<b>Current Budget</b>	<b>Cost</b>	<b>Funds Required</b>
Part A Lump Sum	\$430,000	\$650,140	\$220,140
Part B Lump Sum	\$0	\$240,660	\$240,660
Part C Lump Sum *	\$0	\$150,000	\$150,000
Contingency *	\$0	\$50,000	\$50,000
<b>TOTAL PROJECT COSTS</b>	<b>\$430,000</b>	<b>\$1,090,800</b>	<b>\$660,000</b>

\*Note: Part C and Contingency are Budget Only figures and any surplus funds will be returned should they not be required.

**Alternative Option 1 – Terminate Project**

Due to tender pricing exceeding the existing project budget, alternative option 1 is to terminate the project. This will result in no capital funds being spent on upgrades to the park, and would require the Town to upgrade the existing toilet block to current public amenity standards. This would trigger a requirement for the Town to re-scope the project works and go through a separate tender process to procure a contractor. This option would have reputational and social impacts on the Town due to the community involvement in the project to date and result in the precinct being exposed to continued anti-social issues and low usage by not delivering the project objectives. The table below outlines the additional funds not budgeted for that are required to deliver the option.

<b>Specification Item</b>	<b>Current Budget</b>	<b>Cost</b>	<b>Funds Required</b>
Part A Lump Sum	\$430,000	\$0	\$0
Part B Lump Sum	\$0	\$0	\$0
Part C Lump Sum	\$0	\$0	\$0
Contingency	\$0	\$0	\$0
<b>TOTAL PROJECT COSTS</b>	<b>\$430,000</b>	<b>\$0</b>	<b>\$0</b>

Additional funds required for Alternative Option 1: \$0

Alternative Option 2 – Budget Amendment to Deliver Part A Only

Alternative Option 2 is for an approved budget amendment to provide additional funds to deliver Part A only. This would require additional funds and may result in a staged delivery of the remaining upgrades at a greater overall cost in the future. Funds required for the future stages would need to be identified during future budget review periods and would also require the Town to initiate separate procurement processes to deliver the remaining stages. A staged delivery of the project may also result in financial impacts to the Town due to additional costs for mobilisation, traffic management, project management and general preliminaries being required again for each subsequent stage, as well as reduced economies of scale due to multiple contracts. There is also risks to damaging works completed in Part A if multiple stages were required and the delivery of project objectives would be over an extended timeline. The table below outlines the additional funds not budgeted for that are required to deliver the option.

<b>Specification Item</b>	<b>Current Budget</b>	<b>Cost</b>	<b>Funds Required</b>
Part A Lump Sum	\$430,000	\$650,140	\$220,140
Part B Lump Sum	\$0	\$0	\$0
Part C Lump Sum	\$0	\$0	\$0
Contingency *	\$0	\$20,000	\$20,000
<b>TOTAL PROJECT COSTS</b>	<b>\$430,000</b>	<b>\$670,140</b>	<b>\$240,140</b>

Additional funds required for Alternative Option 2: \$240,140 (Future Projects Reserve)

Further to Part A and Part B, a third section (Part C) was detailed in the Tender requirements. Part C was for the design and delivery of a lighting feature design by an artist. Respondents were required to demonstrate how they would pair with an artist to deliver the lighting feature. Part C is to be funded from the Community Art Reserve as identified in the Public Art Strategy 2018 – 2023.

The Town currently funds the purchasing/commissioning and installation of public art by placing an amount of its annual rates into a Community Art Reserve fund. The Community Art Reserve is earmarked for expenditure over the next five years as detailed in the Public Art Strategy 2018-2023.

The Public Art Strategy has identified the John Mactivation project as a project of significance to deliver on the endorsed objectives of the strategy. The endorsed Public Art Strategy has allocated \$150,000 to the John Mactivation Project to assist in delivering on the following project objectives:

- Respond to evolving community needs within the area.
- Make public space active and work for the community.
- Make the area a multi-functional place.
- Reduce anti-social behaviour.
- Revitalise assets and spaces.

It is proposed that the successful tenderer will be given a detailed brief and associated budget to deliver the lighting feature as part of the overall upgrade works contract. The respondent will be required to prepare a conceptual level design which will be assessed by the Town or its nominated party. Once approval is granted, the successful contractor will be able to integrate the design, supply and delivery of the artworks into the overall project upgrades.

**Total Asset Management:**

A 26 week maintenance period has been included in the tender to ensure all items delivered as part of the contract are maintained to an appropriate standard past handover. The additional asset management costs associated with the project are considered minor.

**Sustainability Assessment:****External Economic Implications:**

The project will enhance the currently underutilised space with the intention of attracting more people to the project area and increasing events and activities. This will have a flow on positive effect on pop-up events, neighbouring businesses in the area and utilisation of the Town's civic and community facilities within the precinct.

**Social Issues:**

The project is seeking to reduce anti-social behaviour whilst enhancing the space for all who use it; therefore the design of the lighting feature will be assessed against selected CPTED (Crime Prevention Through Environmental Design) principles as well as creating an active and engaging space through design. The project is also seeking to strike a balance between active and passive public spaces within the precinct to ensure there is a range of options available to the community when visit the precinct.

**Cultural Issues:**

The Town's approach to public arts commissioning is driven by a focus on contemporary, quality and professionally significant artwork that elevates the status of the Town as an investor in a culturally-enriched environment that activates public spaces to increase people traffic. The project seeks to implement these objectives through the lighting feature.

**Environmental Issues:**

Public Open Spaces provide a range of environmental benefits including but not limited to; being a food source and natural habitat for numerous fauna, thermal insulation and temperature modification, humidification of the air, shade and cooling, carbon dioxide and oxygen exchange, visual and noise screening. The objectives of the project will seek to enhance and/or maintain these benefits within the project area.

**COMMENT:**

All respective tenderers are suitably qualified to deliver the John Mactivation project upgrade works as per TVP/18/18. After thoroughly assessing each of the tenders, PHASE3 Landscape Construction Pty Ltd received the highest Total Weighted Score. The next closest tenderer being Tim Davies Landscaping Pty Ltd. It is important to note that the price was not the determining factor and a budget amendment would still have been required.

**CONCLUSION:**

Following an assessment of all the submitted tenders, it is recommended that the tender submitted by PHASE3 Landscape Construction Pty Ltd be accepted to deliver all of the required works for Part A, Part B and Part C of tender TVP/18/17.

There is significant positive benefits associated with delivering all of the upgrade works under one contract in one stage, including; increased community positivity, reduced delivery time of overall project works, reduced project risks and reduced overall project costs. After



discussions with the Finance and Audit Committee Members, and rigorous analysis of the project options, the budget amendment to include all project works is recommended to be accepted.

**RECOMMENDATION/S:**

**That Council:**

1. **Accepts the tender submitted by PHASE3 Landscape Construction PTY LTD for TVP/18/17 at a total cost of \$890,792.98 (ex GST) for Part A and Part B, and a total budget of \$150,000 (ex GST) for Part C, as per the tender specifications;**
2. **Pursuant to Section 6.8 of the *Local Government Act 1995* approves additional expenditure for works of \$660,000; and**
3. **Amends the 2018-2019 Annual Budget as follows:**

**Expenditure**

<b>John Mactivation Project – Park Upgrade increase by</b>	<b>\$510,000</b>
<b>John Mactivation Project – Public Art increase by</b>	<b>\$150,000</b>

**Revenue**

<b>From Reserve Funds – Future Projects increase by</b>	<b>\$510,000</b>
<b>From Reserve Funds – Community Art increase by</b>	<b>\$150,000</b>

**For the purpose of completing all stages of the John Mactivation Project, as one singlestage, as opposed to multiple stages, thus reducing overall costs of delivering the project as well as reducing the risk of damaging already constructed stages during delivery of later stages.**

**(Absolute Majority Required)**

**12.2 Lease of Residential Units and Lease of Administration Centre, Hall and Day Centre to Harold Hawthorne Senior Citizens Centre and Homes Inc.**

<b>File Reference:</b>	PR18848 PR8555
<b>Appendices:</b>	No
<b>Attachments:</b>	No

<b>Date:</b>	23 November 2018
<b>Reporting Officer:</b>	T. McCarthy
<b>Responsible Officer:</b>	B. Killigrew
<b>Voting Requirement:</b>	Simple Majority

**Executive Summary:**  
**Recommendation – That approval in principle be given to progress the lease of the 12 residential units at 4 Memorial Avenue, Carlisle, (Lot 2 – Residential Units) to Harold Hawthorne Senior Citizens Centre and Homes Inc. for a term of ten years with an option for a further term of ten years, and that approval in principle be given to progress the lease of the the Administration Centre, Hall and Day Centre at 192 Rutland Avenue, Carlisle, (Lots 3 and 404 – Administration Centre) to Harold Hawthorne Senior Citizens Centre and Homes Inc. for a term of five years with an option for a further term of five years.**

- The leases for the Harold Hawthorne Residential Units and the Administration Centre are currently in holding over phase.
- Harold Hawthorne Senior Citizens Centre and Homes Inc (**HHSCCH**) has expressed a need to execute new leases with the Town for both the Residential Units and the Administration Centre.
- HHSCCH has occupied both premises for many years and provides very valuable services to the community, in particular to senior citizens.
- Approval in principle by Council to the proposed leases of Lot 2 Memorial Avenue and Lots 3 and 404 Rutland Avenue and Memorial Avenue will provide some reassurance to HHSCCH that the Town is working to reach agreement on the immediate future of the HHSCCH tenancies of the subject properties and is willing to work with HHSCCH in order to reach an agreed outcome to present to Council for endorsement of lease documents.

**TABLED ITEMS:**

Nil.

**BACKGROUND:**

There are two separate leases applicable to the Town owned HHSCCH complex at Carlisle. One lease applies to Lot 2 Memorial Avenue, which has 12 residential units located on it. The second lease applies to Lots 3 and 404 Rutland Avenue and Memorial Avenue, which has the Administration Centre, Hall and Day Centre located over the two lots.

Lot 2

In 1968 and 1970 the City of Perth purchased two lots which were later amalgamated in 1982 to create Lot 2. HHSCCH constructed at its own cost 12 residential units on Lot 2 in 1983 and a 20 year lease of the property with the City of Perth was executed. That lease was superseded by a new lease in 1997, which was of a term of 20 years plus an option for a further term of 20 years. The second term was not actioned within the time specified in the terms of the lease and the Lessee, HHSCCH, is currently in a period of holding over.

Lots 3 and 404

Bickford Soldiers Association purchased land in 1919 and using voluntary labour built a hall for the benefit of servicemen returning from World War One. In 1965 the Bickford Hall needed major renovation and the Bickford Soldiers Association was unable to fund repairs.

In 1967 the land was gifted to the City of Perth and in 1969 the City of Perth built a new hall and Administration Centre. Various extensions have been done since 1969, including the construction of the Day Centre, which opened in 1996. After construction by the City of Perth, HHSCCH has leased the facilities from the City of Perth and subsequently from the Town. The most recent lease for a 10 year term plus an option for a further term of 10 years was signed in 2007. The second term was not actioned within the time specified in the terms of the lease and the Lessee, HHSCCH, is currently in a period of holding over.

In addition to the land owned by the Town that HHSCCH occupies, HHSCCH also owns eight other parcels of land within the area bounded by Memorial Avenue, Rutland Avenue, Lion Street and Raleigh Street. All eight properties have residential units on them, and in total HHSCCH owns or leases a total of 41 residential units, including the 12 owned by the Town on Lot 2 Memorial Avenue.

**Legal Compliance:**

Any disposition of Council owned land or property, either by lease or sale, must be carried out in accordance with Section 3.58 of the *Local Government Act 1995*. Section 3.58 prescribes the manner in which local government can lease property as follows:

*“3.58. Disposing of property*

*(1) In this section -*

*“dispose” includes to sell, lease, or otherwise dispose of, whether absolutely or not;*

*“property” includes the whole or any part of the interest of a local government in property, but does not include money.*

*(2) Except as stated in this section, a local government can only dispose of property to -*

- (a) the highest bidder at public auction; or*
- (b) the person who at public tender called by the local government makes what is, in the opinion of the local government, the most acceptable tender, whether or not it is the highest tender.*

*(3) A local government can dispose of property other than under subsection (2) if, before agreeing to dispose of the property -*

- (a) it gives local public notice of the proposed disposition -*
  - (i) describing the property concerned;*
  - (ii) giving details of the proposed disposition; and*
  - (iii) inviting submissions to be made to the local government before*

*a date to be specified in the notice, being a date not less than 2 weeks after the notice is first given;*

*and*

*(b) it considers any submissions made to it before the date specified in the notice and, if its decision is made by the council or a committee, the decision and the reasons for it are recorded in the minutes of the meeting at which the decision was made.*

*(4) The details of a proposed disposition that are required by subsection (3)(a)(ii) include -*

*(a) the names of all other parties concerned;*

*(b) the consideration to be received by the local government for the disposition; and*

*(c) the market value of the disposition as ascertained by a valuation carried out not more than 6 months before the proposed disposition.*

*(5) This section does not apply to -*

*(a) a disposition of land under section 29 or 29B of the Public Works Act 1902;*

*(b) a disposition of property in the course of carrying on a trading undertaking as defined in section 3.59;*

*(c) anything that the local government provides to a particular person, for a fee or otherwise, in the performance of a function that it has under any written law; or*

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

Clause (5) (d) of the Act describes that section 3.58 does not apply if it is excluded by regulation. Part 30 of the *Local Government (Functions and General) Regulations 1996* (the Regs) provides an exemption if the land is disposed to a charitable or benevolent body, which describes the object of the Harold Hawthorne Senior Citizens' Centre and Homes as set out in its constitution. The relevant section of the Regulations reads as follows:

*"30. Dispositions of property to which section 3.58 of Act does not apply*

*(1) A disposition that is described in this regulation as an exempt disposition is excluded from the application of section 3.58 of the Act.*

*(2) A disposition of land is an exempt disposition if -*

*(b) the land is disposed of to a body, whether incorporated or not -*

*(i) the objects of which are of a charitable, benevolent, religious, cultural, educational, recreational, sporting or other like nature; and*

*(ii) the members of which are not entitled or permitted to receive any pecuniary profit from the body's transactions;"*

### **Policy Implications:**

Policy ADM8 - Leasing Policy. The proposed lease will be in compliance with the aims and objectives of Policy - ADM8.

**Risk Management Considerations:**

<b>Risk &amp; Consequence</b>	<b>Consequence + Rating</b>	<b>Likelihood = Rating</b>	<b>Overall Risk Analysis</b>	<b>Mitigation/Actions</b>
<b>Property:</b> Failure of Lessee to maintain the leased Premises.	Low	Low	Low	Action to enforce compliance with Lease conditions.

**Strategic Plan Implications:**

The disposition by lease of the subject property will be in accordance with the asset management plans referred to in the *Strategic Community Plan 2017-2032*.

**Financial Implications:**

Internal Budget:

Nil. The expired administration, hall and day centre lease contained provision for the Town to provide an annual subsidy payment to HHSCCH. It is proposed that the previous subsidy link to the lease will be removed and any subsidy payable to HHSCCH will be managed through an alternative process overseen by the Town’s community service area. This will have overall minimal or nil impact on the internal budget.

HHSCCH has not paid any significant rent during its tenure at Carlisle and it is not proposed to recommend change to that arrangement. Had the second term options for both leases been exercised within the specified time frames, those second terms of each lease would have attracted no rental payments.

A rental valuation assessment of the 12 residential villas on Lot 2 carried out by a licensed valuer on 21 March 2018 assessed the market rental income, excluding outgoings and GST, as \$82,500 per annum.

A rental valuation assessment of the administration centre, hall and day centre on Lots 3 and 404 carried out by a licensed valuer on 20 March 2018 assessed the market rental income, excluding outgoings and GST, as \$220,000 per annum.

Total Asset Management:

Minimum or nil. HHSCCH is responsible for maintenance of the leased facilities and the Town is responsible for structural integrity of the buildings and also the replacement of any capital equipment due to fair wear and tear and no change is contemplated to that arrangement. Over the past few years the Town has also carried out several capital improvements which were upgrades rather than replacement due to fair wear and tear. There will be overall minimal or nil impact on the internal budget.

**Sustainability Assessment:**

External Economic Implications:

HHSCCH has indicated that it wishes to execute new leases in order to be eligible to qualify for grant funding from State and Commonwealth sources.

Social Issues:

HHSCCH provides valuable services to the community and is a highly respected organisation within the Town.

Cultural Issues:

Nil.

Environmental Issues:

Nil.

**COMMENT:**

The Chief Operations Officer and the Chief Community Planner, as well as some Elected Members, have had discussions with the HHSCCH Board in respect to the long term viability of the properties the subject of both leases. Discussion with the Board at a Board meeting held 15 October 2018 focussed on a number of issues, in particular the probable future need for redevelopment of the site. The age and suitability of buildings within HHSCCH indicates a need for significant renovation or development in the future. Coupled with the potential re-zoning within the locality and proximity to public transport, services and to the city, it will be necessary for the Town to consider redevelopment of both the residential units and the administration centre, hall and day centre in the future as discussed and generally agreed at the Board meeting. Although there is currently no redevelopment strategy in place, nor has one been considered, it is a realistic prospect that it is likely to occur in the coming years and the Town would seek HHSCCH support and input if redevelopment was to occur.

In respect to the leases, it was indicated that there was general agreement with the proposals put to the Board at that meeting, which were, in general:

Lot 2 (Residential Units)

- Ten year lease with an option for a further ten year term. This will essentially reflect the lease term that would have been in place had the second term of the expired lease been exercised within the specified timeframe.
- A requirement that all new sub-leases to tenants be subject to approval by the Town.
- Inclusion of a clause indicating that the property may be subject to redevelopment.
- Clearly defined responsibilities in respect to maintenance, fair wear and tear and structural responsibilities for the units.

Los 3 and 404 (Senior Citizens Centre, Memorial Hall and Day Centre)

- Five year lease with an option for a further five year term. This will essentially reflect the lease term that would have been in place had the second term of the expired lease been exercised within the specified timeframe.
- Inclusion of a clause indicating that the property may be subject to redevelopment.
- Clearly defined responsibilities in respect to maintenance, fair wear and tear and structural responsibilities.
- The new lease will contain no clause relating to an operating subsidy. As discussed extensively to date, the clause in the previous lease re an operating subsidy will also be removed and the Town will instead deal with the operating subsidy separately to the lease, through the Communities team.

HHSCCH initially requested that a 20 year term for the residential units be executed, and as such the second 20 year term option of the expired lease would be replicated. The HHSCCH preference was, however, for a much longer term of perhaps 50 years with an option for a further 50 year term. This preference was in order to protect the long term tenancies of residents. Discussion ensued around the practicalities of long term leases and there was general agreement that a ten year term plus an option for a second ten year term would be acceptable for the residential units lease, subject to a clause being included indicating that the property may be subject to redevelopment. A straight 20 year term as requested by HHSCCH is not unacceptable subject to a clause being included indicating that the property may be subject to redevelopment, and would have no material effect on the long term outcome, but it is considered that being a relatively long term of 20 years it will not keep the idea of potential redevelopment to the front of mind. For that reason a ten year lease with an option for a further ten year term, subject to a clause being included indicating that the property may be subject to redevelopment, is recommended.

HHSCCH has raised the matter of the need to ensure compliance with all statutory requirements in respect to retirement village living and lease obligations of involved parties. In order to ensure that all statutory requirements are met, it is proposed to seek Council approval in principle to lease agreements for both the residential units and the administration centre, hall and day centre as outlined above, and that draft agreements be drawn up by a lawyer acting for the Town. This would allow opportunity for further discussion and negotiation with HHSCCH to enable HHSCCH review of the draft lease documents prior to presentation to Council for endorsement for execution. To this end it is envisaged that a further report will be presented to Council in February 2019.

#### **CONCLUSION:**

HHSCCH has occupied the subject properties for many years and carries out many valuable community services. It is recommended that new leases be approved in principle and that they be progressed by Council approval to do so and that new draft leases be drawn up by a lawyer acting for the Town to enable discussion and negotiation to occur with HHSCCH prior to a report to Council in February 2019 seeking approval to execute new leases.

#### **RECOMMENDATION/S:**

**That Council:**

- 1. Approves in principle the leasing of the residential units and land at Lot 2 Memorial Avenue, Carlisle, to Harold Hawthorne Senior Citizens Centre and Homes Inc. for a term of ten years with an option to extend the lease for a further ten years.**
- 2. Council approves in principle the leasing of the Administration Centre, Hall and Day Centre at Lots 3 and 404 Rutland Avenue and Memorial Avenue, Carlisle, to Harold Hawthorne Senior Citizens Centre and Homes Inc. for a term of five years with an option to extend the lease for a further five years**
- 3. Consider a further report at its Ordinary Meeting scheduled to be held February 2019, for execution of new leases for the residential units and land at Lot 2 Memorial Avenue, Carlisle, to Harold Hawthorne Senior Citizens Centre and Homes Inc., and for execution of new leases for the Administration Centre, Hall and Day Centre and land at Lots 3 and 404 Rutland Avenue and Memorial Avenue, Carlisle, to Harold Hawthorne Senior Citizens Centre and Homes Inc.**





**12.3 Tender - TVP/18/18 – Purchase of Road Sweeper**

<b>Tender Number:</b>	TVP/18/18 – VP124746
<b>Appendices:</b>	No
<b>Attachments:</b>	No
<b>Date:</b>	26 November 2018
<b>Reporting Officer:</b>	B. McLean
<b>Responsible Officer:</b>	B. Killigrew
<b>Voting Requirement:</b>	Absolute Majority
<b>Executive Summary:</b>	
<p><b>Recommendation – That Council awards the contract associated with the Tender TVP18/18, Supply and Delivery of One Road Sweeper, to Rosmech Sales &amp; Service Pty Ltd (ABN: 86 093 128 271) with terms and conditions as outlined in the contract as their offer has been evaluated as the most advantageous to the Town.</b></p> <ul style="list-style-type: none"> <li>• The Tender – TVP18/18 titled “Supply and Delivery of One Road Sweeper” was published through the Western Australian Local Government Association’s (WALGA) eQuote tender exempt platform.</li> <li>• Suppliers were requested to provide a lump sum cost for the supply and delivery of the requested road sweeper.</li> <li>• The approved municipal funding allocation for this plant item in the 2018-2019 fleet renewal budget is \$380,000 (ex GST).</li> <li>• An evaluation of the tender submissions against the prescribed criteria has been completed and it is recommended that Council accepts the submission made by Rosmech and enters into a contract to purchase the Scarab Mistral road sweeper with them.</li> </ul>	

**TABLED ITEMS:**

Nil

**BACKGROUND:**

The Town’s existing road sweeper is a Macdonald Johnston VS651. The VS651 was purchased in 2013 and has over 7,053 hrs of operation. The old sweeper has done more than the expected number of work hours for its age and regularly requires repairs. The item of plant was identified for replacement in the 2018/2019 financial year.

During the months of September and November the Town’s Waste Services staff, Workshop Mechanic and Principle Fleet Specialist were able to evaluate the alternative brand of road sweeper (Rosmech) compared to the MacDonald Johnston sweeper and the existing MacDonald Johnston sweeper. This has also assisted in finalising the specifications of the sweeper most suited for the Town’s requirements.

**DETAILS:**

The Town posted a Tender request TVP/18/18 titled “Supply and Delivery of One Road Sweeper” – Tendering Quotations through the WALGA eQuote platform on 11 October 2018 with the WALGA eQuote reference number of VP124746.

The following road sweeper suppliers, which are listed as preferred suppliers on WALGA’s approved panel of suppliers, were invited to quote. The companies are:

- Bucher Municipal Pty Ltd (Responded);
- Garwood International Pty Ltd (No Response);
- Hako Australia Pty Ltd (No Response);
- Rosmech Sales & Service Pty Ltd (Responded);
- Tennant Company (No Response).

The above listed companies are currently the main dealerships of quality road sweepers in Western Australia.

The quotation submissions received on the closing date were evaluated and assessed by an approved Evaluation Panel of the Town’s officers.

**Description of Compliance Criteria**

The only compliance criteria relevant to TVP/18/18 is the requirement that the submissions are able to demonstrate adherence to the Town’s road sweeper build specification. There was no separate compliance criteria required by the Town for this procurement. All suppliers on the WALGA Preferred Supply Arrangement have been pre-qualified via a robust Request for Tender process, conducted by WALGA, on behalf of Members.

Following receipt of the responses, the Evaluation Panel undertook assessment of the submissions in accordance with the Qualitative and Price criterion nominated in the RFT documents. These criteria were point scored according to a weighting system which indicated the relative degree of importance for each criteria.

Quotations were assessed against the following weighted criteria:

Operational Assessment	15%
Criteria Compliance	15%
Ergonomics	15%
Whole of life costs	15%
Tendered Fees and Prices	40%
<b>Total</b>	<b>100%</b>

Specific details of the evaluation and assessment process for the RFT submissions are documented in the RFT Evaluation Worksheet which is provided as a tabled item.

The only two submission to the Town were shortlisted and deemed compliant.

In making this conclusion, the Evaluation Panel determined the nominated Tenderers to have:

- An organisational structure, experience and capability in the supply, servicing and ongoing technical support provision of the road sweeper;
- Experience and work history for the supply of road sweepers to other Local Governments and private organisations;
- Ability to provide technical, maintenance support and spare parts in a timely manner;
- A price structure which demonstrated competitiveness with the average prices for the nominated tender;

- Optional services and materials offered which provide value for warranty service, maintenance, functionality and technological advances; and
- Demonstrated an understanding of specification requirements and clarity/relevance of the tenderers’ proposal (inclusive of supplying all requested items in the format required).

