



CITY of PERTH

Lord Mayor and Councillors,

**NOTICE IS HEREBY GIVEN** that the next meeting of the **Finance and Administration Committee** will be held in Committee Room 1, Ninth Floor, Council House, 27 St Georges Terrace, Perth on **Tuesday, 6 October 2015 at 4.00pm.**

Yours faithfully

**GARY STEVENSON PSM  
CHIEF EXECUTIVE OFFICER**

1 October 2015

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**Committee Members:**

**Members:**

Cr Davidson OAM JP (Presiding Member)  
Cr Butler  
Cr Yong

**1<sup>st</sup> Deputy:**

Cr Adamos

**2<sup>nd</sup> Deputy:**

Cr Harley

Please convey apologies to Governance on 9461 3250  
or email [governance@cityofperth.wa.gov.au](mailto:governance@cityofperth.wa.gov.au)

# FINANCE AND ADMINISTRATION COMMITTEE

**Established:** 17 May 2005 (Members appointed 22 October 2013)

<b>Members:</b>	<b>1<sup>st</sup> Deputy:</b>	<b>2<sup>nd</sup> Deputy:</b>
Cr Davidson OAM JP (Presiding Member)	Cr Adamos	Cr Harley
Cr Butler		
Cr Yong		

**Quorum:** Two  
**Expiry:** October 2015

**TERMS OF REFERENCE:** [Adopted OCM 04/06/13]

1. To oversee and make recommendations to the Council on matters related to:
  - a. the financial management of the City including budgeting, payment of accounts, collection of debts, investment of funds and write-offs;
  - b. strategic and annual plans;
  - c. management of local government property including issues relating to the City's civic buildings (Council House, Perth Town Hall, Perth Concert Hall and the City of Perth Library);
  - d. business opportunities and proposals, including those related to parking, having the potential to achieve new income or savings for the City, which may have been initiated by other Committees of the Council;
  - e. Fees and charges levied by the City in accordance with Sections 6.16 or 6.32 of the Local Government Act 1995;
  - f. Elected Members, including protocols and procedures, benefits and allowances;
  - g. Council's policies, local laws and Register of Delegations;
  - h. the management and enforcement of permanent and temporary on-street parking proposals or restrictions and any associated fees or signage;
  - i. any other issues requiring a decision of the Council and not specifically defined in the Terms of Reference for any other Committee of the Council.
2. To determine:
  - a. public art, art purchases and management of the City's art collection with the authority to purchase artworks over \$5,000 (excluding GST) and the deaccession of artworks in accordance with Policy 18.2 - Collection Management;
  - b. requests for receptions referred to the Committee by the Lord Mayor, with authority to approve or decline requests of \$5,000 or less.

**This meeting is open to members of the public.**

# EMERGENCY GUIDE

Council House, 27 St Georges Terrace, Perth



CITY of PERTH

The City of Perth values the health and safety of its employees, tenants, contractors and visitors. The guide is designed for all occupants to be aware of the emergency procedures in place to help make an evacuation of the building safe and easy.

## BUILDING ALARMS

Alert Alarm and Evacuation Alarm.

### ALERT ALARM

**beep beep beep**

All Wardens to respond.

Other staff and visitors should remain where they are.