**Evaluation Process**

Selection criteria for TVP/18/18 included each submission being assessed against four (4) qualitative criteria, listed below:

<p><b>Operational Assessment</b></p> <ul style="list-style-type: none"> <li>i) Operational assessment by mechanic and operators</li> <li>ii) Demonstrate competency and proven track record of achieving outcomes;</li> <li>iii) Demonstrate sound judgement and discretion.</li> </ul>	<p>Weighting 15%</p>
<p><b>Criteria Compliance</b></p> <ul style="list-style-type: none"> <li>i) Does the quote submissions address the build specification requirements;</li> <li>ii) Organisations capacity and capability;</li> <li>iii) Organisations structure;</li> <li>iv) Organisations vision and mission alignment</li> <li>v) Plant, equipment and materials; and</li> <li>vi) Any contingency measures or back up of resources including personnel (where applicable).</li> </ul>	<p>Weighting 15%</p>
<p><b>Ergonomics</b></p> <ul style="list-style-type: none"> <li>i) Fuel tank ranges</li> <li>ii) Height of machines and how they affect the environment (overhead tree snagging potential).</li> <li>iii) Wander hose positioning – potential for snagging overhead verge trees.</li> <li>iv) Noise emissions.</li> </ul>	<p>Weighting 15%</p>
<p><b>Whole of life costs</b></p> <ul style="list-style-type: none"> <li>i) Based on IPWEA benchmarks and tenderers supplied information.</li> <li>ii) Tenderers must complete the price schedule. A lump sum price should be included with a cost breakdown.</li> </ul>	<p>Weighting 15%</p>
<p><b>Price</b></p>	<p>Weighting 40%</p>

The assessment of the submissions was formally undertaken by a panel of three Town officers:

- Evaluation Member 1: Operations Engineering Support Officer
- Evaluation Member 2: Team Leader Waste Management
- Evaluation Member 3: Parks Project Officer

The Senior Procurement Officer was involved for advice including internal probity throughout the process.

After evaluating the tenders against the compliance and qualitative criteria, a consensus scoring meeting was held with the evaluation panel members. The top two (2) qualitative ranks are shown below:

Company	Rank	Score
Rosmech Sales & Service Pty Ltd	1	89.00
Bucher Municipal Pty Ltd	2	85.9

Rosmech Sales & Service Pty Ltd achieved the highest score in the assessment against the qualitative criteria and price and therefore is considered to be the best value for money.

**Legal Compliance:**

*Local Government Act 1995 Section 3.57.*

*Local Government (Functions and General) Regulations 1996 Division 2 Part 4.*

In accordance with Part 4 of the *Local Government (Functions and General) Regulations 1996 (“the Regulations”)*, tenders shall be invited before the Town enters into a contract for another person to supply goods or services if the consideration under the contract is or is expected to exceed \$150,000.

**Policy Implications:**

Council Policy FIN4 Purchase of Goods and Services requires Council to invite tenders before the Town enters into a contract if the consideration under the contract is or expected to exceed \$150,000. The supply and delivery of the new road sweeper as requested exceeded \$150,000, therefore it is deemed necessary to enter into a contract. The request for quotation was undertaken through the WALGA Equote platform which is a tender exempt process.

Council Policy FIN4 has been complied with.

Council Delegation 1.24 – Limits on Delegations to CEO requires all tenders exceeding \$200,000 to be by Council determination. The value of the total contract is expected to exceed \$200,000 therefore it is required that this item be brought before Council for determination.

**Risk Management Considerations:**

Risk & Consequence	Consequence + Rating	Likelihood = Rating	Overall Risk Analysis	Mitigation/Actions
<p><b>Level of Service</b> A lower level of service may result if Town does not replace its existing sweeper</p>	Moderate	Likely	High	Purchase the road sweeper. If the Town is not replacing the current road sweeper with a new one, the level of road sweeping service in various aspects will drop even with the

				use of contractors. A net increase in the budget for waste services will be required.
<b>Reputational.</b> The Town will struggle to keep its commitments with the City of South Perth sweeping if the Town does not replace its existing sweeper.	Moderate	Likely	High	Purchase the road sweeper. Otherwise, the Town would need to outsource sweeping services to fulfil the Town’s obligations with the City of South Perth.
<b>Financial.</b> Without the new road sweeper, the Town will not be able to sweep its roads and car parks effectively. The Town may require more full time employed (FTE) staff to manage outsourced contract works.	Moderate	Likely	High	Purchase the road sweeper. Otherwise, the Town will need to outsource its sweeping services to fulfil the Town’s road maintenance needs.

According to the AS/NZS ISO 31000:2009, Risk is defined as the ‘effect of uncertainty on objectives’.

Risk management covers all the processes involved in identifying, assessing and judging risks, assigning ownership, taking actions to mitigate or anticipate them, and monitoring and reviewing progress. Risk is now a major factor to be considered when preparing a report for Council’s consideration.

**Strategic Plan Implications:**

Asset Management Plan (including the Towns ten year plant replacement program). In addition, the Towns strategic Community Plan 2013-2028 includes the following objectives that relate to the management of Assets –

- EN5 – Appropriate and sustainable facilities for everyone that are well built, well maintained and well managed.

**Financial Implications:**Internal Budget:

The purchase as identified in the RFQ is to be funded from work order number WO708 – Sweeper – 162VPK which has a budget of \$380,000. The submitted price (\$365,422.00) of the recommended supplier is within the nominated budget.

Total Asset Management:

The ongoing maintenance and operational costs for the road sweeper is allocated in the approved operating budget of 2018/2019. The current road sweeper has been over utilised based on comparative information available on the average usage of similar machines in WA Local Government sector and will become unsustainably costly if the Town is to continue to retain it.

**Sustainability Assessment:**External Economic Implications:

Nil.

Social Issues:

The Town's community will benefit from a higher level of service in the area of road cleanliness, lower noise impact and car park cleanliness through the latest technological advances on board the Rosmech Scarab Mistral which will improve road sweeping efficiency and effectiveness when compared to the Towns current sweeper which is due for replacement.

Cultural Issues:

Nil.

Environmental Issues:

Nil.

**COMMENT:**

Council, through the adoption of the annual budget, had endorsed the Vehicle Purchase – Waste – Sweeper under work order number WO708.

The offer accompanying the supply of the Rosmech Scarab Mistral road sweeper includes an extended warranty for the Isuzu truck, sweeper module and auxiliary engine for (5) Years.

Rosmech has demonstrated that they are able to meet the specifications and conditions as contained in the RFQ. Staff have identified Rosmech Scarab Mistral as being the most advantageous offer suited to the Towns requirements.

**CONCLUSION:**

It is recommended that Council endorses the purchase of the Scarab Mistral as offered by Rosmech so that the required custom fabrications can proceed immediately and the delivery is made before the end of this financial year.

**RECOMMENDATION/S:**

**That Council:**

- 1. Accepts the quotation submitted by Rosmech Sales & Service Pty Ltd for TVP/18/18 Supply and Delivery of One Road Sweeper as the most advantageous; and**
  
- 2. Authorises the Chief Executive Officer to execute a contract with Rosmech Sales & Service Pty Ltd for the supply and delivery of one Scarab Mistral road sweeper in accordance with the contract conditions as advertised in the Request for Tender of reference number TVP/18/18 and the lump sum price of \$365,422.00 (ex GST).**

**(Absolute Majority Required)**

### **13 CHIEF FINANCIAL OFFICER REPORTS**

There are no reports from the Chief Financial Officer.



## 14 COMMITTEE REPORTS

### FINANCE AND AUDIT COMMITTEE

#### 14.1 Recommendation from the Finance and Audit Committee: Independent Audit Report and Annual Financial Report 2017 - 2018

<b>File Reference:</b>	FIN/11/0001~09
<b>Appendices:</b>	1. <a href="#">Audit Completion Report</a> 2. <a href="#">Annual Financial Statements</a>
<b>Attachments:</b>	No

<b>Date:</b>	27 November 2018
<b>Reporting Officer:</b>	A. Thampoe
<b>Responsible Officer:</b>	G. Patrick
<b>Voting Requirement:</b>	Simple Majority

**Executive Summary:**

**Recommendation – That Council acknowledges the Audit Completion Report and draft Independent Auditor’s Report, and accepts the audited Annual Financial Report, for the 2017-2018 financial year, as included in the appendices for this report.**

- The Annual Financial Report gives a true and fair view of the financial position of the Town of Victoria Park as at 30 June 2018 and of its financial performance for the year ended on that date; and
- The Annual Financial Report complies with the *Local Government Act 1995* (as amended), the *Local Government (Financial Management) Regulation 1996* (as amended) and the Australian Accounting Standards.

**TABLED ITEMS:**

Nil.

**BACKGROUND:**

Each year, as part of Council’s audit process, an Independent Audit is undertaken to assess Council’s Annual Financial Report and the legitimacy and accuracy of Council’s accounts. An Independent Audit Report is then produced by the Auditor.

The Auditor, after completing the audit, is to forward a copy of the audit and / or management report to:

- The Mayor;
- The Chief Executive Officer; and
- The Minister, via the Department of Local Government, Sport and Cultural Industries.

The Independent Audit Report is also required to be included in Council’s Annual Report.

Any issues arising from the Independent Audit Report are to be investigated and action taken to resolve those issues.

**DETAILS:**

As part of Council’s committee structure, the Finance and Audit Committee has been established to review areas of an audit or compliance nature. The Audit Completion Report, draft Independent Auditor’s Report and the audited Annual Financial Report are presented as attachments to this report.

**Legal Compliance:**

*Local Government Act 1995* (as amended) (primarily Part 6 – Financial Management and Part 7 – Audit);  
*Local Government (Audit) Regulations 1996* (as amended);  
 Australian Accounting Standards; and  
 International Financial Reporting Standards.

**Policy Implications:**

Nil.

**Risk Management Considerations:**

<b>Risk &amp; Consequence</b>	<b>Consequence + Rating</b>	<b>Likelihood = Rating</b>	<b>Overall Risk Analysis</b>	<b>Mitigation/Actions</b>
<b>Financial Impact:</b> Council not accepting Independent Auditor’s report	Moderate	Unlikely	Moderate	Provide reasoning and detailed explanations to Council to enable informed decision making.
<b>Compliance:</b> Annual Financial Report not complying with the requirements of the <i>Local Government (Financial Management) Regulations 1996</i>	Moderate	Unlikely	Moderate	Engage external auditors to audit the Annual financial statements.
<b>Financial impact:</b> Misstatement or significant error in Annual Financial Report	Major	Unlikely	Moderate	Daily and monthly reconciliations.  Internal and external audits.
<b>Financial Impact:</b> Fraud and illegal acts	Catastrophic	Rare	Moderate	Stringent internal controls.  Internal audits. Segregation of duties.

**Strategic Plan Implications:**

CL6 in the Strategic Community Plan 2017-2032 - Finances are managed appropriately, sustainably and transparently for the benefit of the community.

CL 10 in the Strategic Community Plan 2017-2032 - Legislative responsibilities are resourced and managed appropriately, diligently and equitably.

**Financial Implications:**Internal Budget:

The costs to perform the Annual Financial Audit are within budget constraints.

Total Asset Management:

Nil.

**Sustainability Assessment:**External Economic Implications:

Nil.

Social Issues:

Nil.

Cultural Issues:

Nil.

Environmental Issues:

Nil.

**COMMENT:**

The Independent Audit was undertaken in October 2018 (refer to attachments) in line with current Australian Auditing Standards.

The Auditor notes that the financial report:

1. Gives a true and fair view of the financial position of the Town of Victoria Park as at 30 June 2018 and of its financial performance for the year ended on that date; and
2. Complies with the *Local Government Act 1995 (as amended)* and the *Australian Accounting Standards*.

Note

An unadjusted misstatement relating to rates received in advance amounting to \$339,548, was identified during the audit and has been noted under "Specific Required Communications" section of the Audit Report.

The Auditor noted:

*"There was one uncorrected misstatement pertaining to rates received in advance amounting to \$339,548 which has been classified as a liability instead of income in the financial report."*

By way of explanation to the above notation from the Auditor, under AASB 1004 – Contributions, rates received in advance should be reported as income in the year of receipt.

However, AASB 1058 – Income of Not for Profit Entities (which becomes applicable to reporting periods beginning on or after 1 January 2019) permits rates received in advance to be treated as a liability at year end. Early application of this accounting standard is statutorily permitted.

Management have taken the conservative approach in recognising rates revenue received in advance as a liability, have considered comments by the Auditor, and have determined that the above unadjusted audit difference is immaterial to the financial statement given that an early application of AASB 1058 would be available in the 2018-2019 financial year.

#### Options

Council can choose to accept or to not accept the audited Annual Financial Report.

If Council accepts the Annual Financial Report then the process for the production of the Annual Report can continue.

If Council chooses to not accept the Annual Financial Report then the process for the production of the Annual Report cannot continue and the currently advertised date for the hosting of the Annual General Electors' Meeting will need to be revised. A further meeting of the Finance and Audit Committee and Council will also be required as the Annual Financial Report is required to be accepted prior to the production of the Annual Report.

#### **CONCLUSION:**

The Annual Financial Report was audited by external auditors and, given there were no identified areas of non-compliance, it is recommended that the Committee recommend to Council to accept the 2017-2018 Annual Financial Report.

In accordance with the *Local Government Act 1995 (as amended)* (Section 7.12A – Duties of local government with respect to audits) a representative(s) from Council's Auditor, Macri Partners, will also be in attendance at the meeting to speak to the audit and take questions from committee members.

#### **FURTHER COMMENT:**

At the Finance and Audit Committee meeting on 26 November 2018, committee members asked questions of the auditors and officers. The questions and answers are included below.

- How did you find the officers that you dealt with? Were they responsive? What was the quality of the documents received?

*There were no issues experienced when dealing with officers and the accounts were of a high standard with only cosmetic changes required. There was only one uncorrected error which relates to rates received in advance.*

- Were the issues around infringement debtors picked up as part of the audit processes? What work has been performed on this?

*There is no awareness of any significant issues in debt recovery however, these would usually be picked up as part of the interim visit.*

- If issues around infringement debtors were picked up as part of the audit, would they be included in the interim audit letter?

Yes.

- If the infringement debtor reporting process was not being completed adequately, would this be picked up as part of the audit?

*If infringement debts are not recorded, and there are errors with the system, they would not be picked up as part of the audit.*

- What sort of system would fall over that would result in infringement debtors not being recorded?

*Processes could cause the system to fall over such as who is responsible for issuing and authorising debts, and the need to record the debt right from when it is issued.*

- To what extent does the audit include information technology controls? What is the scope?

*Systems and procedures are audited as part of the interim audit. This is done broadly and includes, for example, whether passwords are being changed.*

- Should infringement debts be recorded in the audit report?

*Infringement debts would be picked up as part of the audit if they were outstanding and recorded.*

- When is the audit report signed by the auditors?

*This usually happens once the Audit Committee acknowledges and accepts the audit reports, when the auditors are confident that there has been no major fraud and when the auditors are confident that the position of Council as at 30 June is correctly shown.*

- Are the amounts reflected for infringement debtors at 30 June recoverable?

Yes.

- Has the amount for infringement debtors gone up because they have been adding up?

*Yes and no. Some of the infringement debts are past the two year limit for being able to be lodged with the Fines Enforcement Registry.*

- Is there an internal process that has fallen over that meant that infringement debts could not be detected by the auditors? Have infringement debts been recorded? When would auditors have been able to pick these up?

*It would say if infringement debts were picked up by the auditors in the last interim audit letter. Lodgement with the Fines Enforcement Registry was occurring and then due to issues with internal processes, this ceased to occur. Due to these issues, it was difficult for the error to be picked up internally.*

- Wouldn't the auditors detect that debts were building from year to year? Is there a systems problem?

*Yes there was a systems issue. Systems have been reviewed and improved, and are now more robust.*

- Should the auditors be remarking on infringement debtors in this audit?

*The amount relating to infringement debtors is immaterial. The amount for materiality is \$1.2 million and amounts would not impact on the auditor's report if they were less than that.*

- If infringements were being identified as outstanding debt but were less than \$1.2 million would they be mentioned?

*No, they would not be mentioned, but the auditors should be aware.*

**RECOMMENDATION/S FROM THE FINANCE AND AUDIT COMMITTEE:**

**That Council, pursuant to Part 6 (Financial Management) and Part 7 (Audit) of the *Local Government Act 1995*:**

1. Acknowledges the [Audit Completion Report and draft Independent Auditor's Report](#); and
2. Accepts the audited [Annual Financial Report](#), for the 2017-2018 Financial Year, as included in the appendices for this report, noting that the report:
  - Gives a true and fair view of the financial position of the Town of Victoria Park as at 30 June 2018 and of its financial performance for the year ended on that date; and
  - Complies with the *Local Government Act 1995* (as amended), the *Local Government (Financial Management) Regulation 1996* (as amended) and the Australian Accounting Standards.

## 14.2 Recommendation from the Finance and Audit Committee: Schedule of accounts for 31 October 2018

<b>File Reference:</b>	FIN/11/0001~09
<b>Appendices:</b>	Payment Summary Listing – October 2018
<b>Attachments:</b>	No

<b>Date:</b>	27 November 2018
<b>Reporting Officer:</b>	A. Thampoe
<b>Responsible Officer:</b>	G. Patrick
<b>Voting Requirement:</b>	Simple Majority

<b>Executive Summary:</b>	
<b>Recommendation - That Council acknowledges the Schedule of Accounts paid for the month ended 31 October 2018.</b>	
<ul style="list-style-type: none"> <li>• The accounts paid for 31 October 2018 as included in the appendices.</li> <li>• Direct lodgement of payroll payments to the personal bank accounts of employees are also included.</li> </ul>	

### **TABLED ITEMS:**

Nil.

### **BACKGROUND:**

Council has delegated to the Chief Executive Officer the authority to make payments from the Municipal and Trust funds in accordance with the *Local Government (Financial Management) Regulations 1996*.

Under Regulation 13(1) of the *Local Government (Financial Management) Regulations 1996*, where a local government has delegated to the Chief Executive Officer the exercise of its power to make payments from the Municipal fund or the Trust fund, each payment from the Municipal fund or the Trust fund is to be noted on a list compiled for each month showing:

- a) The payee's name;
- b) The amount of the payment;
- c) The date of the payment; and
- d) Sufficient information to identify the transaction.

That list should then be presented at the next Ordinary Meeting of the Council following the preparation of the list, and recorded in the minutes of the meeting at which it is presented.

### **DETAILS:**

The list of accounts paid in accordance with *Regulation 13(1) of the Local Government (Financial Management) Regulations 1996* is contained within the Appendices, and is summarised as thus -

<b>Fund</b>	<b>Reference</b>	<b>Amounts</b>
<b>Municipal Account</b>		
Automatic Cheques Drawn	608440 – 608468	43,728
Creditors – EFT Payments		5,481,903
Payroll		1,055,992
Bank Fees		13,783
Corporate MasterCard		4,238
		<b>6,599,644</b>
<b>Trust Account</b>		
Automatic Cheques Drawn	3611 – 3615	17,962
		<b>17,962</b>

**Legal Compliance:**

Section 6.10 (d) of the Local Government Act 1995 refers, ie.-

6.10. Financial management regulations

Regulations may provide for —

- (d) the general management of, and the authorisation of payments out of —
  - (i) the municipal fund; and
  - (ii) the trust fund,
 of a local government.

Regulation 13(1), (3) & (4) of the Local Government (Financial Management) Regulations 1996 refers, ie.-

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 —
  - (a) the payee’s name;
  - (b) the amount of the payment;
  - (c) the date of the payment; and
  - (d) sufficient information to identify the transaction.
- (3) A list prepared under subregulation (1) is to be —
  - (a) presented to the council at the next ordinary meeting of the council after the list is prepared; and
  - (b) recorded in the minutes of that meeting.

**Policy Implications:**

Nil



**Risk Management Considerations:**

Three risks have been identified as outlined.

<b>Risk &amp; Consequence</b>	<b>Consequence + Rating</b>	<b>Likelihood = Rating</b>	<b>Overall Risk Analysis</b>	<b>Mitigation/Actions</b>
<b>Compliance:</b> Council not accepting Schedule of Accounts	Moderate	Unlikely	Moderate	Provide reasoning and detailed explanations to Council to enable informed decision making.
<b>Financial Impact:</b> Misstatement or significant error in Schedule of Accounts	Major	Unlikely	Moderate	Daily and monthly reconciliations. Internal and external audits.
<b>Financial Impact:</b> Fraud and illegal acts	Catastrophic	Rare	Moderate	Stringent internal controls. Internal audits. Segregation of duties

**Strategic Plan Implications:**

CL6 – Finances are managed appropriately, sustainably and transparently for the benefit of the community.

CL 10 – Legislative responsibilities are resourced and managed appropriately, diligently and equitably.

**Financial Implications:**

Internal Budget:

Nil.

Total Asset Management:

Nil.

**Sustainability Assessment:**

External Economic Implications:

Nil.

Social Issues:

Nil.

Cultural Issues:

Nil.

Environmental Issues:

Nil.

**COMMENT:**

All accounts paid have been duly incurred and authorised for payment as per approved purchasing and payment procedures and it is therefore recommended that the Committee recommend to the Council to accept and confirm the payments, as included in the appendices.

In anticipation that committee members will ask questions about the schedule of accounts, please note that these questions and answers will be included in the appropriate Elected Members Briefing Session agenda and Ordinary Council Meeting agenda.

**FURTHER COMMENT:**

The members of the Finance and Audit Committee sought further information on a number of payments made in October 2018. The following list represents the questions and answers associated with the request for further information.

- Aquatic Services – Equipment supply and repair - \$14,351.70  
*This payment was for a combination of invoices relating to preventative and reactive maintenance of the pool facilities, generally relating to pumps and filters.*
- ARRB Group Ltd – Parking management services - \$3,795  
*This payment was for the provision of consultancy services relating to a review of parking operations and management within the Lathlain Precinct.*
- CA Technology (CAMMS Group) – Software and IT solutions - \$5,332.80 and \$14,960.00  
*This payment relates to two invoices. \$5,332.80 was paid for the annual fee for the Town's project management system and \$14,960 was paid for the implementation of the project management system.*
- Copley Contracting – Road construction materials and services - \$1,435.50, \$10,397.20 and 13,182.40  
*These payments to Copley Contracting relate to works carried out as per successful tender TVP/17/01 – Panel Contract for Supply of Engineering Maintenance Services (Contract Number CTVP/17/04), approved by Council at the Ordinary Council Meeting on 11 July 2017.*
- Core Business – Audit services – Engineering - \$7,849.82  
*This payment was for a light fleet review.*
- Cornerstone Legal – Legal services - \$3,300 and \$2,729.38  
*These payments are in relation to two legal matters. \$3,300 was paid for legal advice pertaining to investments and \$2,729.38 was paid in relation to an environmental health matter.*

- Curtin University – Strategic services - \$16,500  
*This payment was for a study being developed by a consultant for “Trackless Tram Concept to Reality”.*
- Datacom Systems – Software and IT solutions - \$98,222.07  
*This was a payment for organisation-wide Microsoft licensing renewals.*
- Dave Lanfear Consulting – Community engagement services - \$4,675  
*This payment was for option analysis and costings, as requested by Elected Members and related parties, and a comprehensive report in relation to the financial viability of the tennis and croquet club.*
- Dienst Consulting – Equipment supply and repair - \$18,306.51  
*This payment was for the upgrade of the IT digital storage unit and associated support.*
- Fuji Xerox – Printing services - \$30,096.75  
*This payment is in relation to the cost of printing and postage for the Town’s annual rates notices, final notices and instalment notices. There will be further charges for the printing and postage of the remaining instalment notices in the coming months.*
- Gardiner Autos – Vehicle operating expenses - \$34,925.05  
*This was for the renewal of vehicle 122VPK (plant number 383), as per the approved capital budget.*
- Hoskins Investments – Construction services - \$88,000 and \$99,000  
*These were progress payments for the building upgrade, as per approved tender TVP/18/04 - 6 – 8 Kent Street, Construction Works (Contract Number CTVP/18/11). This was approved at the Ordinary Council Meeting on 10 July 2018.*
- ICMI Speakers and Entertainers – Event performance and activity - \$1,787.50  
*This payment was for speaker, Peter Sharp, at the Celebrating Community Connections event held on 9 November 2018.*
- LinkedIn Singapore – Advertising services - \$27,412  
*This payment relates to an annual membership fee for LinkedIn. It includes a human resources and communications membership package which allows for high-level recruitment services.*  
  
*The description has been adjusted to better reflect the nature of the payment to “Human Resource Services”.*

- Links Modular Solutions – Software and IT solutions - \$20,990  
*This payment was for invoices relating to progress payments for the implementation of the new facility management system for the Leisurelife and Aqualife Centre. This is as per the approved capital budget.*
- LKS Constructions (WA) – Construction services - \$46,530 and \$46,530  
*These payments were for invoices relating to progress payments for the refurbishment and fit out of Taylor Reserve public toilets, as per approved tender TVP/18/03 (Contract Number CTVP/18/04). This was approved by the Chief Executive Officer within delegation on 7 May 2018.*
- LSV Borello Lawyers – Legal services - \$5,257.58  
*This payment was for legal services in relation to a planning matter at Edward Millen House.*
- McLeods – Legal services - \$3,886.39, 2,841.74 and \$5,090.69  
*These payments are in relation to legal matters at the Town and include five invoices. They are in relation to contract and settlement for 12 Lathlain Place, environmental services, building and planning, parking prosecution and legal advice in relation to the closure of the IGA Laneway.*
- Perth Electric Bike Centre – Equipment supply and repair - \$4,074 and \$1,103.90  
*The payments were for the purchase of an Expedir electric bike for use within the Waste area (\$4,074) and electric bike repair and maintenance (\$1,103.90).*
- Remote Civils Australia – Footpath materials and construction - \$96,330.73, \$61,977.10, \$101,230.52 and \$3,484.03  
*These payments are in relation to four invoices for the construction of a raised asphalt intersection at Gallipoli Street (as per approved capital works, Traffic Calming Goddard street to Gallipoli street). Remote Civils are an approved panel contractor tender TVP/17/01 – Panel Contract for Supply of Engineering Maintenance Services (Contract Number CTVP/17/04), approved by Council at the Ordinary Council meeting on 11 July 2017.*
- The Integralis Holdings – Software and IT solutions - \$12,017.50  
*This payment was for the annual maintenance service for the IT helpdesk system.*
- Veev Group – Project management services - \$66,066  
*This payment relates to project management services for a range of IT projects. This is as per approved tender TVP/17/08 – IT consultancy and support services (Contract Number CTVP/18/05) that was approved by Council at the Ordinary Council Meeting on 8 May 2018.*

- VenuesLive Management – Hire charges - \$3,869.24, \$17,224.25 and \$1,520

*These payments relate to the hire of Optus Stadium facilities (venue hire, food and beverage, and audio visual) for events run by the Town. \$3,869.24 and \$1,520 were for the Ben Wyatt Breakfast event. \$17,224.25 was for the Celebrating Community Connections event.*

- A total of \$83,642.19 for payments to 8 agencies are described as "Agency and Contract Staff". Please advise:
  1. How many personnel were employed from each agency - including breakdown between full time, part time and casual employment;
  2. How many personnel were providing cover for permanent Town employees who were on leave, and how many were engaged to perform work not otherwise carried out by permanent Town employees;
  3. Over what period of time were these personnel engaged;
  4. What services areas were these agency and contract staff deployed to;

Agency	Number Employed	FT/PT or Casual	Leave cover or Other work	Time Period	Service Area
Flexi Staff	1	FT	Vacant Position	10/7/2018-ongoing	Street Operations
Green Skills	3	Casual	Other Work	7/11/2018-8/11/2018	Parks
Hays	2	1 x PT	LSL Cover	21/9/2018-1/10/2018	Building
		1 x Casual	Other Work	1/10/2018 – ongoing as required	Parks
Information Enterprises	2	2 x PT	Secondment/leave cover	22/8/18 - ongoing	Records
LO GO Appointments	4	3 x FT	2 x Vacant Position	1/10/2018 - ongoing	Finance
		1 x Casual	2 x Leave Cover	17/9/2018-ongoing as needed	Rangers
		1xCasual	Various leave cover	13/7/2018-ongoing	Engineering
		1xPT	To cover resignation	18/9/2018-2/11/2018	Communications
Michael Page	2	2xFT	Leave Cover	3/4/2018 – ongoing as needed	Customer Relations
			Leave Cover (Maternity)	28/8/2018-ongoing	

5. What amount (if any) was allocated in the Town's budget for the engagement of agency and contract staff during 2018?

*The Town has budgeted \$150,000 for agency works staffing and \$300,000 for all other agency staffing. This is a total of \$450,000.*

- City of Armadale – Collection of printing services

*The payments for printing services relate to assorted items for advertising of initiatives and events, and printed collateral for the Town. This month it has included pull-up banners (Customer Service), Pride in the Park (Event), HR induction material, printing of the Economic Development Strategy and Urban Forrest Strategy, Remembrance Day material and marketing material for Leisurelife events.*

- Trustee for Folan Family

*These payments relate to the facilitation of organisational development and cultural training. This is an ongoing initiative. Information regarding these payments was also supplied at the October 2018 Finance and Audit Committee meeting.*

- How many projects are the Veev Group currently involved in?

*Veev Group are currently involved with the Intranet and Councillor Portal, Asset and Property Management System and Library Management System.*

- Are we currently still at 170 full time employee equivalents?

*The full time equivalent, as at Monday 26 November 2018 is 191.66.*

- Does the Town have a policy to encourage the use of local business when procuring good and services?

*The Town is not able to have a regional pricing policy because it is a metropolitan local government however, our procurement policy states that when all things are equal, for example price and quality, the Town should support local business.*

- Why is the City of Armadale used for printing purposes?

*The City of Armadale has its own professional in-house printing service, an entity known as Print Hub.*

*The Town was introduced to Print Hub a few months ago and agreed to trial the service, when it branched out to printing beyond the City of Armadale's in-house needs to servicing other local governments.*

*They have a fully equipped digital print room for day-to-day printing and can do large format printing at a high quality output as well as trim, fold, bind and finish. The hub has employed staff who have worked in print houses in Perth for many years.*

*Benefits include:*

- *web-to-print management system with online ordering capability;*
- *single print jobs (no minimum order required) and 24 hour turnaround service;*
- *high-quality output and huge cost savings, less print waste; and*
- *much more competitive than local providers.*

*The Town's Finance and Procurement teams were consulted and supported introducing Print Hub as an option for all service areas without the need for a preferred supplier arrangement, hence service areas still need to seek three quotes as usual if spend on print will exceed the threshold.*

- Is the payment made to Curtin University related to a decision of Council?

*This payment is in relation to trackless tram research that is being undertaken in partnership with the City of Canning, City of Perth and Curtin University.*

- Did the other participants involved with the trackless tram research contribute the same amount of money?

*It is the Town's understanding that the other participants contributed the same amount of money.*

- Can the narrative around payments in the payment listing better reflect if a payment is made as part of a tender?

*The payment listing is a report that is available from our financial management system, using the data that is available in the system. The current information provided is a standard description linked to the supplier itself, not to particular transactions. The information is showing payments made to suppliers, not individual invoices.*

*There are multiple reasons why the Town does not provide tender or contract numbers as descriptions on the payment listing. Tender and contract numbers are not always relevant for every payment made to a supplier that we have a contract or tender with. Sometimes a payment can be made up of an invoice that relates to a contract or tender and an invoice that may be for goods or services outside of that contract or tender. The Town could also have two current tenders for one supplier.*

*The system capabilities and resource capacity limit highly specific information as part of the general reporting process.*

- Is the narrative of community engagement services correct for Dave Lanfear?

*Dave Lanfear has in the past provided community engagement services by facilitating community workshops for the Town's projects hence the description 'Community Engagement Services'. This particular payment in October was in relation to the finalisation of a comprehensive report, inclusive of financial viability, for the tennis and croquet Club. The description has been changed to 'Professional Services' in the payment listing to cover the range of services provided.*

- What do we get out of the Town's membership with LinkedIn and how does the Town justify spending this amount of money?

*After receiving a business case, the Town's C-Suite supported moving from a free company page to a paid platform on LinkedIn with the aim of growing and customising the Town's employment brand, showcasing relevant job listings, creating an 'employer of choice' social presence, and sharing stories about working at the Town, employee testimonials, images and video.*

*This platform allows the Town to post jobs differently with auto targeting to the most relevant candidates using LinkedIn's matching algorithms and profile data.*

*The Town receives a dedicated relationship manager, quarterly return of investment reviews, technical support, training and access to analytics.*

*Annual investments equates to \$239 per job advertisement based on slots being filled and a two week advertising period (better value than SEEK which averages \$330 per job or \$350 per local government job directory).*

*Results in the first three months of using the tool included:*

- *300,000 traffic drivers (or invitations) sent to attract talent to engage with our posts, jobs and follow the Town;*
- *Jobs being presented to talent 84,431 times with over 2,636 job views, 69% being from passive talent;*
- *101 applications;*
- *319 unique views of our careers page;*
- *119 job views after visiting the career page;*
- *388 new followers (278 non-employee);*
- *monthly average follower increase growth from 1.9% to between 7 and 10%;*
- *120% uplift in brand awareness; and*
- *one staff training session delivered to senior management.*

*The Town's C-Suite supported continuing with the platform after the trial. The budget is split between Human Resources and Stakeholder Relations because of its cross-functional use.*

- What is the planning matter at Edward Millen House that the payment to LSV Borello Lawyers relates to?

*This payment was for advice on land tenure in relation to the business case for Edward Millen.*

- Is the agency and contract staff budget provided for the 2018/2019 financial year?

Yes.

- Does the \$450,000 for agency employment costs include fees to recruitment companies?

*Yes, it is the total cost that we incur, including recruitment fees.*



**RECOMMENDATION/S FROM THE FINANCE AND AUDIT COMMITTEE:**

**That Council, pursuant to Regulation 13 of the *Local Government (Financial Management) Regulations 1996 (as amended)*, confirm:**

- 1. The accounts paid for 31 October 2018 as included in the appendices; and**
- 2. Direct lodgement of payroll payments to the personal bank accounts of employees.**

**14.3 Recommendation from the Finance and Audit Committee: Financial statements for the month ending 31 October 2018**

<b>File Reference:</b>	FIN/11/0001~09
<b>Appendices:</b>	No
<b>Attachments:</b>	Yes

<b>Date:</b>	27 November 2018
<b>Reporting Officer:</b>	A. Thampoe
<b>Responsible Officer:</b>	G. Pattrick
<b>Voting Requirement:</b>	Simple majority

**Executive Summary:**  
**Recommendation - That Council, accepts the Financial Activity Statement Report – 31 October 2018, as attached to and forming part of this report.**

- The Financial Activity Statement Report is presented for the month ending 31 October 2018. The report complies with the requirements of Regulation 34 (Financial activity statement report) of the *Local Government (Financial Management) Regulations 1996*.

**TABLED ITEMS:**

Nil.

**BACKGROUND:**

Each month officers are required to prepare monthly financial reports, covering prescribed information, and present these to Council for acceptance.

**DETAILS:**

Presented is the Financial Activity Statement Report – 31 October 2018.

Please note -

*The figures stated as opening balances for the 2018-2019 financial year have been audited by external auditors as part of the 2018 Annual Financial report but have not been accepted by Council as at the preparation date of this report and should therefore not be taken as the Town's final financial position.*

Revenue

Operating Revenue and Non-Operating Revenue – Material variances are identified where, for the period being reported, the actual varies to the budget by an amount of (+) or (-) \$25,000 and, in these instances, an explanatory comment has been provided.

Expense

Operating Expense, Capital Expense and Non-Operating Expense – Material variances are identified where, for the period being reported, the actual varies to the budget by an amount of (+) or (-) \$25,000 and, in these instances, an explanatory comment has been provided.

For the purposes of explaining each material variance, a three-part approach has been applied. The parts are –

1. **Period Variation**  
Relates specifically to the value of the variance between the Budget and Actual figures for the period of the Report.
2. **Primary Reason(s)**  
Explains the primary reason(s) for the period variance. Minor contributing factors are not reported.
3. **End-of-Year Budget Impact**  
Forecasts the likely financial impact on the end-of-year financial position. It is important to note that figures in this part are ‘indicative only’ at the time of reporting, for circumstances may subsequently change prior to the end of the financial year.

**Legal Compliance:**

Regulation 34 (Financial activity statement report) of the *Local Government (Financial Management) Regulations 1996* states –

- (1) *A local government is to prepare each month a statement of financial activity reporting on the revenue and expenditure, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail —*
  - (a) *annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c);*
  - (b) *budget estimates to the end of the month to which the statement relates;*
  - (c) *actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;*
  - (d) *material variances between the comparable amounts referred to in paragraphs (b) and (c); and*
  - (e) *the net current assets at the end of the month to which the statement relates.*
- (2) *Each statement of financial activity is to be accompanied by documents containing —*
  - (a) *an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;*
  - (b) *an explanation of each of the material variances referred to in subregulation (1)(d); and*
  - (c) *such other supporting information as is considered relevant by the local government.*
- (3) *The information in a statement of financial activity may be shown —*
  - (a) *according to nature and type classification; or*
  - (b) *by program; or*
  - (c) *by business unit.*
- (4) *A statement of financial activity, and the accompanying documents referred to in subregulation (2), are to be —*
  - (a) *presented at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates; and*
  - (b) *recorded in the minutes of the meeting at which it is presented.*

- (5) *Each financial year, a local government is to adopt a percentage or value, calculated in accordance with the AAS, to be used in statements of financial activity for reporting material variances.*

Section 6.8 of the *Local Government Act 1995* (Expenditure from municipal fund not included in annual budget) states –

- (1) *A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure —*
- (a) *is incurred in a financial year before the adoption of the annual budget by the local government; or*
  - (b) *is authorised in advance by resolution\*; or*
  - (c) *is authorised in advance by the Mayor or president in an emergency.*

*\* Absolute majority required.*

- (1a) *In subsection (1) —*  
*additional purpose means a purpose for which no expenditure estimate is included in the local government’s annual budget.*
- (2) *Where expenditure has been incurred by a local government —*
- (a) *pursuant to subsection (1)(a), it is to be included in the annual budget for that financial year; and*
  - (b) *pursuant to subsection (1)(c), it is to be reported to the next ordinary meeting of the council.*

**Policy Implications:**

Nil.

**Risk Management Considerations:**

<b>Risk &amp; Consequence</b>	<b>Consequence + Rating</b>	<b>Likelihood = Rating</b>	<b>Overall Risk Analysis</b>	<b>Mitigation/Actions</b>
<b>Financial Impact:</b> Council not accepting budget amendment recommendation	Moderate	Unlikely	Moderate	Provide reasoning and detailed explanations to Council to enable informed decision making.

<p><b>Compliance:</b> Financial statement not complying with the requirements of the <i>Local Government (Financial Management) Regulations 1996</i></p>	<p>Moderate</p>	<p>Unlikely</p>	<p>Moderate</p>	<p>Internal review of monthly Financial activity statement.  External audits of monthly financial statements.</p>
<p><b>Financial impact:</b> Misstatement or significant error in financial statements</p>	<p>Major</p>	<p>Unlikely</p>	<p>Moderate</p>	<p>Daily and monthly reconciliations.  Internal and external audits.</p>
<p><b>Financial Impact:</b> Fraud and illegal acts</p>	<p>Catastrophic</p>	<p>Rare</p>	<p>Moderate</p>	<p>Stringent internal controls.  Internal audits. Segregation of duties.</p>

**Strategic Plan Implications:**

CL6 – Finances are managed appropriately, sustainably and transparently for the benefit of the community.

CL 10 – Legislative responsibilities are resourced and managed appropriately, diligently and equitably.

**Financial Implications:**

Internal Budget:

The Statement of Financial Activity, as contained in the body of the Financial Activity Statement Report, refers and explains.

Total Asset Management:

Nil.

**Sustainability Assessment:**

External Economic Implications:

Nil.

Social Issues:

Nil.

Cultural Issues:

Nil.

Environmental Issues:

Nil.

**COMMENT:**

It is recommended that the Financial Activity Statement Report – 31 October 2018 be accepted.

**CONCLUSION:**

The Financial Activity Statement Report – 31 October, complies with the requirements of Regulation 34 (Financial activity statement report) of the *Local Government (Financial Management) Regulations 1996*. It is therefore recommended that the Financial Activity Statement Report – 31 October be accepted.

**FURTHER COMMENT:**

The members of the Finance and Audit Committee sought clarification on the following items:

- Has the new reporting for infringements been included in this report?

Yes.

- In regards to the increase in parking revenue, how much is from paid parking revenue and how much is from infringement revenue?

*The increase in parking revenue is primarily driven by an overall increase in parking activity within the Town. Total patronage (paid and free tickets) has increased 4% year-to-date.*

*Where parking activity increases, the dollar increases to paid ticket parking compared to infringements vary significantly (~\$2 per ticket compared to ~\$60 per infringement). As a result, the increases are:*

- 7% paid parking
- 93% parking infringements.

*In practical terms, this has resulted in an average increase of 75 parking infringements and 1,250 extra parking tickets per week.*

- How did the Town end up spending \$50,000 extra for operational expenditure at the library for an adult education program the Town knew they would be delivering?

*The Chief Financial Officer advised that he believed there was an issue with casual allocations in the budget at the library. An adjustment at the annual budget review will likely be required.*

- There is a variation for Aqualife operating expenses due to staff rosters exceeding budgeted hours across multiple areas. It says that this will be reduced through rostering amendments. Does this mean staff rosters will still be exceeding budgeted hours at the end of the financial year?

*The rostering issues (cause) have been addressed though the financial impact (effect) of those issues can still be seen in the October financials, positively, the amount is reducing. The overspend decreased from \$68,000 at the end of September to \$63,000 at the end of October, as is the percent variance, 12% over budget at the end of September to 9.6% over budget at the end of October.*

*The rosters will not be exceeding budgeted hours at the end of the financial year and the effect of the year-to-date overrun should steadily decrease throughout the coming months.*

- Should the debt relating to Victoria Park Youth Accommodation be included in this report?

*No. This section of the report has been revised and has now been corrected.*

- Can the infringements that are showing in this report be lodged with the Fines Enforcement Registry?

*Some of them can be and have been, and some will need to be written off in the future.*

- The renewal of Custance Street is over budget by \$14,000 and is shown as not yet completed. Why is this over budget, why isn't it completed yet and how much is left to pay?

*The status of the Custance Street works has had the actual civil works completed, however we are still waiting on final invoices to come in to close this work order.*

*Custance Street was a small resurfacing job, meaning that the minimum hours of mobilisation and profiling works were charged. It made up a significant portion of the overall costs. In addition to this, the kerbing was replaced on both sides of the road which was not included in the original budget.*

- Budget \$36,500 (all ex. GST)
- Kerbing \$17,165.19
- Asphalt \$33,148.89 (estimate \$34,173.46)
- Line marking \$350
- Net Position -\$14,164.09

- Why did the traffic calming on Gallipoli Street and Goddard Street go over budget?

*Community engagement with people close to the treatments meant that the costs increased as the treatments that were requested were more expensive than what had been budgeted for.*

- Traffic calming treatments on McCartney Crescent and Saleham Street came in under budget. Does this balance the works that were over budget on Gallipoli Street and Goddard Street?

Yes.

- When were the amounts of \$24,000 and \$23,000 for traffic calming revised?

*The report shows 'revised' as the budget is in a constant state of change and revision, with these changes having come before Council on numerous occasions. Those actual works may not have changed, however the status of the actual budget moves from 'adopted' to 'revised' upon the first amendment by Council.*

- Was the kitchen upgrade at Higgins Park Tennis Club a carry-over situation?

*The kitchen upgrade at Higgins Park was completed and there was no carry-over for this project.*

*There was however, an issue with the oven purchased as part of this project. At the end of 2017-2018 financial year, a purchase order was still outstanding with the suppliers, and the oven had been received and installed. The Town contacted the supplier requesting them to issue an invoice for the oven so that the account could be paid however, they were determined that it had already been paid. The purchase order was then cancelled. Shortly thereafter the supplier contacted the Town and advised they had cleaned up their books and found that there was an amount outstanding for the oven purchased for the Higgins Park kitchen upgrade. Therefore, a purchase order was raised for the purchase of this oven in this financial year. This budget item has a \$0 budget in this financial year.*

- The amount for parking infringements in the sundry debtors list is \$1.65 million. Does this mean that we haven't written off any debts yet?

*Yes, this is correct.*

**RECOMMENDATION/S FROM THE FINANCE AND AUDIT COMMITTEE:**

**That Council, pursuant to Regulation 34 of the *Local Government (Financial Management) Regulations 1996*, accepts the Financial Activity Statement Report – 31 October 2018 as attached to, and forming part of, this report.**





## ***Financial Activity Statement Report***

*For the month ended 31 October 2018*



**Contents**

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## Statement of Financial Activity Variances

### Material Variances Defined

For the purposes of reporting the material variances in the Statement of Financial Activity (by Service Unit) (as contained in this document), the following indicators, as resolved, have been applied –

#### Revenues (Operating and Non-Operating)

Service Unit material variances will be identified where, for the period being reviewed, the actual varies to budget by an amount of (+) or (-) \$25,000 and, in these instances, an explanatory comment will be provided.

#### Expenses (Operating, Capital and Non-Operating)

Service Unit material variances will be identified where, for the period being reviewed, the actual varies to budget by an amount of (+) or (-) \$25,000 and, in these instances, an explanatory comment will be provided.

Before commenting on each of the specific material variances identified it is important to note that, whilst many accounts will influence the overall variance, only those accounts within the affected Service Unit that significantly contribute to the variance will be highlighted.

For the purposes of explaining each variance, a multi-part approach has been taken. The parts are –

1. Period Variation – Relates specifically to the value of the variance between the Budget and Actual figures for the period being reviewed.
2. Primary Reason – Explains the primary reasons for the period variance. As the review is aimed at a higher level analysis, only major contributing factors are reported.
3. Budget Impact – Forecasts the likely \$ impact on the year end surplus or deficit position. It is important to note that values in this part are indicative only at the time of reporting, for circumstances may subsequently change.

### Material Variances Explained

The Financial statements are presented based on the new organisational structure

As shown in the in the Statement of Financial Activity (contained within this document), the following variances have been identified -

#### Revenue

##### Chief Executive Officer

No material variance to report

Community Planning

- **Urban Planning**

- The period variation is favourable to period budget by \$30,801
- The variation predominantly relates to higher than anticipated Development application fees received for the period.
- The estimated impact on the year end position is an increase in revenue of \$20,000.

Finance

- **Aqualife**

- The period variation is favourable to period budget by \$63,296.
- The variation predominantly relates to higher than anticipated revenue received from learn to swim and health and fitness programs.
- The estimated impact on the year end position is an increase in revenue of \$40,000.

- **Parking**

- The period variation is favourable to period budget by \$93,871.
- The variation predominantly relates to higher than anticipated paid parking and infringement income which is greater than same time last year.
- The estimated impact on the year end position is an increase in revenue of \$90,000.

Operations

No material variance to report

**Operating Expense**Chief Executive Office

- **Customer Relations**

- The period variation is favourable to period budget by \$41,390.
- The variation predominantly relates to a vacancy within the area.  
The estimated impact on the year end position is a reduction in expenditure of \$35,000.

Community Planning

- **Library Services**

- The period variation is unfavourable to period budget by \$48,878.
- The variation predominantly relates to salaries for additional staff required for short term cover within the Adult Program for improved community literacy and learning program delivery.
- The estimated impact on the year end position is an increase in expenditure of \$30,000.

- **Urban Planning**

- The period variation is favourable to period budget by \$39,696.
- The variation predominantly relates to vacancies within the area and underspend of consultancy cost. Consultancy costs are expected to be spent in the upcoming months.
- The estimated impact on the year end position is a reduction in expenditure of \$20,000.

#### Finance

- **Aqualife**

- The period variation is unfavourable to period budget by \$65,394.
- The variation predominantly relates to staff rosters exceeding budgeted hours across multiple departments (Gym, Recreational Swimming and Learn to swim). Variance is expected to reduce through roster amendments by June 2019.
- The estimated impact on the year end position is an increase in expenditure of \$30,000.

- **Information Systems**

- The period variation is unfavourable to period budget by \$77,768.
- The variation predominantly relates to a number of new unplanned initiatives occurring this financial year.
- The estimated impact on the year end position is an increase in expenditure of \$70,000.

- **Leisurelife**

- The period variation is favourable to period budget by \$86,835.
- The variation predominantly relates to efficiencies in rostering across customer service, crèche and health and fitness areas.
- The estimated impact on the year end position is a reduction in expenditure of \$60,000.

- **Parking**

- The period variation is favourable to period budget by \$102,012.
- The variation predominantly relates to vacancies within the area. These vacancies have also led to less parking projects and associated lower project expenditure.
- The estimated impact on the year end position is a reduction in expenditure of \$70,000.

#### Operations

- **Parks and Reserves**

- The period variation is favourable to period budget by \$624,387.
- The variation predominantly relates to delays in works such as road reserve maintenance and programmed kerb and footpath spraying been delayed due to weather.
- The estimated impact on the year end position is nil as this is a timing variance.

- **Street Operations**

- The period variation is unfavourable to period budget by \$41,086.
- The variation predominantly relates to additional footpath maintenance due to trip hazard notifications. Additional roadworks maintenance and fixing of potholes have also contributed towards the unfavourable variance.
- The estimated impact on the year end position is an increase in expenditure of \$20,000.

- **Waste Services**

- The period variation is favourable to period budget by \$539,252.
- The variation predominantly relates to delays in invoices.
- The impact on the year end position is nil as this is a timing variance.

## Capital Expense

### Chief Executive Office

No material variance to report.

### Community Planning

No material variance to report.

### Finance

No material variance to report.

### Operations

- **Asset Planning**

- The period variation is favourable to period budget by \$337,804.
- The variation predominantly relates to minor delays in few capital projects (Leisurelife changeroom, Leisurelife gym equipment). These projects are currently underway.
- The estimated impact on the year end position is nil as this is a timing variance.

- **Parks and Reserves**

- The period variation is favourable to period budget by \$135,882
- The variation predominantly relates to delays in some tree works due to inclement weather. Weather has also contributed to a late start to watering.
- The estimated impact on the year end position is a reduction in expenditure of \$50,000

- **Street Operations**

- The period variation is favourable to period budget by \$100,995
- The variation predominantly relates to minor delays and budget timing of invoices. Resurfacing works have been rescheduled to be done in early 2019 due to availability of contractor. Some works have also been delayed due to Water corporation works on Albany Highway.
- The impact on the year end position is nil as this is a timing variance.