## EVACUATION ALARM/PROCEDURES

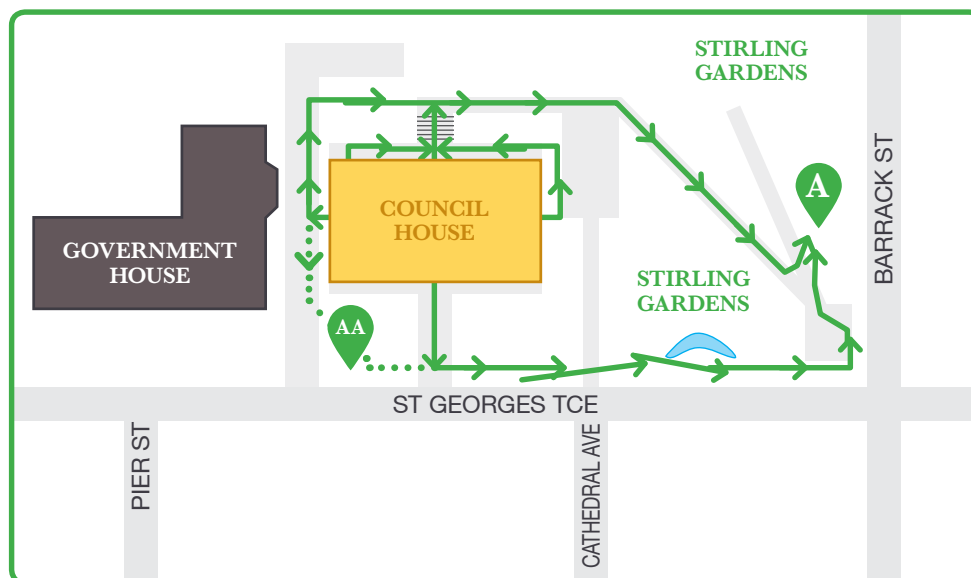
**whoop whoop whoop**

On hearing the Evacuation Alarm or on being instructed to evacuate:

1. Move to the floor assembly area as directed by your Warden.
2. People with impaired mobility (those who cannot use the stairs unaided) should report to the Floor Warden who will arrange for their safe evacuation.
3. When instructed to evacuate leave by the emergency exits. **Do not use the lifts.**
4. Remain calm. Move quietly and calmly to the assembly area in **Stirling Gardens** as shown on the map below. Visitors must remain in the company of City of Perth staff members at all times.
5. After hours, evacuate by the nearest emergency exit. **Do not use the lifts.**



### EVACUATION ASSEMBLY AREA



 Assembly Area

 Alternate Assembly Area

# INFORMATION FOR THE PUBLIC ATTENDING COMMITTEE MEETINGS

## Question Time for the Public

- An opportunity is available at all Committee meetings open to members of the public to ask a question about any issue relating to the City. This time is available only for asking questions and not for making statements. Complex questions requiring research should be submitted as early as possible in order to allow the City sufficient time to prepare a response.
- The Presiding Person may nominate a Member or officer to answer the question, and may also determine that any complex question requiring research be answered in writing. No debate or discussion is allowed to take place on any question or answer.
- To ask a question please write it on the white Question Sheet provided at the entrance to the Council Chamber and hand it to a staff member at least an hour before the meeting begins. Alternatively, questions can be forwarded to the City of Perth prior to the meeting, by:-
  - Letter: Addressed to GPO Box C120, Perth, 6839;
  - Email: [governance@cityofperth.wa.gov.au](mailto:governance@cityofperth.wa.gov.au).
- *Question Sheets are also available on the City's web site: [www.perth.wa.gov.au](http://www.perth.wa.gov.au).*

## Deputations

A deputation wishing to be received by a Committee is to apply in writing to the CEO who will forward the written request to the Presiding Member. The Presiding Member may either approve the request or may instruct the CEO to refer the request to the Committee to decide whether or not to receive the deputation. If the Presiding Member approves the request, the CEO will invite the deputation to attend the meeting.

Please refer to the 'Deputation to Committee' form provided at the entrance to the Council Chamber for further information on the procedures for deputations. These forms are also available on the City's web site: [www.perth.wa.gov.au](http://www.perth.wa.gov.au).

## Disclaimer

Members of the public should note that in any discussion regarding any planning or other application that any statement or intimation of approval made by any Member or officer of the City during the course of any meeting is not intended to be and is not to be taken as notice of approval from the City. No action should be taken on any item discussed at a Committee meeting prior to written advice on the resolution of the Council being received.

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**FINANCE AND ADMINISTRATION COMMITTEE  
6 OCTOBER 2015  
ORDER OF BUSINESS**

- 1. Declaration of Opening**
- 2. Apologies and Members on Leave of Absence**
- 3. Question Time for the Public**
- 4. Confirmation of Minutes – 15 September 2015**
- 5. Correspondence**
- 6. Disclosure of Members' Interests**
- 7. Matters for which the Meeting may be Closed**

In accordance with Section 5.23(2) of the *Local Government Act 1995*, should an Elected Member wish to discuss the content of the confidential item and schedule listed below, it is recommended that Committee resolve to close the meeting to the public prior to discussion of the following:

<b>Confidential Item / Schedule No.</b>	<b>Item No. and Title</b>	<b>Reason</b>
Item No. 7 and Schedule 7	Item 7 – Public Library and Public Plaza Project – Progress Update to September	Section 5.23(2)(e)(ii)

- 8. Reports**
- 9. Motions of which Previous Notice has been Given**
- 10. General Business**
  - 10.1. Responses to General Business from a Previous Meeting**  
Nil
  - 10.2. New General Business**
- 11. Items for Consideration at a Future Meeting**

**Outstanding Reports:**

- Council Dining Room (raised FA30/09/14, updated 21/04/15).