## **Non-Operating Revenue**

### Finance

No material variance to report.

### Operations

No material variance to report.

## **Non-Operating Expenses**

### Finance

No material variance to report.

## **Proposed Budget Amendments**

No proposed budget amendments.

## **Accounting Notes**

### **Significant Accounting Policies**

The significant accounting policies that have been adopted in the preparation of this document are:

#### **(a) Basis of Preparation**

The document has been prepared in accordance with applicable Australian Accounting Standards (as they apply to local government and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations.

The document has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

#### **(b) The Local Government Reporting Entity**

All Funds through which the Council controls resources to carry on its functions have been included in this document.

In the process of reporting on the local government as a single unit, all transactions and balances between those Funds (for example, loans and transfers between Funds) have been eliminated.

#### **(c) 2018 - 2019 Actual Balances**

Balances shown in this document as 2018 - 2019 Actual are subject to final adjustments.

#### **(d) Rounding Off Figures**

All figures shown in this document, other than a rate in the dollar, are rounded to the nearest dollar.

**(e) Rates, Grants, Donations and Other Contributions**

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

**(f) Superannuation**

The Council contributes to a number of Superannuation Funds on behalf of employees. All funds to which the Council contributes are defined contribution plans.

**(g) Goods and Services Tax**

Revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables in the statement of financial position are stated inclusive of applicable GST. The net amount of GST recoverable from, or payable to, the ATO is included with receivables on payables in the statement of financial position. Cash flows are presented on a Gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

**(h) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, cash at bank, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown as short term borrowings in current liabilities.

**(i) Trade and Other Receivables**

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

**(j) Inventories**General

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Land Held for Resale

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.



Revenue arising from the sale of property is recognised as at the time of signing an unconditional contract of sale. Land held for resale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

### **(k) Fixed Assets**

Each class of fixed asset is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

#### Initial Recognition

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost, or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Council and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in the period in which they are incurred.

#### Revaluation

Certain asset classes may be re-valued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes, where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity; all other decreases are recognised in profit or loss. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the re-valued amount of the asset.

Those assets carried at a re-valued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and accumulated impairment losses, are to be re-valued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

#### Land Under Roads

In Western Australia, all land under roads is Crown land, the responsibility for managing which, is vested in the local government. Council has elected not to recognise any value for land under roads acquired on or before 31 October 2008. This accords with the treatment available in Australian Accounting Standard AASB 1051 Land Under Roads and the fact Local Government (Financial Management) Regulation 16 (a) (i) prohibits local governments from recognising such land as an asset. In respect of land under roads acquired on or after 1 August 2008, as detailed above, Local Government (Financial Management) Regulation 16 (a) (i) prohibits local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of AASB 1051, Local Government (Financial Management) Regulation 4 (2) provides, in the event of such an inconsistency, the Local Government (Financial Management) Regulations prevail. Consequently, any land under roads acquired on or after 1 September 2008 is not included as an asset of the Council.

#### Depreciation of Non-Current Assets

All non-current assets having a limited useful life (excluding freehold land) are systematically depreciated over their useful lives in a manner that reflects the consumption of the future economic benefits embodied in those assets. Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time the asset is completed and held ready for use. Depreciation is recognised on a straight-line basis, using rates that are reviewed each reporting period. Major depreciation periods are:

Buildings		40 years
Furniture and Equipment		5 – 10 years
Plant and Machinery		2 – 10 years
Sealed Roads	- Clearing and Earthworks	Not depreciated
	- Construction and Road Base	5 – 80 years
	- Original Surface / Major Resurface	5 – 80 years
Drainage		5 – 80 years
Pathways		5 – 80 years
Parks and Reserves		5 – 80 years

Asset residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

#### Capitalisation Threshold

Expenditure on capital items under \$2,000 is not individually capitalised. Rather, it is recorded on an Asset Low Value Pool listing.

### **(I) Financial Instruments**

#### Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the Council becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Council commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

### Classification and Subsequent Measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- a. the amount in which the financial asset or financial liability is measured at initial recognition;
- b. less principal repayments;
- c. plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method; and
- d. less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

### Financial assets at fair value through profit and loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period.

### Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments that the Council's management has the positive intention and ability to hold to maturity. They are subsequently measured at amortised cost. Held-to-maturity investments are included in current assets where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as non-current. They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

### Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses). When the financial asset is derecognised, the cumulative gain, or loss, pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in current assets, where they are expected to be sold within 12 months after the end of the reporting period. All other financial assets are classified as non-current.

### Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

### Impairment

At the end of each reporting period, the Council assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in profit or loss. Any cumulative decline in fair value is reclassified to profit or loss at this point.

### Derecognition

Financial assets are derecognised where the contractual rights for receipt of cash flows expire or the asset is transferred to another party, whereby the Council no longer has any significant continual involvement in the risks and benefits associated with the asset.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

### **(m) Impairment**

In accordance with Australian Accounting Standards the Council's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired. Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard (e.g. AASB 116). For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset. At the time of adopting the Annual Budget, it was not possible to estimate the amount of impairment losses (if any) as at 31 October 2018. In any event, an impairment loss is a non-cash transaction and consequently, has no impact on the Annual Budget.

**(n) Trade and Other Payables**

Trade and other payables represent liabilities for goods and services provided to the Council prior to the end of the financial year that are unpaid and arise when the Council becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

**(o) Employee Benefits**

Provision is made for the Council's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

**(p) Borrowing Costs**

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

**(q) Provisions**

Provisions are recognised when:

- a. The Council has a present legal or constructive obligation as a result of past events;
- b. for which it is probable that an outflow of economic benefits will result; and
- c. that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**(r) Current and Non-Current Classification**

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where the Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for resale where it is held as non-current based on the Council's intentions to release for sale.

**(s) Comparative Figures**

Where required, comparative figures have been adjusted to conform to changes in presentation for the current reporting period.

**(t) Budget Comparative Figures**

Unless otherwise stated, the Budget comparative figures shown in this Budget document relate to the original Budget estimate for the relevant item of disclosure.

**Service Unit Definitions**

The Town operations, as disclosed in this report, encompass the following service-oriented Service Units –

**Chief Executive Office**Chief Executive Office

The Chief Executive Office leads and supports the transformation of the organisation into a customer-focused, culturally constructive, legislatively compliant, sector-leading entity, with a primary focus on the Service Areas within the Chief Executive Office functional area.

Communications and Engagement

Communications and Engagement manages the brand and reputation of the Town. This is achieved through developing clear and accessible messaging, consulting with the community, delivering key messages through various channels and working to reach the appropriate audiences through strategically executed marketing, engagement and communication planning..

Customer Relations

Customer Relations manages the Customer Service Contact Centre, which is the first point of contact for the organisation, and monitors performance against the Town's Customer Service Charter.

Leadership and Governance

The Leadership and Governance Service Area is committed to responsibly managing the Town on behalf of the residents and ratepayers of the District through collaboration, knowledge-sharing and good governance.

Human Resources

Human Resources is responsible for the development and implementation of occupational health and safety compliance, staff development, employee relations, recruitment and payroll services of the Town.

**Community Planning**Building Services

Building Services provide services to ensure buildings are safe, liveable, accessible and sustainable, and meet statutory requirements.

Community Development

The Community Development team's vision is an empowered Victoria Park, which will be achieved through the mission of community capacity building.

### Community Planning Office

The Community Planning Office leads and supports the transformation of the organisation into a customer-focused, culturally constructive, legislatively compliant, sector-leading entity, with a primary focus on the Service Areas within the Community Planning functional area.

### Digital Hub

The Digital Hub provides free digital literacy and online training for the local community, not-for-profit organisations and local business operators.

### Economic Development

Economic Development seeks to increase the economic growth of the district through fostering business attraction and retention, tourism, marketing, community initiatives and creating robust relationships.

### Environmental Health

Environmental Health seeks to promote good standards of public health via the many hospitality outlets in the area and the community in general.

### General Compliance

The General Compliance Area liaise with and direct property owners and developers to ensure built-form building and planning requirements are adhered to at all times.

### Healthy Community

The Healthy Community team connect people to services, resources, information, facilities, and experiences that enhance their physical and social health and wellbeing.

### Library Services

Library Services plays a pivotal role in providing our community with access to resources, knowledge and technology in a safe, nurturing environment.

### Place Management

The Place Management Service Area implements programs, that are suitable for the particular targeted section of the community, to improve places within the District or, where the community is satisfied with the standard of operation, to maintain the already attained standard.

### Strategic Town Planning

Strategic Town Planning develops strategies for the future growth of the Town, with the aims of creating a vibrant community and improving the quality of life for residents.

### Urban Planning

Urban Planning assesses applications for development approval and subdivision, provides advice to the community and ensures land is appropriately used and developed.

## **Finance**

### Aqualife

The Aqualife Centre aims to improve community health and wellbeing; and to provide a safe and welcoming environment for the community to meet and socialise, primarily through aquatic recreation.

### Budgeting

The Budgeting Area includes the administration of non-cash expenditure and revenue associated with local government accounting requirements, including profit and loss and depreciation.

### Corporate Funds

The Corporate Funds are includes the management of loans, reserve fund transfers, restricted and trust funds, rate revenue and corporate grants funding.

### Finance Office

The Finance Office leads and supports the transformation of the organisation into a customer-focused, culturally constructive, legislatively compliant, sector-leading entity, with a primary focus on the Service Areas within the Finance functional area.

### Financial Services

The key role of Financial Services is to manage and control the Town's finances in a sound and prudent manner.

### Information Systems

Information Systems assists the Town in operating efficiently with the smooth running of essential business computer programs and systems.

### Leisurelife

The Leisurelife Centre aims to improve community health and wellbeing, and to provide a safe and welcoming environment for the community to meet and socialise, primarily through active recreation.

### Parking

The Parking Management section guides future parking initiatives within the Town, ensuring equitable access for everyone, whilst also monitoring existing parking areas and ensuring a safer community.

### Rangers

Ranger Services offer a 24 hours-a-day / 7 days-a-week service to help ensure community safety in the areas of Dog and Cat management and Local Law enforcement.

## **Operations**

### Asset Planning

Asset Planning provides services to manage and maintain Council facilities and their related assets.



Environment

The Environment Area is committed to preserving and enhancing natural areas and recognises not only the ecological benefits of protecting natural assets, but also the social and recreational benefits as well.

Fleet Services

Fleet Services oversees the various items of light fleet, heavy fleet and plant and equipment.

Operations Office

The Operations Office leads and supports the transformation of the organisation into a customer-focused, culturally constructive, legislatively compliant, sector-leading entity, with a primary focus on the Service Areas within the Operations functional area.

Parks and Reserves

The Parks and Reserves Section delivers high quality horticultural works to parks, reserves and streetscapes.

Project Management

Project Management assists in improving the standards of project management and project delivery, and delivers nominated projects on behalf of the Town.

Street Improvement

Street Improvement provides engineering advice, design, planning, and road safety initiatives.

Street Operations

Street Operations ensure the maintenance and renewal of roads, pathways, drainage and associated assets.

Waste

Waste Management implements waste collection, minimisation and disposal in a sustainable manner.



*Statement of Financial Activity  
For the period 1 July 2018 to 31 October 2018*

Particulars	Material Variance		31 October 2018			
	\$	%	Revised Budget \$	Year-to-Date Budget \$	Year-to-Date Actual \$	
<b>Revenue</b>						
<b>Chief Executive Office</b>			<b>55,000</b>	<b>4,490</b>	<b>2,332</b>	
Chief Executive Office			50,500	4,330	1,268	
Communications and Engage			1,000	0	647	
Customer Relations			0	0	0	
Human Resources			3,000	0	323	
Leadership and Governance			500	160	94	
<b>Community Planning</b>			<b>1,353,000</b>	<b>589,110</b>	<b>697,489</b>	
Building Services			370,500	139,720	160,088	
Community Development			268,500	68,438	90,610	
Community Planning Office			1,000	0	279	
Digital Hub			1,500	0	3,529	
Economic Development			0	0	0	
Environmental Health			282,000	241,020	262,334	
General Compliance			10,000	3,320	4,510	
Healthy Community			27,500	9,160	12,745	
Library Services			31,500	7,620	12,761	
Place Management			0	0	0	
Strategic Town Planning			1,000	0	0	
Urban Planning	30,801	▲	25.7%	359,500	119,832	150,633
<b>Finance</b>			<b>57,733,500</b>	<b>49,064,461</b>	<b>49,201,461</b>	
Aqualife	63,296	▲	9.6%	2,182,500	661,429	724,725
Budgeting			1,622,500	0	0	
Corporate Funds			48,124,500	45,910,300	45,904,206	
Finance Office			1,000	0	279	
Financial Services			747,500	599,500	616,458	
Information Systems			2,000	640	339	
Leisurelife			2,205,500	752,056	736,866	
Parking	93,871	▲	8.6%	2,734,000	1,091,336	1,185,207
Ranger services			114,000	49,200	33,382	
<b>Operations</b>			<b>9,626,000</b>	<b>2,034,516</b>	<b>2,059,379</b>	
Asset Planning			1,019,500	128,848	110,541	
Environment			0	0	0	
Fleet Services			10,500	0	9,721	
Operations Office			2,002,500	832	279	
Parks and Reserves			3,151,000	315,590	307,373	
Project Management			0	0	358	
Street Improvement			10,500	3,504	20,279	
Street Operations			2,640,500	848,242	856,616	
Waste Services			791,500	737,500	754,212	
<b>Total Revenue</b>			<b>68,767,500</b>	<b>51,692,577</b>	<b>51,960,661</b>	



*Statement of Financial Activity  
For the period 1 July 2018 to 31 October 2018*

Particulars	Material Variance		31 October 2018		
	\$	%	Revised Budget \$	Year-to-Date Budget \$	Year-to-Date Actual \$
<b>Operating Expense</b>					
<b>Chief Executive Office</b>			<b>(4,403,000)</b>	<b>(1,404,403)</b>	<b>(1,382,193)</b>
Chief Executive Office			(1,123,500)	(333,360)	(340,386)
Communications and Engage			(841,500)	(228,913)	(214,416)
Customer Relations	41,390	▼ 14%	(878,500)	(296,400)	(255,010)
Human Resources			(844,000)	(302,210)	(307,270)
Leadership and Governance			(715,500)	(243,520)	(265,111)
<b>Community Planning</b>			<b>(8,272,000)</b>	<b>(2,480,761)</b>	<b>(2,436,192)</b>
Building Services			(496,500)	(183,770)	(174,162)
Community Development			(1,962,500)	(514,758)	(503,468)
Community Planning Office			(947,500)	(315,880)	(326,372)
Digital Hub			(153,000)	(43,621)	(59,263)
Economic Development			(194,500)	(59,000)	(40,090)
Environmental Health			(652,000)	(226,270)	(248,890)
General Compliance			(249,500)	(83,120)	(75,789)
Healthy Community			(261,000)	(85,942)	(65,471)
Library Services	48,878	▲ 12%	(1,243,500)	(406,100)	(454,978)
Place Management			(302,500)	(58,760)	(39,146)
Strategic Town Planning			(726,000)	(142,380)	(127,099)
Urban Planning	39,696	▼ 11%	(1,083,500)	(361,160)	(321,464)
<b>Finance</b>			<b>(21,912,500)</b>	<b>(4,610,073)</b>	<b>(4,514,258)</b>
Aqualife	65,394	▲ 8%	(2,537,000)	(800,826)	(866,220)
Budgeting			(7,756,000)	(15,200)	0
Corporate Funds			(558,000)	(97,200)	(88,512)
Finance Office			(773,500)	(256,400)	(254,129)
Financial Services			(1,298,500)	(427,400)	(427,811)
Information Systems	77,768	▲ 8%	(2,966,000)	(1,014,360)	(1,092,128)
Leisurelife	86,835	▼ 9%	(2,756,000)	(948,811)	(861,976)
Parking	102,012	▼ 13%	(2,442,500)	(784,176)	(682,164)
Ranger services			(825,000)	(265,700)	(241,318)
<b>Operations</b>			<b>(31,223,000)</b>	<b>(6,901,376)</b>	<b>(5,731,879)</b>
Asset Planning			(10,814,000)	(1,232,736)	(1,211,953)
Environment			(185,500)	(52,601)	(44,262)
Fleet Services			0	(120)	(5,645)
Operations Office			(2,820,000)	(266,680)	(256,220)
Parks and Reserves	624,387	▼ 34%	(4,981,500)	(1,845,228)	(1,220,841)
Project Management			(1,901,500)	(333,610)	(314,443)
Street Improvement			(1,165,000)	(308,234)	(314,515)
Street Operations	41,086	▲ 6%	(2,854,500)	(700,700)	(741,786)
Waste Services	539,252	▼ 25%	(6,501,000)	(2,161,467)	(1,622,215)
<b>Total Operating Expense</b>			<b>(65,810,500)</b>	<b>(15,396,613)</b>	<b>(14,064,522)</b>



*Statement of Financial Activity  
For the period 1 July 2018 to 31 October 2018*

Particulars	\$	Material Variance		31 October 2018		
		\$	%	Revised Budget	Year-to-Date Budget	Year-to-Date Actual
				\$	\$	\$
<b>Capital Expense</b>						
<b>Chief Executive Office</b>						
Chief Executive Office				0	0	0
Communications and Engage				0	0	0
Customer Relations				0	0	0
Human Resources				0	0	0
Leadership and Governance				0	0	0
<b>Community Planning</b>						
Building Services				(138,000)	0	0
Community Development				0	0	0
Community Planning Office				0	0	0
Digital Hub				0	0	0
Economic Development				0	0	0
Environmental Health				0	0	0
General Compliance				0	0	0
Healthy Community				0	0	0
Library Services				0	0	0
Place Management				0	0	0
Strategic Town Planning				0	0	0
Urban Planning				0	0	0
<b>Finance</b>						
Aqualife				(1,213,500)	(45,000)	(55,951)
Budgeting				0	0	0
Corporate Funds				0	0	0
Finance Office				0	0	0
Financial Services				0	0	0
Information Systems				(976,500)	(45,000)	(55,951)
Leisurelife				0	0	0
Parking				(237,000)	0	0
Ranger services				0	0	0
<b>Operations</b>						
Asset Planning	337,804	▼	48%	(17,052,000)	(1,885,650)	(1,262,134)
Environment				(3,270,000)	(709,025)	(371,221)
Fleet Services				0	0	0
Operations Office				(934,500)	(231,500)	(207,540)
Parks and Reserves	135,882	▼	79%	0	0	0
Project Management				(6,297,000)	(173,000)	(37,118)
Street Improvement				(71,000)	(24,875)	0
Street Operations	100,995	▼	14%	0	0	0
Waste Services				(6,479,500)	(747,250)	(646,255)
				0	0	0
<b>Total Capital Expense</b>				<b>(18,403,500)</b>	<b>(1,930,650)</b>	<b>(1,318,084)</b>



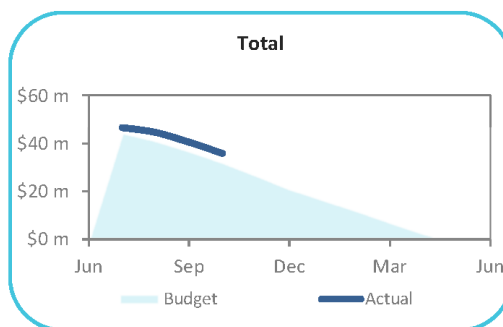
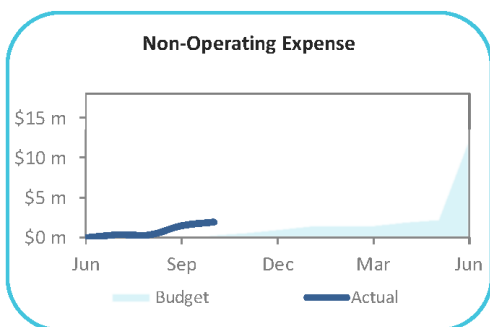
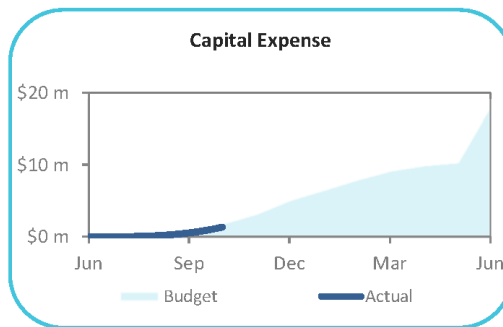
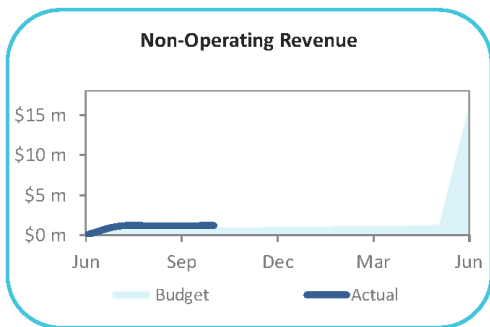
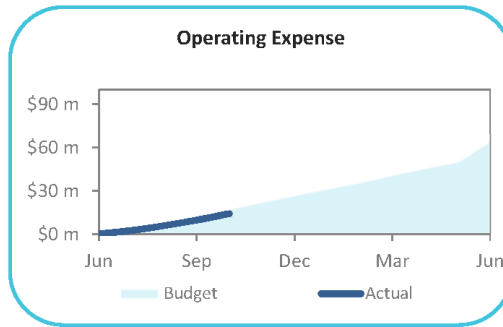
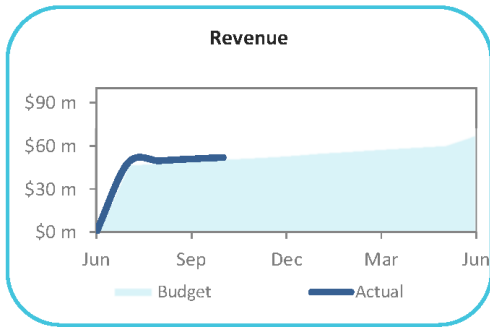
*Statement of Financial Activity  
For the period 1 July 2018 to 31 October 2018*

Particulars	\$	Material Variance %	31 October 2018		
			Revised Budget \$	Year-to-Date Budget \$	Year-to-Date Actual \$
<b>Non-Operating Revenue</b>					
Finance			17,027,000	1,081,000	1,081,282
Corporate Funds			17,027,000	1,081,000	1,081,282
Operations			383,000	119,000	121,339
Fleet Services			383,000	119,000	121,339
<b>Total Non-Operating Revenue</b>			<b>17,410,000</b>	<b>1,200,000</b>	<b>1,202,621</b>
<b>Non-Operating Expense</b>					
Finance			(12,932,500)	(1,946,250)	(1,958,362)
Corporate Funds			(12,932,500)	(1,946,250)	(1,958,362)
<b>Total Non-Operating Expense</b>			<b>(12,932,500)</b>	<b>(1,946,250)</b>	<b>(1,958,362)</b>
<b>Non-Cash Items Adjustments</b>					
Profit and Loss			(1,607,500)	(535,000)	0
Depreciation			8,037,500	2,581,000	0
<b>Total Non-Cash Items Adjustments</b>			<b>6,430,000</b>	<b>2,046,000</b>	<b>0</b>
Suspense Items Yet To Be Applied			0	0	80,306
Opening Surplus / (Deficit)			4,539,000	4,539,000	4,539,000
Closing Surplus / (Deficit)			<b>0</b>	<b>40,204,064</b>	<b>40,441,620</b>



*Statement of Financial Activity  
For the period 1 July 2018 to 31 October 2018*

Graphical Representation





*Net Current Funding Position  
For the period 1 July 2018 to 31 October 2018*

Particulars	Brought Forward 1 July \$	2018-2019 Revised Budget \$	Year To Date Actual \$
<b>Current Assets</b>			
Cash - Unrestricted	10,553,410	7,903,757	35,218,102
Cash - Reserves / Restricted	31,086,162	33,823,443	32,169,068
Receivables and Accruals	3,328,489	2,000,000	16,211,169
Inventories	9,470	1,500	9,470
	<b>44,977,531</b>	<b>43,728,700</b>	<b>83,607,810</b>
<b>Less Current Liabilities</b>			
Payables and Provisions	(9,352,369)	(9,905,257)	(10,997,121)
	<b>(9,352,369)</b>	<b>(9,905,257)</b>	<b>(10,997,121)</b>
<b>Net Current Asset Position</b>	<b>35,625,162</b>	<b>33,823,443</b>	<b>72,610,688</b>
<b>Less</b>			
Cash - Reserves / Restricted	(31,086,162)	(33,823,443)	(32,169,068)
<b>Estimated Surplus / (Deficiency) Carried Forward</b>	<b>4,539,000</b>	<b>-</b>	<b>40,441,620</b>