**12. Closure**

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# ITEM NO: 1

## CHRISTMAS BREAK DINING ROOM CLOSURE AND PROPOSED AMENDMENTS TO DINING ROOM DATES FOR 2016

**RECOMMENDATION:** (APPROVAL)

***That Council:***

- 1. approves the closure of the Council House Dining Room from Saturday, 12 December 2015 to Sunday, 3 January 2016;***
- 2. approves the lunch on Friday, 25 March 2016 being rescheduled to Thursday, 24 March 2016; and***
- 3. approves the Dinner on Saturday, 26 March 2016, during the Easter break, being cancelled.***

### **BACKGROUND:**

FILE REFERENCE: P1001610-13  
REPORTING UNIT: Marketing & Events Unit  
RESPONSIBLE DIRECTORATE: Economic Development & Activation Directorate  
DATE: 10 September 2015  
MAP / SCHEDULE: Nil

It is customary for the Dining Room in Council House to close during the Council Christmas break and this report seeks approval for its closure during the 2015/16 break.

In accordance with Council Policy 10.12 – Provision of Hospitality, the Dining Room is available for use by Elected Members each Friday between 12.30pm and 3.30pm, excluding the second Friday of the month where it is available for use from 7.30pm to 10.30pm. On the last Saturday of each month, the Dining Room is also available for use between 7.30pm to 10.30pm.



**LEGISLATION / STRATEGIC PLAN / POLICY:**

**Integrated Planning  
and Reporting  
Framework  
Implications**

**Corporate Business Plan**

Council Four Year Priorities: Capable and Responsive  
Organisation  
S19 Improve customer focus of the organisation

**Policy**

Policy No and Name: 10.12 – Provision of Hospitality

**DETAILS:**

The Council House Dining Room is available for use by Elected Members in accordance with Policy 10.12 - Provision of Hospitality that includes its use from 12.30pm to 3.30pm on Fridays and 7.30pm to 10.30pm one Saturday per month with the exception of the second Friday of each month being a dinner.

The final operating day for the dining room will be Dinner on Friday, 11 December 2015. The dining room will reopen on Friday, 8 January 2016 for Dinner.

The Good Friday Public Holiday is on Friday, 25 March 2016 and it is proposed to reschedule the lunch to Thursday, 24 March 2016.

It is also proposed that the dinner on Saturday, 26 March 2016, during the Easter break, be cancelled.

**FINANCIAL IMPLICATIONS:**

There are no significant financial implications related to this report.

**COMMENTS:**

Changing the dates on which the Dining Room is available for use by Elected Members in 2016 as proposed will facilitate use of this venue in accordance with Council Policy 10.12 – Provision of Hospitality.

In accordance with Council Policy 10.12 – Provision of Hospitality, it is requested that the Finance and Administration Committee approves this request.

## ITEM NO: 2

### FINANCIAL ACTIVITY STATEMENT FOR THE PERIOD ENDED 31 JULY 2015

**RECOMMENDATION:**

**(APPROVAL)**

***That Council approves the Financial Activity Statement for the period ended 31 July 2015 as detailed in Schedule 1.***

#### BACKGROUND:

FILE REFERENCE: P1014149-25  
REPORTING UNIT: Finance  
RESPONSIBLE DIRECTORATE: Corporate Services  
DATE: 23 September 2015  
MAP / SCHEDULE: Schedule 1 – Financial Activity Statements for the period ended 31 July 2015

#### LEGISLATION / STRATEGIC PLAN / POLICY:

<b>Legislation</b>	Section 6.4(1) and (2) of the <i>Local Government Act 1995</i> Regulation 34(1) of the <i>Local Government (Financial Management) Regulations 1996</i>
<b>Integrated Planning and Reporting Framework Implications</b>	<b>Strategic Community Plan</b> Council Four Year Priorities: Community Outcome Capable and Responsive Organisation A capable, flexible and sustainable organisation with a strong and effective governance system to provide leadership as a capital city and deliver efficient and effective community centred services.