*Cash and Cash Investments  
For the month ended 31 October 2018*

Cash and Investments Analysis

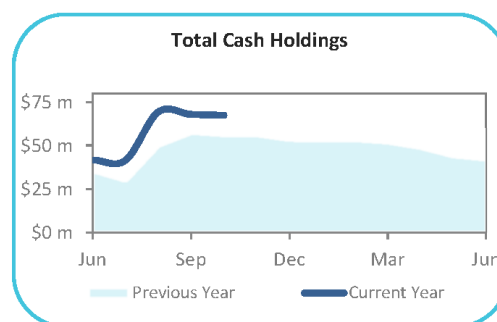
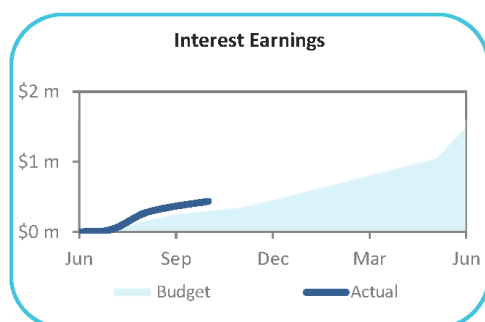
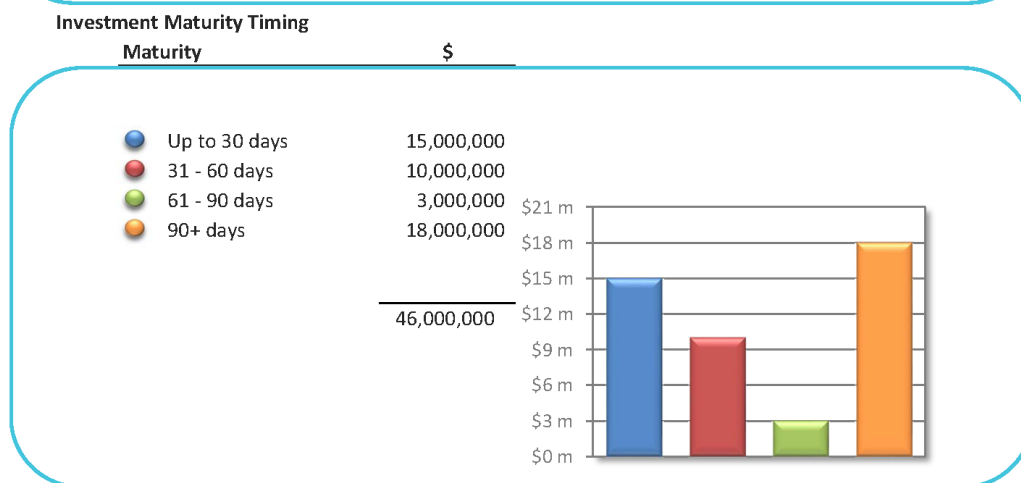
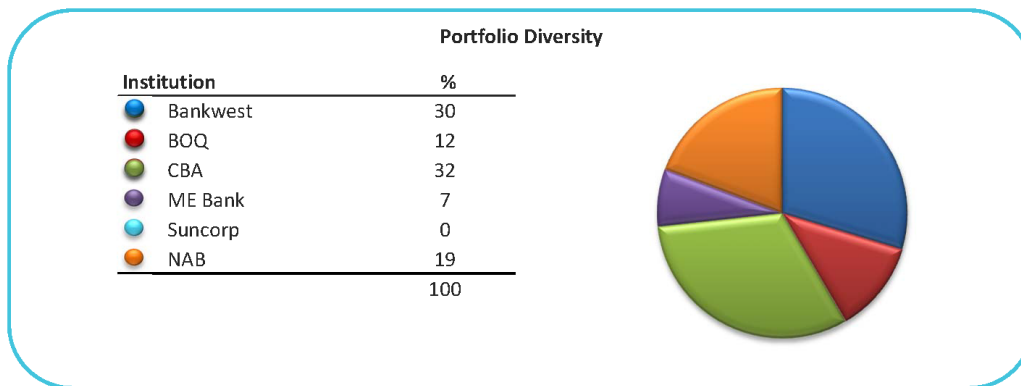
	Amount Invested \$	Interest Rate %	Term (Days)	Maturity Date	Projected Earnings \$	Percentage of Portfolio
<b>Cash - Unrestricted</b>						
<b>Bankwest</b>	<b>6,000,000</b>				<b>58,547</b>	<b>9%</b>
4748890	2,000,000	2.80	270	24-May-19	41,425	
4756708	4,000,000	2.52	62	19-Nov-18	17,122	
<b>BOQ</b>	<b>3,000,000</b>				<b>18,863</b>	<b>4%</b>
34857	3,000,000	2.55	90	17-Dec-18	18,863	
<b>CBA</b>	<b>17,218,102</b>				<b>20,081</b>	<b>26%</b>
At Call	17,218,102	Variable	11am	Daily	20,081	
<b>ME Bank</b>	<b>2,000,000</b>				<b>7,984</b>	<b>3%</b>
034856	2,000,000	2.35	62	19-Nov-18	7,984	
<b>NAB</b>	<b>7,000,000</b>				<b>81,561</b>	<b>10%</b>
57-576-8731	2,000,000	2.70	330	25-Jun-19	48,822	
72-995-7704	3,000,000	2.63	91	26-Nov-18	19,671	
70-095-1739	2,000,000	2.65	90	18-Dec-18	13,068	
<b>Total Cash - Unrestricted</b>	<b>35,218,102</b>				<b>187,036</b>	<b>52%</b>
<b>Cash - Restricted</b>						
<b>CBA</b>	<b>4,169,068</b>				<b>92</b>	<b>6%</b>
At Call	4,169,068	Variable	11am	Daily	92	
<b>Bankwest</b>	<b>14,000,000</b>				<b>288,132</b>	<b>21%</b>
4739557	4,000,000	2.80	270	26-Apr-19	82,849	
4748889	5,000,000	2.80	270	24-May-19	103,562	
4756710	5,000,000	2.72	273	18-Jun-19	101,721	
<b>NAB</b>	<b>6,000,000</b>				<b>110,712</b>	<b>9%</b>
57-186-2122	4,000,000	2.70	330	25-Jun-18	97,644	
70-095-1739	2,000,000	2.65	90	17-Dec-18	13,068	
<b>BOQ</b>	<b>5,000,000</b>				<b>31,827</b>	<b>7%</b>
152802	2,000,000	2.60	91	26-Nov-18	12,964	
34858	3,000,000	2.55	90	17-Dec-18	18,863	
<b>ME Bank</b>	<b>3,000,000</b>				<b>29,589</b>	<b>4%</b>
034460	3,000,000	2.40	150	24-Jan-19	29,589	
<b>Total Cash - Restricted</b>	<b>32,169,068</b>				<b>460,352</b>	<b>43%</b>
<b>Total Cash - Invested</b>	<b>67,387,170</b>				<b>647,388</b>	<b>98%</b>
<b>Cash on Hand</b>	<b>9,005</b>					
<b>Total Cash</b>	<b>67,396,175</b>					





**Cash and Cash Investments**  
For the month ended 31 October 2018

Cash and Investments Analysis

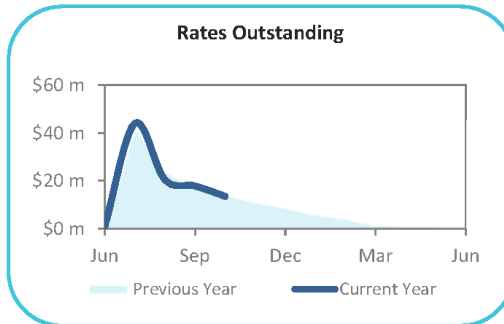




*Receivables (Rates and Sundry Debtors)  
For the month ended 31 October 2018*

**Rates Outstanding (Not Including Deferrals or Associated Fees and Charges)**

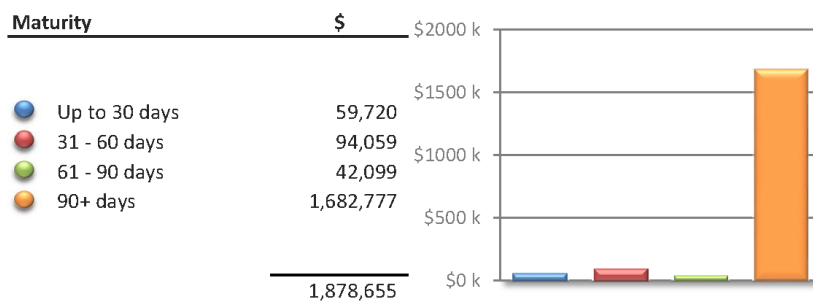
	<b>Total</b>
Balance from Previous Year	1,092,378
Rates Levied - Initial	45,627,053
Rates Levied - Interims	3,035
<b>Total Rates Collectable</b>	<b>46,722,466</b>
Current Rates Collected To Date	34,374,103
<b>Current Rates Outstanding</b>	<b>12,348,362</b>
% Rates Outstanding	26.4%
% Rates Outstanding target less than	32.3%



**Sundry Debtors**

Type	Total	30 Days	60 Days	90 Days	90+ Days
Grants and Subsidies	2,200	2,200	-	-	-
Property Rent	13,415	11,807	-	1,607	0
Aqualife Fees	9,262	7,623	1,324	-	315
Leisurelife Fees	14,826	13,184	348	479	814
Community Life Fees	5,401	4,339	852	-	210
Health Fees	57,360	8,680	48,595	85	-
Other Fees and Charges	4,622	3,233	-	-	1,389
Building and Planning Application Fees	5,054	5,054	-	-	-
Infringements - Parking	1,646,237	3,600	42,240	39,728	1,560,669
Infringements - Animals	61,143	-	-	200	60,943
Infringements - General	37,105	-	200	-	36,905
Infringements - Bush Fire	17,976	-	-	-	17,976
Infringements - Health	4,056	-	500	-	3,556
<b>Total Sundry Debtors</b>	<b>1,878,655</b>	<b>59,720</b>	<b>94,059</b>	<b>42,099</b>	<b>1,682,777</b>

**Sundry Debtor Aged Analysis**





**Grants and Contributions**  
For the month ended 31 October 2018

**Grants and Contributions**

Details	Original Budget	Revised Budget	Receipt Status	
	\$	\$	Invoiced	Remaining
<b>Operating Funding</b>				
<u>Community Development</u>				
Community Grants	25,000	25,000	-	25,000
Lotterywest Grants	10,000	10,000	-	10,000
Sponsorship	2,500	2,500	-	2,500
State Government Grants	3,500	3,500	-	3,500
<u>Corporate Funds</u>				
Federal Assistance Grant	750,000	750,000	91,773	658,228
Federal Local Road Grant	350,000	350,000	43,317	306,683
<u>Library Services</u>				
Book Council Grants	3,000	3,000	-	3,000
State Government Grants	3,000	3,000	1,500	1,500
<u>Operations Office</u>				
State Government Grants	2,000,000	2,000,000	-	2,000,000
<u>Street Operations</u>				
Federal Government Grants	235,000	235,000	210,000	25,000
MRWA Direct Road Grants	50,000	50,000	84,193	-
Street Lighting Subsidy	31,000	31,000	-	31,000
<b>Non-Operating Funding</b>				
<u>Asset Planning</u>				
State Government Grant	751,000	751,000	-	751,000
<u>Parks and Reserves</u>				
Recreation Capital Grants	304,000	304,000	304,000	-
State Government Grant	2,790,000	2,790,000	-	2,790,000
<u>Street Operations</u>				
Federal Government Capital Grants	65,000	65,000	-	65,000
MRRG Road Rehabilitation Grants	374,500	374,500	175,412	199,088
MRWA Black Spot Grants	971,000	971,000	256,000	715,000
MRWA Other Grants	40,000	40,000	-	40,000
State Government Grant	303,000	303,000	-	303,000
Transport Grants	456,000	456,000	112,000	344,000
<b>Total Cash Deposits</b>	<b>9,517,500</b>	<b>9,517,500</b>	<b>1,278,194</b>	<b>8,273,499</b>



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### Reserve Funds Descriptions

The purposes for which funds have been set aside by Council, in Reserve Funds, are outlined below -

#### Building Renewal

*To be used to fund renewal projects associated with Council's Building assets.*

#### Cash-in-Lieu

*To be used to assist in funding initiatives associated with payments received as cash in lieu of required obligations or works.*

#### Community Art

*To be used to fund the purchase and placement of art for the Council and Community.*

#### Drainage Renewal

*To be used to fund renewal projects associated with Council's Drainage infrastructure.*

#### Edward Millen Site

*To be used to assist in improving and / or maintaining the Edward Millen site, including the associated grounds.*

#### Furniture and Equipment Renewal

*To be used to fund renewal projects associated with Council's Furniture and Equipment assets.*

#### Future Fund

*To assist in funding projects and property purchases that diversify Council's revenue streams.*

#### Future Projects

*To assist in funding 'new' and 'upgrade' capital projects, with funding primarily derived from the sale of land assets.*

#### Harold Hawthorne - Carlisle Memorial

*To be used to provide funds to assist in conducting future Spring Garden Competitions.*

#### Information Technology Renewal

*To be used to fund renewal projects associated with Council's information technology assets.  
significant insurance claims.*

#### Insurance Risk Reserve

*To be used for the purpose of meeting the difference between premiums and claims in the event of any significant insurance claims.*

#### Other Infrastructure Renewal

*To be used to fund renewal projects associated with Council's Other infrastructure.*

#### Parks Renewal

*To be used to fund renewal projects associated with Council's Parks infrastructure.*

#### Pathways Renewal

*To be used to fund renewal projects associated with Council's Pathways infrastructure*



*Reserve Funds  
For the month ended 31 October 2018*

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**Plant and Machinery Renewal**

*To be used to assist in the acquisition and replacement of the Town's Plant and Machinery.*

**Renewable Energy**

*To assist in investigating and funding renewable energy projects within the District.*

**Roads Renewal**

*To be used to fund renewal projects associated with Council's Roads Infrastructure*

**Underground Power**

*To assist in the funding of projects associated with the installation of underground power and associated landscaping.*

**Waste Management**

*To assist in the funding of waste management and waste minimisation strategies*



*Reserve Funds  
For the month ended 31 October 2018*

**Reserve Funds Transactions**

	Annual Opening Balance \$	Transfer to Reserve \$	Transfer from Reserve \$	31 October 2018 Balance Actual \$	Balance Budget \$	Annual Revised Budget \$
Building Renewal	487,366	27	-	487,393	487,366	525,366
Cash-in-Lieu	-	-	-	-	-	-
Community Art	689,443	38	-	689,481	689,443	690,043
Drainage Renewal	225,520	13	-	225,533	225,520	225,920
Edward Millen Site	1,882,335	81	-	1,882,416	1,882,335	1,458,678
Furniture and Equip Renewal	599,407	33	-	599,440	599,407	599,907
Future Fund	14,384,893	802	-	14,385,695	14,384,893	13,658,793
Future Projects	4,079,640	144	-	4,079,783	4,079,640	450,178
Harold Hawthorn - Carlisle	148,630	8	-	148,638	148,630	148,630
Information Technology Ren	661,800	37	-	661,837	661,800	665,400
Insurance Risk Reserve	396,930	22	-	396,952	396,930	397,230
Land Asset Optimisation	801,300	1,081,327	-	1,882,627	801,300	397,230
Other Infrastructure Renewal	614,943	34	-	614,977	614,943	615,443
Parks Renewal	96,025	5	-	96,030	96,025	46,225
Pathways Renewal	419,697	23	-	419,720	419,697	420,397
Plant and Machinery	268,942	15	-	268,957	268,942	269,342
Renewable Energy	174,780	10	-	174,790	174,780	75,380
Roads Renewal	881,637	49	-	881,686	881,637	882,337
Underground Power	3,288,499	183	-	3,288,682	3,288,499	3,241,999
Waste Management	984,375	55	-	984,430	984,375	985,175
	<b>31,086,162</b>	<b>1,082,907</b>	<b>-</b>	<b>32,169,068</b>	<b>31,086,162</b>	<b>25,753,673</b>



**Capital Items**

The following pages summarise the progress of the Capital Items.

For the purposes of these pages, the following indicators have been used -

**Item Timing**

This relates to how the item is tracking time-wise and is displayed using the following indicators -

- Behind
- On-Track
- In-Front

**Budget Status**

This relates to how the item is costing against the Revised Budget and is displayed using the following indicators -

- Over budget
- On budget
- Under budget

**Completion Stage**

This relates to where the item is currently, in terms of completion, and is displayed using the following indicators -

- Not commenced
- Commenced
- ■ □□ Half-way completed
- ■ ■ □ Nearing completion
- ■ ■ ■ Completed



*Capital Items Progress  
For the month ended 31 October 2018*

Capital Items

Particulars	Budget Status	Completion Stage	Revised Budget \$	Year-to-Date Actual \$
<b>Land and Buildings</b>			<b>3,036,500</b>	<b>356,190</b>
<b>Renewal - Land and Buildings</b>				
6 Kent Street - Facility - Internal Renewal	□	■□□□	222,500	85,775
8 Kent Street - Facility - Internal Renewal	□	■□□□	193,500	85,775
Administration Office - Ceiling - Lighting	□	■□□□	20,000	2,790
Aqualife - First Aid Room - Refurbish	□	■□□□	20,000	0
Aqualife - Function Room - Renew Floor	□	■□□□	10,000	0
Aqualife - Plant Room - Ultraviolet Generators	□	□□□□	125,000	0
Fletcher Park - Clubrooms - Plumbing Fixtures	□	□□□□	10,000	0
Fraser Park - Clubrooms - Painting	□	■□□□	10,000	0
Harold Hawthorne Centre - Various - Air Conditioning	□	■□□□	100,000	0
Harold Rossiter Park - Clubrooms - Painting	□	■□□□	5,000	0
Higgins Park - Clubrooms - Painting	□	■□□□	10,000	0
Leisurelife - Drama Room - Floor Reseal	□	■□□□	40,000	0
Leisurelife - Gym - Air Conditioning	□	■□□□	230,000	0
Leisurelife - Sports Court Major- Roller Door	□	■□□□	7,000	0
Leisurelife - Toilets and Change Rooms - Renewal	□	■□□□	261,500	1,216
Library - Outdoor Staff Area - Courtyard Security	□	■□□□	10,000	653
Library - Public Areas - Carpets	□	□□□□	86,000	0
Library - Staff Kitchen - Refurbish	□	□□□□	35,000	0
Library - Staff Locker Area - Compactus Area Ceiling	□	■□□□	7,000	0
Library - Staff Office - Fit Out and Storage	□	□□□□	80,000	0
Reactive Building Renewal Works - Various - Allocation	□	□□□□	100,000	0
Taylor Reserve - Toilets - Renewal	□	■□□□	185,500	176,942
<b>Upgrade - Land and Buildings</b>				
Administration Office - Facility - Accessibility Upgrade	□	■□□□	51,000	1,080
Land - 25 Boundary Road - Subdivision	□	■□□□	71,000	0
Leisurelife - First Aid Room - Lighting	□	■□□□	1,500	0
Kitchen Upgrade - Higgins Park Tennis Club	■	■□□□	0	1,598
874 Albany Highway - Accessibility	□	■□□□	15,000	361
<b>New - Land and Buildings</b>				
Lathlain Redevelopment (Zone 2) - Buildings	□	□□□□	750,000	0
Lathlain Redevelopment (Zone 2x) - Buildings	□	□□□□	380,000	0





*Capital Items Progress  
For the month ended 31 October 2018*

Capital Items

Particulars	Budget Status	Completion Stage	Revised Budget \$	Year-to-Date Actual \$
<b>Plant and Machinery</b>			<b>934,500</b>	<b>207,540</b>
<b>Renewal - Plant and Machinery</b>				
105 VPK - Holden Colorado Dual Cab Ute (Plant 397)	□	□□□□	35,000	0
107 VPK - Nissan X Trail Wagon (Plant 394)	□	□□□□	35,000	0
119 VPK - Holden Colorado Dual Cab Ute (Plant 383)	□	■ ■ ■ ■	32,000	31,749
121 VPK - Nissan Navara Dual Cab Ute (Plant 390)	□	□□□□	32,000	0
123 VPK - Holden Cruze Wagon (Plant 361)	□	□□□□	25,000	0
125 VPK - Nissan Navara Ute (Plant 389)	□	■ ■ □ □	32,000	0
126 VPK - VW Caddy Rangers (Plant 375)	□	□□□□	40,000	0
129 VPK - VW Caddy Rangers (Plant 376)	□	■ ■ □ □	40,000	0
132 VPK - Holden Colorado Dual Cab Ute (Plant 392)	☒	■ ■ ■ ■	32,000	32,422
141 VPK - Ford Transit (Plant 296)	□	■ ■ ■ ■	45,000	43,457
162 VPK - Road Sweeper (Plant 341)	□	■ □ □ □	380,000	0
1EFR 960 - Hyundai Sedan (Plant 333)	☒	■ ■ ■ ■	25,000	25,553
1EFZ 074 - Hyundai Parking (Plant 335)	☒	■ ■ ■ ■	25,000	26,638
1EHK 762 - Hyundai Sedan (Plant 337)	☒	■ ■ ■ ■	25,000	26,018
1EIO 123 - VW Caddy Parking (Plant 342)	□	□□□□	45,000	0
1EPG 777 - Hyundai i30 Parking (Plant 373)	□	□□□□	25,000	0
1GEL 999 - Subaru (Plant 391)	□	□□□□	25,000	0
Electric Bicycles	□	■ ■ □ □	10,500	3,704
Minor Plant Renewal - Parks	□	■ □ □ □	13,000	10,213
Minor Plant Renewal - Street Improvement	□	■ □ □ □	13,000	7,786
<b>Furniture and Equipment</b>			<b>336,500</b>	<b>15,031</b>
6 and 8 Kent Street - Minor Expense - Allocation	□	□□□□	30,000	0
Administration Centre - Minor Expense - Allocation	□	■ □ □ □	30,000	6,804
Aqualife - Crèche - Play Equipment	□	□□□□	1,000	0
Aqualife - Function Room - Group Fitness Equipment	□	□□□□	3,000	0
Aqualife - Minor Expense - Allocation	□	■ □ □ □	11,000	95
Depot - Minor Expense - Allocation	□	■ □ □ □	10,000	0
Digital Hub - Minor Expense - Allocation	□	■ □ □ □	5,000	1,343
Leisure life - Minor Expense - Allocation	□	■ □ □ □	10,000	94
Leisurelife - Court 3 - Badminton Posts	□	□□□□	4,000	0
Leisurelife - Court 3 - Equipment Storage	□	■ □ □ □	10,000	0
Leisurelife - Courts 1 and 2 - Volleyball Posts	□	■ □ □ □	4,500	0
Leisurelife - Gym - Gym Equipment	□	■ ■ □ □	165,000	6,695
Library - Minor Expense - Allocation	□	□□□□	15,000	0
<b>Upgrade - Furniture and Equipment</b>				
Depot - Pedestrian Gate - Security Upgrade	□	■ ■ ■ □	6,000	0
<b>New - Furniture and Equipment</b>				
Parking - Enforcement - Parking Machine Cabling	□	□□□□	23,000	0
Parking - Enforcement - Recognition Equipment	□	□□□□	9,000	0



*Capital Items Progress  
For the month ended 31 October 2018*

Capital Items

Particulars	Budget Status	Completion Stage	Revised Budget \$	Year-to-Date Actual \$
<b>Information Technology</b>			<b>976,500</b>	<b>55,951</b>
<b>Renewal - Information Technology</b>				
Software - Customer Request Management System	<input type="checkbox"/>	□□□□	150,000	0
System - Intranet and Portal	<input type="checkbox"/>	■□□□	85,000	0
<b>Upgrade - Information Technology</b>				
Hardware - Workstations and Peripherals	<input type="checkbox"/>	■□□□	10,000	2,454
Network - Aqualife	<input type="checkbox"/>	□□□□	5,000	0
Software - Leisure Facilities Management	<input type="checkbox"/>	■□□□	95,000	51,800
Software - Library Management	<input type="checkbox"/>	■□□□	95,000	0
Software - Records Management	<input type="checkbox"/>	□□□□	60,000	0
System - Authority 7.x	<input type="checkbox"/>	■□□□	45,000	0
<b>New - Information Technology</b>				
Software - Asset Management	<input type="checkbox"/>	□□□□	190,000	0
Software - Minutes and Agendas	<input type="checkbox"/>	□□□□	50,000	0
Software - Mobile App Lighten Up	<input checked="" type="checkbox"/>	■□□□	1,500	1,697
Software - Mobile Health	<input type="checkbox"/>	□□□□	100,000	0
System - RFID Self-Service Solution	<input type="checkbox"/>	■□□□	90,000	0
<b>Roads</b>			<b>4,338,500</b>	<b>502,712</b>
<b>Renewal - Roads</b>				
Albany Highway - Duncan to Teddington - Seal	<input checked="" type="checkbox"/>	■□□□	10,000	17,532
Albany Highway - Kent - Miller Roundabout - Seal	<input type="checkbox"/>	■□□□	68,500	0
Albany Highway - Service Lane to Shepperton - Seal	<input type="checkbox"/>	■□□□	36,000	0
Custance Street - Getting to Roberts - Seal	<input checked="" type="checkbox"/>	■□□□	36,500	50,664
Enfield Street - Goddard to Gallipoli - Seal	<input type="checkbox"/>	■□□□	142,000	0
Enfield Street - Waller to Goddard - Seal	<input type="checkbox"/>	■□□□	33,000	0
Esperance Street - Berwick to End - Seal -	<input type="checkbox"/>	■□□□	97,000	0
Gloucester Street - Cargill to Leonard - Seal	<input type="checkbox"/>	■□□□	163,000	2,230
Hampton Road - Howick to Teague - Seal	<input type="checkbox"/>	■□□□	131,500	11,855
Hubert Street - Somerset to Oats - Seal	<input type="checkbox"/>	■□□□	76,500	0
Kate Street - Norseman to Lake View - Seal	<input type="checkbox"/>	■□□□	56,000	0
King George Street - Berwick to 60m South - Seal	<input type="checkbox"/>	■□□□	27,500	0
Maple Street - Gallipoli to End - Seal	<input type="checkbox"/>	■□□□	144,500	102,625
Oats Street - Mars to Planet - Seal	<input type="checkbox"/>	■□□□	131,500	965
Oats Street - Tuckett to Rutland - Seal	<input type="checkbox"/>	■□□□	158,500	2,040
Rathay Street - Berwick to Lansdowne - Seal	<input type="checkbox"/>	■□□□	127,000	1,635
Salford Street - Albany to Lichfield - Seal	<input type="checkbox"/>	■□□□	72,500	1,375
Staines Street - Goddard to Gallipoli - Seal	<input type="checkbox"/>	■□□□	189,000	0
Star Street - Mid Block to Archer - Seal	<input type="checkbox"/>	■□□□	119,500	0