#### DETAILS:

The Financial Activity Statement is presented together with a commentary on variances from the annual budget.

The Financial Activity Statement for July 2015 has been estimated from the unaudited Financial Statements for the year ended 30 June 2015 and the Financial Statements for the two months to 31 August 2015.

#### FINANCIAL IMPLICATIONS:

There are no direct financial implications arising from this report.

**COMMENTS:**

The Financial Activity Statement commentary compares the actual results for the one month to 31 July 2015 to the Annual Budget 2015/16 adopted by Council on 9 June 2015.

**FINANCIAL ACTIVITY STATEMENT FOR THE ONE MONTH TO  
31 JULY 2015**

**REPORT OF VARIANCES TO BUDGET**

**This report compares the actual performance for the one month to 31 July 2015 with the annual budget approved by Council on 9 June 2015.**

**Operating Revenue**

- Parking revenue was (\$466,000) under budget and is being affected by the prevailing economic conditions and resultant lower levels of patronage in the City. The shortfall occurred in all areas with undercover car parks finishing (\$146,000) lower, kerbside parking (\$189,000) and open air car parks (\$131,000). The primary car parks impacted were the Cultural Centre (\$38,000), Alexander Library (\$56,000), the Convention Centre (\$55,000) and Queens Gardens (\$41,000).
- Fines and Costs were (\$86,000) below the budget for the month. A combination of factors contributed to this, including a number of vacant parking officer positions and fewer parking bays being available in the City owing to ongoing construction activity.
- Investment income achieved \$111,000 better return than the budget, largely attributable to a good return from balanced funds and strong cash flows since the start of the year. There were also some longer dated term deposits returning higher than 3%.
- Rubbish Collections exceeded budget by \$606,000 owing to the offering of co-mingled recycling bins to commercial customers and an increase in the transitioning of services from 240L to 660L bins following the re-pricing strategy adopted in the budget
- Rental and Hire Charges fell below budget by (\$44,000) mainly in Affordable Housing (\$41,000). Other areas experienced smaller variances, the highest being Parks and Gardens (\$9,000) below budget which was offset by revenue from banners \$8,000.
- Recurrent Grants were (\$66,000) under the budget owing to the advance payments received during June for Local Government Road and General Assistance Grants.

**Operating Expenditure**

- Employee Costs were \$336,000 below budget primarily as a result of timing of filling vacancies and with some budgeted termination payments being accrued into the previous financial year.
- Materials and Contracts were \$1,298,000 under spent compared to budget mainly in the areas of Property Maintenance \$248,000, Infrastructure Contractors \$152,000, Professional Fees \$149,000 and Consultancy \$118,000. Smaller variances were spread generally throughout the organisation.

**FINANCIAL ACTIVITY STATEMENT FOR THE ONE MONTH TO  
31 JULY 2015**

**REPORT OF VARIANCES TO BUDGET**

- Utilities fell short of the estimates for higher power costs by \$75,000 which included the Perth City Library \$12,000, Street Lighting \$14,000 and Parks and Reserves \$10,000. These variances are partly due to timing differences.
- Depreciation fell \$247,000 below the budget, predominantly in Infrastructure by \$398,000, and which was offset by higher charges in other accounts such as Fixed Plant (\$66,000). The main Infrastructure areas were Roads and Kerbs amounting to \$103,000 and Footpaths \$286,000. These charges are dependent on the uptake of revalued amounts, timing of completion of projects and purchases of assets.
- The variance in Loss on Disposal of Assets \$129,000 was the result of higher proceeds from sale of vehicles due to earlier than expected change overs and disposals. The budget also allowed for phasing of asset write-offs throughout the year which actually occurs only as capital projects progress.
- Other Expenditure savings of \$39,000 occurred mainly in Incentives and Contributions for Heritage \$30,000 and Other Environment Protection \$50,000, offset by Donations and Sponsorships (\$23,000) and Statutory Fees and Charges (\$16,000).