*Capital Items Progress  
For the month ended 31 October 2018*

Capital Items

Particulars	Budget Status	Completion Stage	Revised Budget \$	Year-to-Date Actual \$
<b>Upgrade - Roads</b>				
Hill View Terrace - Oats and Albany - Pavement	☐	■ ■ ■ □ □	76,000	0
Hill View Terrace and Oats Street - Intersection	☐	■ □ □ □ □	170,000	0
Kent and Hayman - Stage 1 - Pavement	☐	■ ■ ■ □ □	630,000	6,533
McCartney Crescent - Pavement	☐	■ □ □ □ □	22,500	5,400
Roberts Road and Orrong Road - Intersection	☐	■ ■ ■ □ □	220,000	0
Rutland Avenue - Oats to Welshpool - Pavement	☐	■ ■ ■ □ □	449,500	0
Shepperton and Miller - Stage 2 - Pavement	☐	■ □ □ □ □	449,500	0
<b>New - Roads</b>				
Cookham Road - Goddard to Gallipoli - Calming	☐	□ □ □ □ □	24,000	0
Cornwall Street - Gallipoli to Castle - Calming	☐	□ □ □ □ □	40,000	0
Egham Street - Goddard to Gallipoli - Calming	☐	□ □ □ □ □	24,000	0
Gallipoli Street - Egham to Enfield - Calming	☒	■ ■ ■ ■ ■	23,000	87,510
Gallipoli Street - Egham to Howick - Calming	☒	■ ■ ■ ■ ■	23,000	89,878
Goddard Street - Egham to Howick - Calming	☒	■ ■ ■ ■ ■	24,000	49,688
Goddard Street - Midgley to Cookham - Calming	☒	■ ■ ■ ■ ■	24,000	45,642
Goddard Street - Saleham to McCartney - Calming	☐	□ □ □ □ □	88,000	0
McCartney Crescent - Goddard to Roberts - Calming	☐	■ ■ ■ ■ ■	51,500	12,456
Saleham Street - Goddard to Gallipoli - Calming	☐	■ ■ ■ ■ ■	52,500	14,685
Staines Street - Rutland to Goddard - Calming	☐	□ □ □ □ □	40,000	0
Streatley Road - Gallipoli to Castle - Calming	☐	□ □ □ □ □	40,000	0
Various - Bike Plan Initiatives - On Road Facilities	☐	■ □ □ □ □	47,000	0
<b>Drainage</b>			<b>444,500</b>	<b>20,103</b>
<b>Renewal - Drainage</b>				
Hill View Terrace - Intersection Drainage	☐	■ □ □ □ □	74,500	6,000
Pipe Renewal - Allocation	☐	■ ■ ■ □ □	40,000	0
Pit Renewal - Allocation	☐	■ ■ ■ □ □	20,000	0
Sump Renewal - Allocation	☐	■ ■ ■ □ □	35,000	0
<b>New - Drainage</b>				
Bishopsgate Street - Improvements	☐	■ ■ ■ □ □	235,000	0
Lake View Terrace - Improvements	☐	■ □ □ □ □	20,000	14,103
Right of Ways - Various	☐	■ □ □ □ □	20,000	0



*Capital Items Progress  
For the month ended 31 October 2018*

Capital Items

Particulars	Budget Status	Completion Stage	Revised Budget \$	Year-to-Date Actual \$
<b>Pathways</b>			<b>700,000</b>	<b>85,939</b>
<b>Renewal - Pathways</b>				
Berwick Street - Mackie to McMaster - Surface	<input type="checkbox"/>	■■■■	16,500	15,864
Berwick Street - Whittlesford to Hillview - Surface	<input type="checkbox"/>	■■■■	37,000	36,248
Gloucester Street - McMaster to King George - Surface	<input type="checkbox"/>	■■■□	17,000	9,018
Kitchener Avenue - Howick to Egham - Surface	<input checked="" type="checkbox"/>	■■■■	18,500	20,264
Lathlain Redevelopment (Zone 7) - Pathways	<input type="checkbox"/>	□□□□	150,000	0
Mint Street - Carnarvon to Shepperton - Surface	<input type="checkbox"/>	■■■□	20,500	0
<b>New - Pathways</b>				
Goodwood Parade - Shared Path - Surface	<input type="checkbox"/>	■□□□	400,000	4,545
Turner Avenue - Kent to Brodie Hall - Surface	<input type="checkbox"/>	■■□□	40,500	0
<b>Parks</b>			<b>6,297,000</b>	<b>37,118</b>
<b>Renewal - Parks</b>				
George Street Reserve - Revegetation Project	<input type="checkbox"/>	■□□□	60,000	1,832
GO Edwards Park - Renewal	<input type="checkbox"/>	■□□□	1,000,000	18,075
Kensington Bushland - Information Shelters	<input type="checkbox"/>	■□□□	7,000	0
Kent Street Reserve - Revegetation Project	<input type="checkbox"/>	□□□□	10,000	0
Main and Arterial Roads - Landscaping and Planting	<input type="checkbox"/>	■□□□	10,000	0
McCallum Park - River Wall - Foreshore Landscape	<input type="checkbox"/>	□□□□	608,000	14,899
Tree Plan - Tree Replanting	<input type="checkbox"/>	■□□□	78,000	1,977
<b>Upgrade - Parks</b>				
Fletcher Park - Cricket Nets	<input type="checkbox"/>	■■■□	70,000	0
Higgins Park - Tennis Courts	<input type="checkbox"/>	□□□□	100,000	0
John Macmillan Park - Redevelopment	<input type="checkbox"/>	■□□□	430,000	0
<b>New - Parks</b>				
Kensington Bushland - Jirdarup Signage	<input type="checkbox"/>	■□□□	24,000	0
Lathlain Redevelopment (Zone 2) - Parks	<input type="checkbox"/>	□□□□	1,533,000	0
Lathlain Redevelopment (Zone 2x) - Parks	<input type="checkbox"/>	□□□□	2,245,000	0
Peninsula to Park - Landscaping	<input type="checkbox"/>	■■■□	122,000	336



*Capital Items Progress  
For the month ended 31 October 2018*

Capital Items

Particulars	Budget Status	Completion Stage	Revised Budget \$	Year-to-Date Actual \$
<b>Other Infrastructure</b>			<b>1,339,500</b>	<b>37,501</b>
<b>Renewal - Other Infrastructure</b>				
Car Parks - Car Park Kerbs - Allocation	□	■ ■ □ □	5,000	0
Car Parks - GO Edwards No 17	□	■ ■ ■ □	33,000	0
Car Parks - Resurfacing - Allocation	□	■ ■ □ □	20,000	0
Lathlain Redevelopment (Zone 7) - Carparks	□	□ □ □ □	350,000	0
Street Furniture - Bus Shelter - Allocation	□	■ ■ □ □	55,000	0
Street Lighting - Albany Highway and Laneways	□	■ ■ □ □	30,000	10,415
<b>Upgrade - Other Infrastructure</b>				
Parking - Parking Meters - Upgrade	□	■ □ □ □	130,000	0
Street Lighting - Leisurelife Car Park - Stage 2	□	■ ■ □ □	65,000	22,529
<b>New - Other Infrastructure</b>				
Artworks - Allocation	□	□ □ □ □	50,000	0
Lathlain Redevelopment (Zone 2) - Artwork	□	□ □ □ □	33,000	0
Lathlain Redevelopment (Zone 2) - Carparks	□	□ □ □ □	303,000	0
Lathlain Redevelopment (Zone 2x) - Artwork	□	□ □ □ □	55,000	0
Parking - ACROD Bays - Allocation	□	■ ■ □ □	12,000	0
Parking - Parking Meters	□	□ □ □ □	75,000	0
Right of Way 51 - Resurface	□	■ ■ ■ □	23,500	4,557
Street Furniture - Allocation	□	■ □ □ □	15,000	0
Street Furniture - Bike Stations and Hoops	□	■ □ □ □	10,000	0
Street Lighting - Installation	□	□ □ □ □	55,000	0
Street Lighting - Safety Improvements - Allocation	□	□ □ □ □	20,000	0

## COMMUNITY DEVELOPMENT COMMITTEE

### 14.4 Recommendation from the Community Development Committee: Victoria Park Centre for the Arts Operating Subsidy

<b>File Reference:</b>	CMR/14/001
<b>Appendices:</b>	<ol style="list-style-type: none"> <li>1. <a href="#">VPCA 2018 Auditors Report</a></li> <li>2. <a href="#">VPCA Payroll Summary</a></li> <li>3. <a href="#">VPCA Profit and Loss</a></li> <li>4. <a href="#">VPCA Balance Sheet</a></li> </ol>
<b>Attachments:</b>	No

<b>Date:</b>	19 October 2018
<b>Reporting Officer:</b>	K. Griggs
<b>Responsible Officer:</b>	N. Martin Goode
<b>Voting Requirement:</b>	Absolute Majority

#### Executive Summary:

**Recommendation:** That Council approves an operating subsidy to support the operating capacity of Victoria Park Centre for the Arts (VPCA). The operating subsidy will be to support the delivery of meaningful programs, supports, initiatives or services, which are underpinned by evidence-based need, reporting and acquittal process. The proposed three-year operating subsidy is as follows:

- an annual payment of \$100,000 exc GST (as per 2018/19 budget allocation and approval), to be increased by CPI Perth (All Groups, March to March) annually, commencing in 2018/19 for a three year funding period.
- conditional upon the satisfactory quarterly reporting to the Community Development Committee on achievements against Social Outcomes S3 and S4 of the Town's Strategic Community Plan.
- conditional upon the satisfactory annual acquittal against achievements of S3 and S4, inclusive of an annual audited financial statement, to the Administration.
- conditional upon the availability of funds in the Long Term Financial Plan and annual budget approval process, with the Town to advise VPCA annually, and at three-year mark, if there are any significant concerns which would result in the termination of the funding agreement.
- open to review by both Victoria Park Centre for the Arts and the Town, should circumstances change for either party.

#### TABLED ITEMS

Nil.

#### BACKGROUND:

Victoria Park Centre for the Arts (VPCA) has been operating within the Town since 1993/94. It provides the pivotal core function of fostering a dynamic, empowered, connected, inclusive, and thriving community for everyone. Since 1997/98 the Town has provided VPCA with an Operating Subsidy which has traditionally been separated between projects and Centre Managers wage.

The Town also supports VPCA through a subsidised lease arrangement of \$1 per annum since its foundation. Under the lease, VPCA has tenure of 12 Kent Street, East Victoria Park until 31 October 2020, with an option of a further five-year term expiring October 2025.

At its meeting held on 8 August 2017, Council resolved the following:

- 1) *The Town will provide a financial contribution of \$90,000 in 2017/18 to contribute to the employment costs, including all entitlements (e.g. superannuation, annual leave, workers compensation, long service leave), of staff at the Centre, with the opportunity to review this in six months.*
- 2) *The Town will provide an operating subsidy of \$5,000 for 2017/18.*
- 3) *The Town will provide in-kind staffing support of five hours per week for ten weeks.*
- 4) *It is required to record, measure, evaluate and report quarterly to the Economic Development Committee providing evidence based information in regards to their contribution to the following strategic outcomes contained within the Town of Victoria Park's Strategic Community Plan 2017-2032:*
  - *S3 - An empowered community with a sense of pride, safety and belonging; and*
  - *S4 - A place where all people have an awareness and appreciation of arts, culture, education and heritage.*
- 5) *The financial contribution provided by the Town is to be acquitted annually.*
- 6) *The Victoria Park Centre for the Arts is required to provide a copy of an annual audited financial statement to the Town each year.*

#### **DETAILS:**

During 2017/18 VPCA undertook a significant organisational and governance review and restructure, which has resulted in a robust and productive community focused organisation. The organisational and governance development program included;

- New Rules of Association aligned to the Associations Incorporation Act 2015;
- Governance Development and Training ; and
- A review of its Operational Policy and Procedure Manual.

Aligned to Town practices, VPCA administers Culture Counts to measure social and cultural outcomes of initiatives, events and programs, which it delivers, facilitates and hosts. This enables VPCA to record, measure, evaluate and report quarterly to the Community Development Committee, providing evidence-based qualitative and quantitative outcomes in regards to their contribution to the following strategic outcomes contained within the Town's Strategic Community Plan 2017-2032

- S3- An empowered community with a sense of pride, safety and belonging; and
- S4- A place where all people have an awareness and appreciation of arts, culture, education and heritage.

In August 2018 VPCA presented to the Community Development Committee, satisfactorily acquitting against the conditions as contained in the August 2017 OCM resolution. Reporting indicated that over 1600 people visit the centre annually, with this number steadily increasing.

As per the below reporting tables, the following services, programs and initiatives were delivered or hosted by VPCA. Without the existence of VPCA, there is a high probability that the following services would not have taken place, as there is no alternative option within the Town which is grass-roots community focused.

**Reporting table- Activities, programs or events delivered by the VPCA**

**Alignment to the Town’s SCP outcome areas**

- **S3** – An empowered community with a sense of pride, safety and belonging
- **S4** – A place where all people have an awareness and appreciation of arts, culture, education and heritage
- **S2** – An informed a knowledgeable community
- **Ec1** – A desirable place for commerce and tourism that support equity, diverse local employment and entrepreneurship

<b>Activities, programs or events delivered</b>	<b>Partnerships/ collaborations</b>	<b>Role of the VPCA</b>	<b>Number of participants</b>
<b>VPCA Gift Shop</b>	Local Artists	Provide an outlet for the sale of artworks by local artist	Over 30 Artists represented
<b>Adult Learning Expo</b>	TOVP & the Vic Park Farmers Market	Set up a stall & provide free sample workshops and information	100
<b>Decorate the Summer Street Party workshops</b>	Vic Park Collective	Facilitate community flower making workshops to contribute decorations for the annual “Summer Street Party”	200 plus over 4 months
<b>International Schools touring program</b> <i>3 x schools</i>	Singapore Polytechnic, Hong Kong	Provide tour and information sessions for international students and facilitate creative workshops	100 students 12 teachers/lecturers
<b>Car Free Day</b>	Vic Park Collective, Transitions Network	Free community workshops & Art Market	Unknown
<b>Art of Empowerment</b> <i>Art works &amp; Interviews</i>	Bentley Primary School, Kent Street Senior High School, Office of Multi-Cultural Interests & Community Arts Network WA	Ceremony to install finished artworks at Bentley Primary School and interview students	100
<b>Arts Season Information Sessions</b>	TOVP	Provide a venue and hub for information sessions & Arts Season creative collaborations for the	25 plus
<b>Seniors Week Expo</b>	TOVP	Facilitate arts workshops	60 plus
<b>Southbank</b>	Southbank	Facilitate exhibition tour	30 students



<b>Activities, programs or events delivered</b>	<b>Partnerships/ collaborations</b>	<b>Role of the VPCA</b>	<b>Number of participants</b>
<b>Montessori School Tour</b>	Montessori School	and children’s art workshops	4 teachers
<b>Billabong Day-care Centre activities</b>	Billabong Day-care Centre	Regular exhibition tours and activities	Unknown
<b>Christmas Markets</b>	Local Artists	Set up market and manage annual Christmas Market	8 Local artists plus
<b>Artist in Residence Program</b>		Facilitate artists residency, provide studio space, mentoring & exhibition opportunity	2 artists
<b>TOVP 2018 Arts Season Program</b>	TOVP, Creative Connections, Sartory String Quartet, Perth Folk & Roots Club, Community Artists, Local Artists, West Australian Poets Inc, VPCA membership, Kensington Primary School, Mount Margaret Remote Community School & the greater community	Provide a comprehensive program of events, exhibitions, artist talks, workshops, and activities across a range of artforms as part of the TOVP 2018 Arts Season activities included <ul style="list-style-type: none"> <li>• Community exhibition</li> <li>• Master artist exhibition</li> <li>• Emerging artists exhibition</li> <li>• Artists with a disability exhibition</li> <li>• Children’s community arts workshops</li> <li>• Artist Talks</li> <li>• Music events</li> <li>• Community Creative open days</li> <li>• Artist professional Development opportunities</li> </ul>	600 plus artists, participants, and visitors to various activities throughout the month
<b>Arts Practice + Arts Business Conversations</b>	Dutch Trading Co., Ikon Institute, Crow Books, various arts practitioners, educators and peak bodies	Provide professional development opportunities via a series of monthly talks. Each month there are two speakers one talking about arts practice and the other arts business.	8 guest speakers

<b>International Women’s Day</b>	TOVP, Richmond Wellbeing, Kirrikin & Boronia Pre-release Centre for Women	Provided the venue for and co-coordinated an afternoon high tea event celebrating International Women’s Day with relevant speakers	80 plus
<b>Pop Up Gallery</b>	Vicinity & emerging artists	Provided opportunity for artists to exhibit informally in a pop-up venue at the Park Centre	10 artists provided an opportunity to exhibit
<b>Mount Margaret Remote Community Cross Cultural Exchange Program</b>	Mount Margaret Remote Community School (MMRCS) & Laverton Leonora Cross Cultural Association (LLCCA)	Visit MMRCS & the LLCCA to run a series of workshops to promote the sharing of language and culture. Provide exhibition opportunities at the VPCA to exhibit artworks in a cross-cultural exchange	12 students 24 youth at risk LLCCA 4 teachers & staff 6 community members
<b>Know Your Community</b>	TOVP & Richmond Wellbeing various program partners	Administrate, source funding for and co-coordinate a range of community and cultural events and activities for the Know Your Community Initiative including: <ul style="list-style-type: none"> <li>• English conversation classes</li> <li>• Cultural diversity training</li> <li>• Cultural exchange supper catch ups</li> <li>• Exhibitions &amp; creative workshops</li> </ul>	
<b>Oil Painting Group</b> <i>Meets weekly</i>	VPCA membership & the greater community	provides the space, facilitator, tea & coffee facilities, exhibition opportunities, discount for members, administration in addition to all the other support provided for workshops program (see table below)	4-8 weekly

<b>Printmakers Group</b> <i>Meets fortnightly</i>	The Sparewall Printmakers Group, VPCA members & the greater community	provides the space, facilitator, materials, tea & coffee facilities, exhibition opportunities, discount for members, administration in addition to all the other support provided for workshops program (see table below)	4-8 fortnightly Up to 10 or more during open days
<b>Wild Exciting Art Group</b> <i>Meets weekly</i>	VPCA membership & the greater community	provides the space, facilitator, tea & coffee facilities, exhibition opportunities, discount for members, administration in addition to all the other support provided for workshops program (see table below)	3-6
<b>Sensational Scarves Workshop</b> <i>Held 2 x annually</i>	Local community artist Sylvia Kennedy	Provide a subsidised community workshop	8 each workshop
<b>Hybrid Animals Workshop</b> X 2	3 x Community Artists & the greater community	Provide free children's workshops as part of the TOVP 2018 Arts Season	15 -20 each workshop

<b>Reporting table- Exhibitions hosted by VPCA</b>
<b>Alignment to the Town's SCP outcome areas</b>
<ul style="list-style-type: none"> <li>• S3</li> <li>• S4</li> <li>• Ec1</li> </ul>
<b>Support provided by VPCA to all exhibitors:</b>
<ul style="list-style-type: none"> <li>• Inclusion on website and Facebook</li> <li>• Advertised in VPCA newsletters</li> <li>• Invitation to openings and event</li> <li>• Distribution of marketing materials</li> <li>• Supervision of exhibition</li> <li>• Manage &amp; promote sales of artworks</li> <li>• Take enquiries</li> <li>• Feedback and reporting mechanisms</li> <li>• VPCA actively seeks tutors and develops workshops in response to the needs of the community</li> </ul>

<b>Name of exhibition held at the Centre &amp; Artists or Group</b>	<b>Number of Artists/Stakeholders involved in the exhibition</b>	<b>Additional support provided by VPCA</b>
<b>Captured Moments</b> <i>Belmont Camera Club</i>	35	Reduced fees – VPCA Community Support Contribution
<b>Forest Ephemera</b> <i>Greg White</i>	1	Fee waive – VPCA Artist Support Contribution 6-week residency including studio space & mentoring support Facilitation of opening night event Created marketing material & PR opportunities
<b>Children’s School of Contemporary Art Exhibition</b> <i>Children’s School of Contemporary Art</i>	12	Nil
<b>2017 Future Runway Exhibition</b> <i>Telstra Perth Fashion Festival</i>	6	Fees waived – VPCA Community Support Contribution
<b>Pacific Girl</b> <i>Jacqui A’Court</i>	1	Nil
<b>Strength in Difference</b> <i>Autism West</i>	5	Fees waived – VPCA Community & Accessibility Support Contribution
<b>Living Colour</b> <i>Rozanna Johnson &amp; Olivia Colja</i>	2	Nil
<b>We Are 10-Year 10 Exhibition</b> <i>Dept. Communities</i>	60 all age 10-11 years	Fees waived – VPCA Community & Young Peoples Support Contribution
<b>Ocean Pieces</b> <i>Olivia Colja</i>	1	Fee waived – VPCA Artist Support 8-week residency including studio space & mentoring support Facilitation of opening night event Created marketing material & PR opportunities & curation of works

<b>Know Your Nation Exhibition</b> <i>Helena Cohen-Robertson &amp; Belinda Gibson</i>	20	Fees waived – VPCA Community Support & instillation of works
<b>Kirrikin Scarves Exhibition</b> <i>Kirrikin</i>	6	Fees waived – VPCA Aboriginal Artist Support + instillation of works
<b>Express Yourself</b> <i>VPCA members &amp; the Community</i>	82	VPCA members and community exhibition Fees waived – TOVP 2018 Arts Season Program Contribution
<b>Master Artist Exhibition - Romancing Botany</b> <i>Judy Rogers</i>	1	TOVP 2018 Arts Season Program Contribution
<b>Hybrid Animals</b> <i>Olivia Colja, Rozanna Johnson &amp; Asta Lander</i>	3	TOVP 2018 Arts Season Program Contribution
<b>True Connections</b> <i>Creative Connections</i>	18	Reduced fees – VPCA Community & Accessibility Support Contribution
<b>All Manner of Folly</b> <i>Linzi Boyd</i>	2	Nil
<b>My House</b> <i>KZ Speech</i>	8	Reduced fees – VPCA Community & Accessibility Support Contribution
<b>LLCCA &amp; MMRC School Cross Cultural Exhibition</b> <i>Laverton Leonora Cross Cultural Association &amp; Mount Margaret Remote Community School</i>	18	Fees waived – VPCA Cross Cultural Support + curation & installation of works, marketing material and professional development opportunities

<b>Reporting table- Supported Venue for Hire Community Groups &amp; Not-for-Profit Organisations</b>
<b>Alignment to the Town’s SCP outcome areas:</b>
<ul style="list-style-type: none"> <li>• S3</li> <li>• S4</li> <li>• S2</li> <li>• Ec1</li> </ul>

<p><b>Support provided by VPCA to all workshop providers:</b></p> <ul style="list-style-type: none"> <li>• VPCA actively supports and seeks to develop relationships with other community groups</li> <li>• Inclusion on website and Facebook</li> <li>• Advertised in VPCA newsletters</li> <li>• Take enquiries and direct interest</li> <li>• Feedback and reporting mechanisms</li> <li>• Basic kitchen facility and equipment</li> <li>• Furniture such as trestle tables, easels, stools, chairs</li> <li>• Marketing support as and when requested</li> </ul>
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<b>Name of Community Groups/Not-for-Profit</b>	<b>Number of workshops</b>	<b>Number of participants per workshop</b>	<b>Additional support provided by VPCA</b>
<b>Turkish Australian Culture House</b>	12	15	Reduced fees – VPCA Community Support
<b>Perth Philosophy Club</b>	26	12	Reduced fees – VPCA Community Support
<b>Nulsen Disability Services</b>	120	3-5	Reduced fees – VPCA Community Support
<b>Belmont Camera Club</b>	12	40	Reduced fees – VPCA Community Support
<b>As We Are Animation Workshops</b>	6	3	VPCA Major Sponsor for As We Are – Artists with a Disability
<b>As We Are Artwork delivery point</b>	1	60	VPCA Major Sponsor for As We Are – Artists with a Disability
<b>My Place RG</b>	20	1	Nil
<b>Wide Open Agriculture</b>	5	6	Nil
<b>Carers WA</b>	3	12	Nil
<b>Writers Kaffe</b>	1	12	Nil
<b>Meditation with the Raptors</b>	1	20	Fees waived – VPCA Community Support
<b>Vic Park Collective</b>	1	40-50	Fees waived – VPCA Community Support

<b>Australian Doulas</b>	2	8	Nil
<b>Sartory String Quartet</b>	1	20	Nil
<b>Perth Folk and Roots Club</b>	1	30	Fees waived – VPCA Community Support (Arts Season Program)
<b>Breast Cancer Care WA</b>	4	12	Reduced fees – VPCA Community Support

**Legal Compliance:**

Nil.

**Policy Implications:**

The Town is currently drafting an Operating Subsidy Policy to align to Strategic Community Plan outcome *Civic Leadership 6: Finances are managed appropriately, sustainable and transparently for the benefit of the community.*

The objectives of the draft operating subsidy policy are:

- i. To support the operating capacity of local eligible organisations to deliver meaningful programs, supports, initiatives or services which are underpinned by evidence-based need, outcomes reporting and acquittal process; and
- ii. To ensure that finances are managed appropriately and transparently by the Town, to promote sustainable business practices of funding recipients, and for the benefit of the community.

The Draft Operating Subsidy will recommend that a maximum of three-year funding agreements be considered to allow for funding security, and to be conditional upon funding availability, and satisfactory quarterly and annual acquittals.

**Risk Management Considerations:**

<b>Risk &amp; Consequence</b>	<b>Consequence + Rating</b>	<b>Likelihood = Rating</b>	<b>Overall Risk Analysis</b>	<b>Mitigation/Actions</b>
<b>Council does not approve operating subsidy.</b> Failing to approve the operating subsidy will result in a significant adverse impact upon the operating capacity of VPCA	Major	Possible	High	Council to approve and support the operating subsidy for VPCA.  Administration to execute a funding-contract with conditions and reporting requirements.

Risk & Consequence	Consequence + Rating	Likelihood = Rating	Overall Risk Analysis	Mitigation/Actions
and adverse impact upon the community.  It would present a significant reputational risk to the Town's branding.				
Council reduction of the operating subsidy amount would result in a significant cut in service delivery, reducing the capacity of VPCA to implement Asset Based Community-led Development principles and to achieve S3 and S4.	Major	Possible	High	Council to approve the operating subsidy.  Administration to execute a funding-contract with conditions and reporting requirements.

**Strategic Plan Implications:**

The Town's vision is to be a dynamic place for everyone, with a key pillar of our mission being to promote sustainable, safe, connected and diverse places for all.

**Strategic Outcomes:**

Social – To promote sustainable, connected, safe and diverse places for everyone.

- S3- An Empowered community with a sense of pride, safety and belonging
- S4- A place where all people have an awareness and appreciation of arts, culture, education and heritage.

**Financial Implications:**

Internal Budget:

That an Operating Subsidy of \$100,000 exc GST (as per 2018/19 budget allocation and approval), to be increased by CPI Perth (All Groups) annually, commencing in 2018/19 for a three year funding period.

The VPCA operating subsidy is accounted for in the Long Term Financial Plan. The increase from \$95,000 to \$100,000 will support;

- the operational capacity of VPCA to embed an Asset Based Community Development-led approach to the delivery of meaningful programs, events, initiatives;
- Support the annual subscription of Culture Counts (\$1,200-\$1,500) to measure the social and cultural outcomes of services, programs and events;
- achievement of Social Outcomes S3 and S4.



**Social Issues:**

A core function of VPCA is meaningful collaboration and partnerships with local governments, the community, service providers and similar organisations to foster an empowered community with a sense of pride, safety and belonging. An example of this is “Know Your Community” (KYC) initiative, which is delivered in partnership by the Town, VPCA and Richmond Wellbeing (RW). KYC delivers a range of community led programs, initiatives and events that are branded under the KYC banner, and which aim to support diversity, foster culture, a connected community and reduce barriers to inclusion. Target community cohorts include: People with Disabilities, Aboriginal and Torres Strait Islander peoples, Culturally and Linguistically Diverse (CaLD), LGBTQI, Families, Seniors and Youth.

**Cultural Issues:**

According to the Department of Local Government, Sport and Cultural Industries, engagement in culture and the arts has the capacity to enrich and transform individuals, communities, and environments. It is fundamental to human existence, especially to our history, identity, creativity and desire for place and enjoyment.

Places with appropriate cultural infrastructure and creative spaces encourage people to linger longer and participate within the life of the community, whilst creating a vibrant and dynamic place. It is widely recognised that there is a strong link between culture and tourism, and how a vibrant and dynamic community can enhance a cities or towns reputation and branding as a destination of choice for entertainment, art and culture.

**Environmental Issues:**

Nil

**COMMENT:**

The Town recognises that community health and wellbeing is influenced by various factors, including social connectedness, a sense of belonging, a place where people have meaningful and accessible opportunities to participate in the arts, culture, education and to celebrate heritage. As the tier of government closest to the community, local government plays an important role in shaping and supporting the overall health and wellbeing of our community. This can only be achieved through a collective impact approach of working in collaboration with the local community, service providers and stakeholders, such as VPCA.

**CONCLUSION:**

During 2017/18 VPCA undertook a significant organisational and governance review and restructure, which has resulted in a robust and productive community focused organisation. The operating subsidy supports the operational capacity of VPCA to delivery meaningful social and cultural outcomes to the community, aligned to the Town’s strategic Community Plan social outcomes. VPCA currently reports bi-monthly to the Community Development Committee on the social and culture outcomes of its operational service delivery, through the use of Culture Counts.

**RECOMMENDATION/S FROM THE COMMUNITY DEVELOPMENT COMMITTEE:**

That Council approves an operating subsidy to support the operating capacity of Victoria Park Centre for the Arts. The operating subsidy will be to support the delivery of meaningful programs, supports, initiatives or services which are underpinned by evidence-based need, reporting and acquittal process. The terms of the three year operating subsidy is as follows:

1. An annual payment of \$100,000 excl. GST (as per 2018/19 budget allocation and approval), to be increased by CPI Perth (All Groups, March to March) annually, commencing in 2018/19 for a three year funding period;
2. Conditional upon the satisfactory quarterly reporting to the Community Development Committee on achievements against Social Outcomes S3 and S4 of the Town's Strategic Community Plan;
3. Conditional upon the satisfactory annual acquittal against achievements of S3 and S4, inclusive of annual audited financial statement, to the Administration;
4. Conditional upon the availability of funds in the Long Term Financial Plan and annual budget approval process, with the Town to advise VPCA annually, and at three-year mark, if there are any significant concerns which would result in the termination of the funding agreement; and
5. Open to review by both Victoria Park Centre for the Arts and the Town, should circumstances change for either party.

**(Absolute Majority required)**

**FUTURE PLANNING COMMITTEE**

**14.5 Adoption of Revised Local Planning Policies 3 and 4 and Revocation of Local Planning Policy 5**

<b>File Reference:</b>	PLA/6/44
<b>Appendices:</b>	<ol style="list-style-type: none"> <li>1. <a href="#">Draft Revised Local Planning Policy 3 ‘Non-Residential Uses In or Adjacent to Residential Areas’ (as modified)</a></li> <li>2. <a href="#">Draft Revised Local Planning Policy 4 ‘Mixed Use Development and Residential Uses in Non-Residential Areas’ (as modified)</a></li> <li>3. <a href="#">Ordinary Council Meeting Minutes of 10 July 2018</a></li> </ol>
<b>Attachments</b>	No

<b>Date:</b>	2 November 2018
<b>Reporting Officer:</b>	L. Parker
<b>Responsible Officer:</b>	R. Cruickshank
<b>Voting Requirement:</b>	Simple Majority

**Executive Summary:**  
**Recommendation –That Council adopt Draft Revised Local Planning Policies 3 and 4 (as further modified and contained within the Appendices) and revoke Local Planning Policy 5.**

- Council’s Urban Planning Business Unit are currently undertaking a comprehensive review of all 37 Local Planning Policies (LPPs). The local planning policies are being progressively amended, adopted and/or revoked following their review and public advertising of any recommended changes.
- Existing LPP3 has been revised to provide clearer provisions for non-residential uses and contribute to improved streetscape and amenity outcomes for surrounding properties.
- Existing LPPs 4 and 5 have been reviewed and consolidated to form a single policy outlining the requirements that apply to mixed use development and residential uses in non-residential areas. The consolidation of these LPPs means existing LPP5 will become redundant and is therefore proposed to be revoked.
- The revisions to LPPs 3 and 4, and revocation of LPP5, have been advertised for public comment. No submissions were received during the consultation period.
- Further refinement of the provisions contained in Draft Revised LPPs 3 and 4, has resulted in a number of modifications to address minor spelling or grammatical errors and text alignment issues.
- Clause 5 of [draft revised LPP3](#) has been further modified to clarify that the requirement for non-residential development to comply with residential side setback requirements applies where the non-residential development is proposed adjacent to a Residential zoned property (rather than any residential property irrespective of zoning). This is to avoid overly onerous side setback requirements to an existing residential development on non-residential zoned land that is likely to be redeveloped for non-residential or mixed use development in the future.
- It is recommended that Draft Revised LPPs 3 and 4 (as modified) be adopted by the Council.
- It is recommended that Council revoke LPP5, as it is now redundant following its consolidation to form part of revised LPP4.

**TABLED ITEMS:**

Nil.

**BACKGROUND:**

The subject Policies were previously Policies forming part of the Town Planning Scheme No. 1 (TPS 1) Policy Manual.

Amendment 69 to TPS 1, which was gazetted on 2 December 2016, removed the Policies as forming part of the Town Planning Scheme.

At the Ordinary Council Meeting on 9 February 2016, Council resolved to adopt a number of planning policies as Local Planning Policies, including the Policies the subject of this review.

**DETAILS:**

A review of LPPs 3, 4 and 5 has been undertaken by Council Officers, which has included consideration of:

- the effectiveness of the current Policies including any issues of interpretation, application and gaps or deficiencies;
- like Policies of other Local Governments;
- alignment with relevant State legislation, policy and/or guidelines (where applicable);
- greater clarity in the objectives of the Policies; and
- improving the presentation of the Policies.

The detailed review of each of the LPPs is detailed in the [Minutes of the Ordinary Council Meeting held on 10 July 2018](#), where consent to publicly advertise the recommended changes to the LPPs was granted by Council.

Community Consultation

Draft revised LPPs 3 and 4, and the proposed revocation of LPP5, were publicly advertised from 11 September to 2 October 2018, and included:

- Publication of a notice in the Southern Gazette on 11 September 2018;
- Hard copy displays at Council's Library and Administration Building;
- Online consultation and invitations to submit comments via the Town's 'Your Thoughts' consultation hub; and
- Advertising/promotion on the Town's online social media platforms.

No submissions were received during the consultation period, however a summary of the Your Thoughts activity during the consultation period is provided below.

Policy Proposal	No. of visitors	No. of document downloads	No. of submissions
Draft Revised LPP3	35 (39 visits total)	35	0
Draft Revised LPP4	9	5	0
Revocation of LPP5	11	4	0

### Modifications to Revised LPPs 3 and 4

Further refinement of the provisions contained in Draft Revised LPPs 3 and 4, has resulted in a number of modifications to address minor spelling or grammatical errors and text alignment issues.

Clause 5 of draft revised LPP3 has also been modified to clarify that the requirement for non-residential development to comply with residential side setback requirements (i.e. as per the Residential Design Codes) applies where the non-residential development is proposed adjacent to a 'Residential' zoned property (rather than any residential property irrespective of zoning). This is to avoid overly onerous side setback requirements to an existing residential development (e.g. an original house) on non-residential zoned land that is likely to be redeveloped for non-residential or mixed use development in the future. This change ensures that the intended built form outcomes as defined by the relevant Precinct Plan and/or Design Guidelines (if applicable) are able to be achieved. Clause 6 of LPP3 continues to provide for amenity considerations of adjoining residential properties irrespective of zoning, with major openings of new developments being required to be either setback or visually screened from existing neighbouring residential development.

No substantive changes are proposed to draft revised LPP4.

A copy of draft revised LPPs 3 and 4 (as further modified by Council Officers) are contained in the Appendices to this report.

### **Legal Compliance:**

#### *Planning and Development (Local Planning Scheme) Regulations 2015*

The amendment of a Local Planning Policy is to be undertaken in accordance with deemed clauses 4 and 5 of the *Planning and Development (Local Planning Scheme) Regulations 2015* (the Regulations), including:

- Community consultation for a period of not less than 21 days; and
- Consideration of public submissions and a Council resolution to proceed with the new or amended policy with or without modifications, or not to proceed.

A Local Planning Policy may be revoked in accordance with deemed clause 6 of the Regulations, where:

- It is expressly revoked by a subsequent local planning policy prepared in accordance with deemed clause 4; or
- By a notice of revocation prepared by the local government and published in a newspaper circulating within the Scheme area.

As per deemed clause 4(5) and clause 6(b)(ii), the adoption of a new or revised local planning policy, or the revocation of an existing local planning policy, takes effect upon publication of a notice in a newspaper circulating within the Scheme Area.

### **Policy Implications:**

The draft revised LPPs provide greater clarity in their objectives, application and applicable requirements, and forms part of a review of all of the Town's LPPs.

**Risk Management Considerations:**

Risk & Consequence	Consequence + Rating	Likelihood = Rating	Overall Risk Analysis	Mitigation/ Actions
<p><b>Compliance:</b> LPPs 3, 4 and 5 are currently lacking in clear, comprehensive provisions to ensure appropriate built form, neighbourhood amenity and streetscape outcomes. Should revised LPPs 3 and 4 not be amended (and LPP5 not be revoked) there will continue to be a shortfall in adequate policy provisions to address neighbouring property amenity issues and clearly articulate location, design and other requirements for various forms of development within the Town.</p>	<p>Moderate</p>	<p>Likely</p>	<p>Low</p>	<p>Adopt revised LPPs 3 and 4 (as modified) and revoke LPP5, which is now redundant.</p>

**Strategic Plan Implications:**

Environment

EN1 – Land use planning that puts people first in urban design, allows for different housing options for people with different housing needs and enhances the Town’s character.

Economic

EC1 – A desirable place for commerce and tourism that supports equity, diverse local employment and entrepreneurship.

**Financial Implications:**

There will be a cost for public advertising of the proposals and the publication of required notices in the Southern Gazette newspaper, with their being funds available to cover this cost.

**Sustainability Assessment:**

External Economic Implications:

Nil

Cultural Issues:

Nil

Environmental Issues:

Nil

**COMMENT:**

The relevant LPPs have been reasonably effective in dealing with the forms of development that they relate to. However it is considered that revisions should be made to further improve their effectiveness and ease of use and understanding by members of the public. Further, the review has indicated that existing LPPs 4 and 5 will be more easily administered and more effective in achieving their objectives by consolidating them as a single revised policy.

It is recommended that the Future Planning Committee recommend that Council formally adopt draft revised LPPs 3 and 4, as modified and contained within the Appendices to this report. It also recommended that existing LPP5 be revoked as it is now redundant following its incorporation as part of revised LPP4.

**RECOMMENDATION/S:****That Council:**

1. **Adopt revised Local Planning Policy 3 ‘Non-residential Development In or Adjacent to Residential Areas’, as modified and contained in [Appendix 1](#);**
2. **Adopt revised Local Planning Policy 4 ‘Mixed Use Development and Residential Uses in Non-Residential Areas’, as modified and contained in [Appendix 2](#);**
3. **Revoke Local Planning Policy 5 ‘Mixed Residential/Commercial Development’; and**
4. **Notes the adoption of revised Local Planning Policies 3 and 4, and revocation of Local Planning Policy 5, taking effect upon publication of a notice in the Southern Gazette newspaper.**

**14.6 Recommendation from the Future Planning Committee: Review of Local Planning Policy 31 ‘Specialised Forms of Accommodation Other Than Dwellings’**

<b>File Reference:</b>	PLA/6/44
<b>Appendices:</b>	<ol style="list-style-type: none"> <li>1. <a href="#">Draft Revised Local Planning Policy 31 ‘Serviced Apartments and Residential Buildings including Short Term Accommodation’</a></li> <li>2. <a href="#">Existing Local Planning Policy 31 ‘Specialised Forms of Accommodation Other Than Dwellings’</a></li> </ol>
<b>Attachments</b>	No

<b>Date:</b>	2 November 2018
<b>Reporting Officer:</b>	L. Parker
<b>Responsible Officer:</b>	R. Cruickshank
<b>Voting Requirement:</b>	Simple Majority

**Executive Summary:**

**Recommendation – That Council advertise the draft revised Local Planning Policy 31 as contained within [Appendix 1](#), for public comment for a minimum period of 21 days in accordance with deemed clause 4 of the *Planning and Development (Local Planning Schemes) Regulations 2015*.**

- Council’s Urban Planning Business Unit are currently undertaking a comprehensive review of all 37 Local Planning Policies (LPPs). The local planning policies are being progressively amended, adopted and/or revoked following their review and public advertising of any recommended changes.
- In reviewing LPP31, consideration has been given to a number of matters including: the effectiveness of the current Policy including any issues of interpretation, application and gaps or deficiencies; like Policies of other Local Governments; alignment with relevant State legislation, policy and/or guidelines (where applicable); greater clarity in the objectives of the Policy; improving the presentation of the Policy.
- Several improvements have been identified to assist applicants, community members and Council staff in utilising the policy, and to address a number of deficiencies that have been identified since its introduction.
- It is recommended that draft revised LPP31 be advertised for public comments.

**TABLED ITEMS:**

Nil.

**BACKGROUND:**

Local Planning Policy 31 ‘Specialised Forms of Accommodation Other Than Dwellings’ was originally adopted as an Administrative Policy (Council Policy PLNG17) on 10 April 2012. The policy was prepared further to a Council directive to develop a short term accommodation policy in August 2011, following Council’s decision to refuse a retrospective application for a Residential Building comprising lodging house accommodation.



Rather than dealing with short term accommodation alone, the policy was prepared to deal with all forms of Residential Building (including short term accommodation, bed and breakfast accommodation and lodging houses) and Serviced Apartments in order to comprehensively guide and facilitate the appropriate provision of all forms of commercial accommodation in the Town, aside from Hotel and Motel uses.

Amendment 69 to TPS1, which was gazetted on 2 December 2016, removed the TPS1 Policy Manual as forming part of the Town Planning Scheme.

At the Ordinary Council Meeting on 9 February 2016, Council resolved to adopt the planning policies contained within the former TPS1 Policy Manual, those adopted as Local Planning Policies prepared under the R-Codes, and those adopted as Administrative Policies (otherwise known as PLNG Policies) as Local Planning Policies, including the Policy the subject of this review.

#### **DETAILS:**

A review of [LPP31](#) has been undertaken by Council Officers including considering:

- the effectiveness of the current Policy including any issues of interpretation, application and gaps or deficiencies;
- like Policies of other Local Governments;
- alignment with relevant State legislation, policy and/or guidelines (where applicable);
- greater clarity in the objectives of the Policy;
- improving the presentation of the Policy; and
- consolidating the provisions of the Policy where possible to avoid unnecessary duplication or overlap in its provisions.

The following improvements have been identified to assist applicants, community members and Council staff in utilising the policy, and to address a number of deficiencies that have been previously identified during the assessment and consideration of applications for Residential Buildings by the Town. The proposed changes include:

1. Incorporating standardised formatting changes consistent with all other reviewed policies;
2. Retitling the policy to 'Serviced Apartments and Residential Buildings including Short Term Accommodation' to more clearly identify the policy as dealing with the most common form of Residential Building land use, namely Short Term Accommodation;
3. Deletion of the policy contents page and renumbering of policy clauses;
4. Moving the information relating to other non-planning legislation to Appendix 1 at the back of the Policy;
5. Updating terminology and references to policies and legislation to reflect their current versions;
6. Inserting new policy objective (f) with the stated aim to locate Residential Buildings and Serviced Apartments in a coordinated manner that provides accessibility and convenience for guests/occupants while minimising potential adverse amenity impacts, particularly within low density residential areas and local neighbourhood streets;
7. Inserting new section clarifying when development approval for Serviced Apartment or a Residential Building is required from the Town (i.e. in all instances).
8. Converting the former Part 1.3 of the existing Policy to a simplified 'Policy Scope' section and list of definitions that are more user-friendly and easier to refer to;

9. Substantially reviewing and consolidating the design and location requirements in part 2 of the existing Policy which separately listed the requirements for the various types of Residential Buildings (e.g. Lodging Houses, Bed and Breakfast and Short Term Accommodation) but which contained significant overlap in provisions. This change resulted in deletion of approximately two pages of policy clauses;
10. Modifying the locational criteria used to consider the appropriate location of Residential Buildings and Serviced Apartments (revised Clause 1) by:
  - a. Clarifying the objective of the clause to reduce potential adverse amenity impacts, particularly within low density, suburban environments (refer Clause 1.1); and
  - b. Requiring proposals to meet at least two (2) of the locational criteria in order to be considered for support by Council, in order to achieve Clause 1.1 (refer Clause 1.2);
11. Modifying the entrance design requirements for Serviced Apartment to allow for suitable alternatives to a manned reception lobby/foyer for convenient access to accommodation by guests at their time arrival and the pick-up/drop-off of any keys (e.g. secure combination key safes or electronically coded access to accommodation) (refer Clause 3.2(e));
12. Revision of the requirements to be addressed by the Management Plan for a Residential Building or Serviced Apartments, namely that it should address the following additional information:
  - a. Name and contact details of the owner, manager and other persons responsible for management or servicing of the premises, including addresses, email and direct telephone contact details (refer Clause 6.1(a));
  - b. Expansion of the Complaints Management Procedure requirement (refer Clause 6.1(c) to:
    - i. detail the approach and timeframe to resolve any complaints received and provide feedback to the complainant that appropriate actions have been taken to resolve the issue and prevent further occurrences;
    - ii. require it to be provided to all properties surrounding the premises (if approved) and for revised copies to be provided should the person(s) responsible for receiving and responding to complaints (or their contact details) change; and
    - iii. there being at least one person available by direct telephone at all times of operation of the accommodation, that is within local proximity of the premises to be able to respond and be present at the site, within one hour of any complaints or other issues being received;
  - c. Car parking management measures to include instructions to guests on vehicle numbers (refer Clause 6.1(h));
  - d. Revision of the Code of Conduct requirements to include instructions on the appropriate use of outdoor entertainment areas, guests/visitors to the accommodation, noise and the playing of loud music (Refer Clause 6.1(i); and
  - e. Details of consequences/measures that will be taken should guests fail to adhere to House Rules/Code of Conduct etc. (e.g. eviction of guest).
13. Amending the 'Application Information' requirements to specify that proposals involving the use of common property must include signed consent from the Strata Council/Body Corporate or all relevant owners in order to be a valid development application (refer Clause 9.3);

14. Deletion of the requirement for an on-site register (existing Clause 3.4) as it is unclear what advantage such a register would provide, particularly as the vast majority of bookings and guest details of accommodation are made online and stored electronically;
15. Deletion of the requirement for Council to maintain a register of approved Residential Buildings and Services Apartments (existing Clause 3.5) as such a register has not been implemented by Council's administration given the ability to search for and extract details of approvals from Council's development applications database and electronic records management system;
16. Modification of the term of approval clause, to specify that approval of more than 12 months (which is the standard temporary approval timeframe) may be considered for prospective applications that involve construction of a new building for the use (refer Clause 10.1); and
17. The creation of a Management Plan template to inform and assist applicants in preparing the document and addressing the requirements outlined in the Policy.

The above changes have resulted in an overall reduction in the length of the Policy from 22 to 10 pages, excluding the Appendices.

A copy of draft revised LPP31 is contained within [Appendix 1](#) to this report. For comparison, the existing (currently operative) version of LPP31 is also contained in the Appendices ([Appendix 2](#)).

### **Legal Compliance:**

#### Local Planning Policies

The amendment of a Local Planning Policy is to be undertaken in accordance with deemed clauses 4 and 5 of the *Planning and Development (Local Planning Scheme) Regulations 2015*, including:

- Community consultation for a period of not less than 21 days; and
- Consideration of public submissions and a Council resolution to proceed with the policy with or without modifications, or not proceed.

As per deemed clause 4(5), the adoption of a new or revised local planning policy takes effect upon publication of a notice in a newspaper circulating within the Scheme Area.

It is proposed that the community consultation will include the following in accordance with Council's Local Planning Policy 37 'Community Consultation on Planning Proposals':

- Notice in the Southern Gazette newspaper once a week for the duration of the consultation period.
- Notice via social media platforms.
- Online consultation through Your Thoughts.

### **Policy Implications:**

The proposed draft revised Policies provide greater clarity in the objectives, application and applicable requirements, and form part of a review of all of the Town's LPPs.

#### Proposed Amendment No. 80 to TPS1

Amendment 80 to TPS1, which is currently being progressed with the WAPC for final approval following its initiation and public advertising, proposes to substantially amend the land use definitions and Zoning Table contained within the Scheme Text to bring it broadly

into alignment with the WAPC’s Model Scheme Text. The review of LPP31 has considered the changes proposed as part of Amendment 80 and has included alteration of the definition used in the Policy for ‘Bed and Breakfast’ to bring it into consistency with the land use definition contain in the Model Scheme Text.

Review of the definitions of the various forms of Residential Building used in LPP31 was undertaken as part of the preparation of Amendment 80, and included consideration of a variety of other land use and general definitions contained in the Model Scheme Text relating to transient accommodation of various kinds. The majority of these were found not to be required for introduction to TPS1 as the existing use class of ‘Residential Building’ captures the vast majority of accommodation types that have or are likely to be developed in the Town, aside from Hotels and Serviced Apartments, which are already separately defined land uses under TPS1.

**Risk Management Considerations:**

<b>Risk &amp; Consequence</b>	<b>Consequence + Rating</b>	<b>Likelihood = Rating</b>	<b>Overall Risk Analysis</b>	<b>Mitigation/ Actions</b>
<b>Compliance:</b> Application of Policies which could be clearer in their intent, and in some instances could have been more effective if clearer and containing additional requirements	Moderate	Likely	Low	Support the proposed draft revised Policy for the purposes of community consultation.
<b>Compliance:</b> Application of Policies that contain superfluous or duplicated provisions which are capable of being consolidated to form shorter, more user-friendly documents.	Moderate	Likely	Low	Support the proposed draft revised Policy for the purposes of community consultation.

**Strategic Plan Implications:**

Environment

EN1 – Land use planning that puts people first in urban design, allows for different housing options for people with different housing needs and enhances the Town’s character.

Economic

EC1 – A desirable place for commerce and tourism that supports equity, diverse local employment and entrepreneurship.

**Financial Implications:**

There will be a cost for advertising of the proposal in the Southern Gazette newspaper, with their being funds available to cover this cost.

**Sustainability Assessment:**External Economic Implications:

Nil.

Cultural Issues:

Nil.

Environmental Issues:

Nil.

**COMMENT:**

Existing LPP31 has proven effective in guiding Council's consideration of Residential Building and Serviced Apartments proposals since its introduction.

A number of improvements have been identified to assist applicants, community members and Council staff in utilising the policy, and to address a number of deficiencies that have been previously identified during the assessment and consideration of applications received since its introduction. The proposed changes significantly reduce the length of the policy through the consolidation of its provisions and removal of duplicated requirements for the various forms of Residential Building. They also improve and clarify the requirements to be addressed as part of the Management Plan required for these uses and improves the locational criteria used to determine whether a proposal is suitably located to avoid potential adverse amenity impacts, particularly within low density, suburban environments.

It is recommended that the Future Planning Committee recommend to Council that draft revised Local Planning Policy 31 as contained within [Appendix 1](#) to this report, be advertised for public comment. A further report will be presented to Council in the future following the conclusion of the advertising period, reporting on any submissions received, and seeking a final decision from Council as to whether or not to adopt the draft Policy (in its current revised form or in a further modified form).

**RECOMMENDATION FROM THE FUTURE PLANNING COMMITTEE:**

**That Council advertises the draft revised Local Planning Policy 31 'Serviced Apartments and Residential Buildings Including Short Term Accommodation' (as contained within Appendix 1) for public comment for a minimum period of 21 days in accordance with deemed clause 4 of the *Planning and Development (Local Planning Schemes) Regulations 2015*.**

**14.7 Recommendation from the Future Planning Committee: Revocation of Local Planning Policy 1 and Adoption of Revised Local Planning Policies 6 and 37**

<b>File Reference:</b>	PLA/6/44
<b>Appendices:</b>	<ol style="list-style-type: none"> <li>1. <a href="#">Draft Revised Local Planning Policy 6 ‘Family Day Care and Child Care Premises’ (as modified)</a></li> <li>2. <a href="#">Draft Revised Local Planning Policy 37 ‘Community Consultation on Planning Proposals’ (as modified)</a></li> <li>3. <a href="#">Ordinary Council Meeting Minutes of 14 August 2018</a></li> <li>4. <a href="#">Ordinary Council Meeting Minutes of 11 September 2018</a></li> </ol>
<b>Attachments</b>	No
<b>Date:</b>	2 November 2018
<b>Reporting Officer:</b>	L. Parker
<b>Responsible Officer:</b>	R. Cruickshank
<b>Voting Requirement:</b>	Simple Majority

**Executive Summary:**

**Recommendation –That Council adopt Draft Revised Local Planning Policies 6 and 37 (as further modified and contained within the Appendices) and revoke Local Planning Policy 1.**

- Council’s Urban Planning Business Unit are currently undertaking a comprehensive review of all 37 Local Planning Policies (LPPs). The local planning policies are being progressively amended, adopted and/or revoked following their review and public advertising of any recommended changes.
- Existing LPP1 has been reviewed with the majority of its provisions being found to be superseded by those of Draft Revised LPP37, and is therefore redundant.
- LPP6 has been reviewed and revised to bring it into line with current State Government childcare legislation, including provisions related to Family Day Care and provide robust criteria for the assessment of proposed Child Care Premises.
- LPP37 has been reviewed and revised to improve its format and readability, consolidate and revise the consultation requirements for a number of development/land use types, and link the policy to the Town’s Strategic Community Plan.
- The revocation of LPP1, and revisions to LPPs 6 and 37, have been advertised for public comment.
- One (1) submission was received in relation to LPP6, which raised concerns with respect to the application of the policy provisions to a particular site intended to be developed for a child care premises/early learning centre. The concerns raised have been responded to and considered by Council Officers and were not found to necessitate any substantial changes to the policy provisions although minor wording changes have been made where considered appropriate.
- Further refinement of the provisions contained in Draft Revised LPPs 6 and 37, has resulted in a number of modifications to address minor spelling or grammatical errors and text alignment issues. There are no substantive modifications proposed to the provisions contained within the draft revised LPPs.
- It is recommended that Council revoke LPP1, as it has been found to be redundant following its review and having regard to the revised provisions contained in Draft Revised LPP37.
- It is recommended that Draft Revised LPPs 6 and 37 (as modified) be adopted by the Council.

**TABLED ITEMS:**

Nil.

**BACKGROUND:**

The subject Policies were previously Policies forming part of the Town Planning Scheme No. 1 (TPS 1) Policy Manual.

Amendment 69 to TPS 1, which was gazetted on 2 December 2016, removed the Policies as forming part of the Town Planning Scheme.

At the Ordinary Council Meeting on 9 February 2016, Council resolved to adopt a number of planning policies as Local Planning Policies, including the Policies the subject of this review.

**DETAILS:**

A review of LPPs 1, 6 and 37 has been undertaken by Council Officers, which has included consideration of:

- the effectiveness of the current Policies including any issues of interpretation, application and gaps or deficiencies;
- like Policies of other Local Governments;
- alignment with relevant State legislation, policy and/or guidelines (where applicable);
- greater clarity in the objectives of the Policies; and
- improving the presentation of the Policies.

The detailed review of each of the LPPs is detailed in the Minutes of the Ordinary Council Meetings held on 14 August 2018 (LPP6) and 11 September 2018 (LPPs 1 and 37), where consent to publicly advertise the recommended changes to the LPPs was granted by Council.

Community Consultation

Draft revised LPPs 6 and 37, and the proposed revocation of LPP1, were publicly advertised from 9 to 30 October 2018, and included:

- Publication of a notice in the Southern Gazette on 9 October 2018;
- Hard copy displays at Council’s Library and Administration Building;
- Online consultation and invitations to submit comments via the Town’s ‘Your Thoughts’ consultation hub; and
- Advertising/promotion on the Town’s online social media platforms.

One (1) submission was received in relation to LPP6 during the consultation period. A summary of the Your Thoughts activity during the consultation period is provided below:

Policy Proposal	No. of visitors	No. of document downloads	No. of submissions
Revocation of LPP1	7	4	0
Draft Revised LPP6	18	16	1
Draft Revised LPP37	10	7	0

**Submission from owner of 12 Lathlain Place**

The single submission received during the consultation period was an objection from the owner of 12 Lathlain Place (sold by the Town), who is intending to develop the site as child care premises.

The objection raised a number of concerns in relation to several specific provision contained in draft revised LPP6, which are summarised and responded to below. It is noted that the submission also comments on provisions contained in revised LPP3 ‘Non-Residential Uses Within or Adjacent to Residential Areas’, which underwent previous separate consultation. Notwithstanding, these concerns are also summarised and responded to below.

<b>General Comments:</b>	<b>Response from Council Officers</b>
<p>We are greatly looking forward to meeting and collaborating with the Town of Victoria Park as part of our journey to the proposed quality development of the site into a great space</p>	<p>Comments and constructive approach to the development of the site is acknowledged.</p>
<p>If the proposed relevant policies were to be interpreted very literally, then the site, just by way of example, could be very difficult to develop to a quality outcome. In our view, 12 Lathlain Place is a fantastic site that should be appropriately developed with activation of the ‘town centre style’ streetfront in mind.</p>	<p>12 Lathlain Place is a unique example in that the properties along the same side of Lathlain Place are all zoned ‘Residential’ but are intended to be developed as part of a local, predominantly civic and commercial ‘main street’ environment. Accordingly, the Town would still have discretion to consider any proposal on its merits having regard to this intent and local streetscape context.</p>
<p>The site should be assessed on its merits: the literal application of many of the components of the relevant policies could substantially compromise the development quality and outcomes. For example the relevant policies application to this site would prescribe all focus/attention on the requirements around the one neighbouring residential property rather than focus on the other significant benefits and factors this site has ie a street front to Lathlain Place, etc.</p>	<p>Refer to comments above. The site-specific circumstances of 12 Lathlain Place are considered to warrant discretion by Council in terms of applying the provisions contained in revised LPP3 and revised LPP6. Development of sites along the eastern side of Lathlain Place is expected to take a similar scale and form to that of a main street environment within a ‘Local Centre’ zone. The Town has discretion to consider any proposal on its merits having regard to this intent and local streetscape context. Accordingly, no substantial changes are considered necessary to either revised LPP3 or revised LPP6, the provisions of which are considered necessary and appropriate for the vast majority of relevant development proposals.</p>



<b>Comments in relation to revised LPP3</b>	<b>Response from Council Officers</b>
<p>The last sentence of Paragraph 3 in the Introduction that states:  <i>“and demonstrate that that the use of land for non-residential purposes and any associated amenity impacts will not detrimentally impact upon the amenity of residential properties and areas”</i> should read “unreasonably/ significantly/ unacceptably detrimentally impacting” or wording to give effect to an application being considered on its merits and considering all relevant factors as with orderly and proper planning.</p>	<p>Paragraph 3 of LPP3 is contained in the introduction and is a general statement rather than a specific policy requirement. Any development application must be considered on its merits having regard to any relevant local planning policies as well as orderly and proper planning. The suggested change would have little to no significance and is not considered necessary.</p>
<p>In relation to Clause 7 ‘Building Design’, an application should be considered on its merits and consider all relevant factors in line with orderly and proper planning. For example the requirements of ‘a residential scale and appearance’ on the Site would be a poor design outcome given the Lathlain place frontage.</p>	<p>12 Lathlain Place is a unique example in that the properties along the same side of Lathlain Place are all zoned ‘Residential’ but are intended to be developed as part of a local (predominantly civic and commercial) ‘main street’ environment. Accordingly, the Town would still have discretion to consider any proposal on its merits having regard to this intent and local streetscape context. These very site-specific circumstances do not warrant a change to Clause 7, which is considered necessary and appropriate in the vast majority of circumstances where non-residential development on Residential zoned land is proposed. Accordingly, Council Officers do not recommend any change to Clause 7.</p>
<p>In relation to Clause 11 ‘Landscaping’, the prescriptive requirements of subclauses (b) and (f) could create unworkable site constraints and result in a poor design outcome for the Lathlain Place frontage. An application should be considered on its merits.</p>	<p>Refer to comments above in relation to Clause 7 and the very site-specific circumstances of 12 Lathlain Place, which are considered to warrant Council discretion in relation to the requirements of LPP3. Council Officers do not recommend any changes to Clause 11(b) or (f).</p>
<b>Comments in relation to revised LPP6:</b>	<b>Response from Council Officers</b>
<p>As a general comment many of the clauses below on impact (noise, traffic, amenity etc) are already covered in the process of orderly and proper planning through Town Planning Schemes and planning precedent and therefore the inclusion of this detail in local planning policies is adding an extra layer of prescription (perhaps unnecessary in some circumstances).</p>	<p>The review of LPP6 has taken into account what existing provisions are contained in Council’s TPS1. The review has found that there is a significant policy gap with respect to child care premises and TPS1 does not provide guidance with respect to their appropriate location, design or operation within the Town.</p>

<p>The portion of Clause 2.2(a)(v) that states “without affecting the amenity of the area” should have the word unreasonably/significantly/unacceptable precede the word “affecting”, as a very literal interpretation would suggest no early learning centres could ever be approved near any residential zones.</p>	<p>Suggested change is not significant and is consistent with the intent of the clause. The subject clause has been modified to include the word “unreasonably” as requested.</p>
<p>Clause 2.2(b) subclauses (iii) and (iv) are adequately covered by Clause 2.5 ‘Car Parking, vehicular Access and Traffic’, subclause (b)(i).</p>	<p>Clause 2.5(b)(i) relates only to safety issues arising due to traffic associated with a proposal. Clause 2.2(b) relates to locations that may be unsuitable, and has wider regard to other amenity impacts associated with traffic or car parking in addition to safety (e.g. noise, disturbance to surrounding residents, overspill of car parking into local residential streets. etc.). The wording of Clause 2.2(b) subclause (iv) has been modified to state “unreasonable adverse amenity impacts due to traffic and parking” (changed from “impacts on amenity due to traffic and parking”).</p>
<p>In relation to Clause 2.4 ‘Building Design’ subclause (a)(iii), an application should be considered on its merits and consider all relevant factors in line with orderly and proper planning. For example the requirements of ‘a residential scale and appearance’ on the Site would be a poor design outcome given the Lathlain Place frontage.</p>	<p>Refer to comment in relation to Clause 7 of revised LPP3 in preceding table. The very site-specific circumstances of 12 Lathlain Place are considered to warrant Council discretion in relation to building design requirements, having regard to the local streetscape and intended form of development for properties along Lathlain Place. The policy provision is otherwise considered necessary and appropriate for the vast majority of circumstances where a child care premises is proposed on Residential zoned land. Accordingly, Council Officers do not recommend any change to this clause.</p>
<p>In relation to Clause 2.4(b) ‘Street Walls and Fencing’ subclause (ii) and (iii) an application should be considered on its merits.</p>	<p>As previously stated all applications are considered on their merits. The referred to subclauses provide for a flexible, performance-based approach to the consideration of fencing proposals to child care premises. Council Officers do not recommend any change to these subclauses.</p>

<p>In relation to Clause 2.4(d) 'Location of openings, play areas and other noise sources' an application should be considered on its merits.</p>	<p>Refer to comments above. The referred to clause provides for a flexible, performance-based approach. Council Officers do not recommend any change to this clause.</p>
<p>In relation to Clause 2.6 'Noise' (a) 'General Design and Layout Considerations' subclause (i) an application should be considered on its merits.</p>	<p>Refer to comments above. Subclause (ii) provides that where (i) cannot be achieved, noise mitigation measures can be employed to prevent or reduce noise spill to adjoining noise sensitive uses. Council Officers do not recommend any change to this clause.</p>

**Modifications to Revised LPP6**

A number of minor modifications (as detailed in the response from Council Officers in the table above) are proposed to the provisions of Draft Revised LPP6 having regard to the concerns raised in the single submission received during the consultation period and the further refinement of the policy to correct minor spelling, grammatical and text alignment issues. There are no substantial modifications proposed to the provisions contained within the draft revised LPP.

**Modifications to Revised LPP37**

A number of very minor modifications to Draft Revised LPP37 are proposed to address minor spelling, grammatical and text alignment issues. There are no substantive modifications proposed to provision contained with the draft revised LPP.

A copy of draft revised LPPs 6 and 37 (as further modified by Council Officers) are contained in Appendices 1 and 2 to this report.

**Legal Compliance:**

**Planning and Development (Local Planning Scheme) Regulations 2015**

The amendment of a Local Planning Policy is to be undertaken in accordance with deemed clauses 4 and 5 of the *Planning and Development (Local Planning Scheme) Regulations 2015* (the Regulations), including:

- Community consultation for a period of not less than 21 days; and
- Consideration of public submissions and a Council resolution to proceed with the new or amended policy with or without modifications, or not to proceed.

A Local Planning Policy may be revoked in accordance with deemed clause 6 of the Regulations, where:

- It is expressly revoked by a subsequent local planning policy prepared in accordance with deemed clause 4; or
- By a notice of revocation prepared by the local government and published in a newspaper circulating within the Scheme area.

As per deemed clause 4(5) and clause 6(b)(ii), the adoption of a new or revised local planning policy, or the revocation of an existing local planning policy, takes effect upon publication of a notice in a newspaper circulating within the Scheme Area.

**Policy Implications:**

The draft revised LPPs provide greater clarity in their objectives, application and applicable requirements, and forms part of a review of all of the Town’s LPPs.

Alignment with State and Federal Government childcare legislation

The revisions to LPP6 bring it up to date with current State Government planning legislation and Federal legislation related to the definition and operation of education and care services.

Alignment with *Planning and Development (Local Planning Schemes) Regulations 2015*

The changes to applicable consultation requirements for demolition of existing properties/structures in revised LPP37 aligns with the demolition and heritage provisions contained within the Planning and Development (Local Planning Schemes) Regulations 2015.

State Planning Policy 3.1 - Residential Design Codes

Part 4 of the Residential Design Codes (R Codes) provides that local governments may adopt policies requiring community consultation to be undertaken with adjoining properties where variations to the deemed-to-comply requirements of the R-Codes are proposed as part of a development proposal. The review of LPP37 has considered the existing scope of R Code variations that are specified as requiring consultation and these are considered to remain relevant and appropriate.

**Risk Management Considerations:**

<b>Risk &amp; Consequence</b>	<b>Consequence + Rating</b>	<b>Likelihood = Rating</b>	<b>Overall Risk Analysis</b>	<b>Mitigation/ Actions</b>
<b>Compliance:</b> The continued operation of obsolete policies (existing LPP1) creating uncertainty or confusion to applicants and members of the community	Low	Some likelihood	Low	Revoke redundant LPP1.
<b>Compliance:</b> LPP6 contains outdated and obsolete provisions that do not align with the currently applicable State and Federal legislative framework. It is also limited in scope, applying only to child care centres in residential areas. Delaying its amendment will exacerbate its already restricted scope and applicability, and leave the Town with	High	Likely	Moderate – Applications for child care premises are infrequent/ rarely received by the Town however it is considered essential to have a relevant and effective policy to adequately consider these proposals.	Adopt revised LPP6, as further modified by Council Officers.

Risk & Consequence	Consequence + Rating	Likelihood = Rating	Overall Risk Analysis	Mitigation/ Actions
deficient policy guidance to consider proposals for family day care and child care premises.				
<p><b>Compliance:</b> The continued operation of clauses within LPP37 that are unclear, confusingly worded or limited in their applicability to development applications only, rather than planning proposals of all kinds. Policy is not currently linked to the Strategic Community Plan.</p>	Moderate	Likely	Medium	Adopt revised LPP37, as further modified by Council Officers.

**Strategic Plan Implications:**

Environment

EN1 – Land use planning that puts people first in urban design, allows for different housing options for people with different housing needs and enhances the Town’s character.

Economic

EC1 – A desirable place for commerce and tourism that supports equity, diverse local employment and entrepreneurship.

Civic Leadership

CL1 – Everyone receives appropriate information in the most efficient and effective way for them; and

CL2 – A community that is authentically engaged and informed in a timely manner.

**Financial Implications:**

There will be a cost for publication of required notices in the Southern Gazette newspaper, with their being funds available to cover this cost.

**Sustainability Assessment:**

External Economic Implications:

Nil.

Cultural Issues:

Nil.

Environmental Issues:

Nil.

**COMMENT:**Review of LPP6

Existing LPP6 is in need of significant revision to reflect proposed changes to Town Planning Scheme No.1, the current State and Federal legislative framework, and State Government (WAPC) level guidance on relevant policy considerations that should be addressed by local government in the preparation of local planning policies related to the to the establishment and operation of child care premises. There is also a gap in policy coverage for Family Day Care services, where they are not exempt and development approval is required to be obtained from the Town.

The single submission received in relation to LPP6 has been responded to and considered by Council Officers. The majority of matters raised related to very specific provisions and their applicability to a particular site intended to be developed for a child care premises/early learning centre. Council retains discretion to consider any development application on its merits, including variations to the requirements contained within Local Planning Policies where site-specific circumstances warrant special consideration. The site referred to in the submission is considered to be an example that would warrant Council exercising its discretion with respect to a number of the provisions raised by the submitter, as the site is not typical of 'Residential' zoned land being developed for non-residential purposes such as a child care premises. However, it is otherwise considered that the referred to provisions are appropriate and necessary for the vast majority of circumstances where such development may occur elsewhere within the Town, and so these are strongly recommended by Council Officers to remain within the draft revised policy.

Review of LPPs 1 and 37

The matters dealt with by existing LPP1 are almost entirely covered by and/or superseded by the provisions of LPP37 'Community Consultation on Planning Proposals', which is the primary policy guiding the public advertising and community consultation requirements for planning proposals of all kinds. With the revisions proposed to LPP37, existing LPP1 becomes entirely redundant.

Existing LPP37 is currently proving effective in guiding the public advertising and community consultation requirements for planning proposals of all kinds. Changes have been identified to improve its structure and formatting, clarify consultation requirements for a small number of land use/development types, and reflect the increasing use of online consultation tools. The consultation requirements listed within the tables contained in the Policy have also been reduced in length and simplified by deleting duplicated text and amending them to a tick and cross style format, reducing the overall length of the policy.

The review has considered the operative policies of other local governments, some of which are substantially shorter in length than both the current and draft revised versions of LPP37. While shorter, the majority of these policies do not specify circumstances where consultation will not be required and so result in the requirement to consult for development applications that propose variations of any kind to the Residential Design Codes, even in circumstances where such variations are extremely minor in nature, have negligible adverse impact on surrounding properties or the streetscape, and are routinely supported under delegated

authority and at a Council level. Additionally, many of these shorter policies provide for significant discretion by Officers and Council to modify, reduce or require additional consultation methods for a broad range of proposals without outlining the scope or circumstances where such discretion will be exercised. Existing LPP37 has the significant advantage of addressing both of these matters, delivering confidence, certainty and consistency to the public and applicants of when consultation will or will not be required, and greater efficiency in the use of time and resources by applicants and officers. Accordingly, these aspects of existing LPP37 are proposed to remain (albeit in a revised format) as part of draft revised LPP37.

#### Conclusion

The proposed revisions to LPPs 6 and 37 address the current shortcomings or gaps in robust policy provisions identified during their review and will increase the ease with which the policies are able to be understood and administered.

It is recommended that the Future Planning Committee recommends that Council formally adopt draft revised LPPs 6 and 37, as modified and contained within Appendices 1 and 2 to this report. It also recommended that redundant existing LPP1 be revoked by the Council.

#### **RECOMMENDATION/S:**

##### **That Council:**

- 1. Revokes Local Planning Policy 1 ‘Public Notification/Advertising Procedure’;**
- 2. Adopts revised Local Planning Policy 6 ‘Family Day Care and Child Care Premises’, as modified and contained in [Appendix 1](#);**
- 3. Adopts revised Local Planning Policy 37 ‘Community Consultation on Planning Proposals’, as modified and contained in [Appendix 2](#); and**
- 4. Notes the revocation of Local Planning Policy 1, and the adoption of revised Local Planning Policies 6 and 37, taking effect upon publication of a notice in the Southern Gazette newspaper.**

**15 APPLICATIONS FOR LEAVE OF ABSENCE**

Mayor Trevor Vaughan 11 February 2019 to the 4 March 2019 inclusive.

**16 MOTION OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

**17 QUESTIONS FROM MEMBERS WITHOUT NOTICE**

**18 NEW BUSINESS OF AN URGENT NATURE**

**19 PUBLIC QUESTION TIME**

**20 PUBLIC STATEMENT TIME**

**21 MEETING CLOSED TO PUBLIC**

**21.1 Matters for Which the Meeting May be Closed**

**21.2 Public Reading of Resolutions That May be Made Public**

**22 CLOSURE**





**DECLARATION OF  
FINANCIAL INTEREST / PROXIMITY INTEREST / INTEREST THAT MAY AFFECT  
IMPARTIALITY**

**TO: CHIEF EXECUTIVE OFFICER  
TOWN OF VICTORIA PARK**

<b>Name &amp; Position</b>	
<b>Meeting Date</b>	
<b>Item No/Subject</b>	
<b>Nature of Interest</b>	Financial Interest* <span style="float: right;"><i>(*Delete where</i></span> Proximity Interest* <span style="float: right;"><i>not applicable)</i></span> Interest that may affect impartiality*
<b>Extent of Interest</b>	
<b>Signature</b>	
<b>Date</b>	

Section 5.65(1) of the Local Government Act 1995 states that:

“A member who has an interest in any matter to be discussed at a Council or Committee meeting that will be attended by that member must disclose the nature of the interest:

- (a) in a written notice given to the CEO before the meeting; or
- (b) at the meeting immediately before the matter is discussed”.

ALTERNATE MOTION / AMENDMENT SUBMISSION



To: HIS WORSHIP THE MAYOR:

Please be advised that I wish to move an ALTERNATE MOTION / AMENDMENT

Name of Elected Member:

Signature:

Date of Submission:

Council Meeting Date:

Item Number:

Item Title:

Alternate Motion / Amendment: *(strike out which is not applicable)*

**Note: Motions to Stand Alone**

All decisions of the council must be in the form of motions that are clear in their intent and enable a person to understand what has been decided without reference to another motion or information contained in the body of a report.

**Reason:**

**Note: Explanation for changes to Recommendations**

Administration Regulation 11 requires the minutes to include written reasons for each decision that is significantly different from the written recommendation. Members must therefore provide a written reason in the space provided above.