**Investing Activities**

- Capital expenditure was \$3.7 million under budget due to timing of works programs on current projects. On-going large projects include the City of Perth Library and Public Plaza, the Barrack Street 2-Way Conversion project and Treasury Footpath projects. A figure of \$7.7 million of capital works was carried over into the current financial year and will be included in the October Budget Review, increasing the budgeted total of carry forwards to \$21.7 million.
- Transfers to Reserves will align with budget in the coming months in accordance with the budget program.

**Financing Activities**

- Transfers from Reserves are below the level expected in the budget by (\$312,000) owing to delays in the capital projects.
- Funding from carry forwards estimated in the budget is also dependant on the progress of the capital works program.
- Proceeds from Disposal of Assets were \$159,000 over the budget due to the earlier replacement of vehicles than forecasted.

**FINANCIAL ACTIVITY STATEMENT FOR THE ONE MONTH TO  
31 JULY 2015**

**REPORT OF VARIANCES TO BUDGET**

**Amounts sourced from Rates**

- Rates revenue raised fell marginally below the budget.

**CITY OF PERTH**

**FINANCIAL ACTIVITY STATEMENT - Estimate for the period ended 31 July 2015**

	<b>Budget 2015/16 \$</b>	<b>Budget YTD 31-Jul-15 \$</b>	<b>Actual YTD 31-Jul-15 \$</b>	<b>Variance YTD 31-Jul-15 \$</b>
<b>Proceeds from Operating Activities</b>				
<b>Operating Revenue</b>				
<i>Nature of Income</i>				
Parking Fees	78,153,380	6,803,777	6,337,967	(465,810)
Fines and Costs	10,443,348	944,543	858,938	(85,605)
Investment Income and Interest	5,157,319	394,871	505,820	110,949
Community Service Fees	1,677,044	141,398	104,862	(36,536)
Rubbish Collection	7,158,185	6,868,749	7,474,650	605,901
Rentals and Hire Charges	5,100,956	405,342	361,102	(44,240)
Recurrent Grants	1,508,499	78,084	11,623	(66,461)
Contributions, Donations and Reimbursements	452,347	35,554	34,047	(1,507)
Other Income	5,409,678	594,919	335,433	(259,486)
	<b>115,060,756</b>	<b>16,267,237</b>	<b>16,024,442</b>	<b>(242,795)</b>
<b>Less: Operating Expenditure</b>				
<i>Nature of Expenditure</i>				
Employee Costs	69,135,566	5,925,816	5,588,918	336,898
Materials and Contracts	52,838,709	3,846,795	2,549,017	1,297,778
Utilities	3,069,080	269,640	194,170	75,470
Insurance Expenditure	1,166,259	98,380	96,269	2,111
Depreciation and Amortisation	34,211,101	2,840,620	2,593,597	247,023
Interest Expenses	1,836,750	115,881	126,343	(10,462)
Expense Provisions	962,345	86,063	85,264	799
Loss on Disposal of Assets	1,558,253	132,345	3,655	128,690
Other Expenditure	24,707,761	2,713,081	2,673,694	39,387
	<b>189,485,824</b>	<b>16,028,621</b>	<b>13,910,927</b>	<b>2,117,694</b>
Add back Depreciation	(34,211,101)	(2,840,620)	(2,593,597)	(247,023)
(Loss) / Profit on Disposals	(1,558,253)	(132,345)	(3,655)	(128,690)
	<b>153,716,470</b>	<b>13,055,656</b>	<b>11,313,675</b>	<b>1,741,981</b>
<b>Net Surplus/(Deficit) from Operations</b>	<b>(38,655,714)</b>	<b>3,211,581</b>	<b>4,710,767</b>	<b>1,499,186</b>
<b>Investing Activities</b>				
Capital Expenditure	(59,612,596)	(6,362,988)	(2,695,429)	3,667,559
Repayment of Borrowings	(6,441,707)	(980,269)	(980,269)	-
Transfers to Reserves	(28,095,017)	(477,230)	(216,321)	260,909
	<b>(94,149,320)</b>	<b>(7,820,487)</b>	<b>(3,892,019)</b>	<b>3,928,468</b>
<b>Financing Activities</b>				
Transfer from Reserves	31,752,812	9,324,477	9,012,961	(311,516)
Carry Forwards	13,979,765	1,492,186	632,106	(860,080)
Proceeds from Disposal of Assets/Investments	1,523,000	154,523	313,565	159,042
Distribution from TPRC	1,833,333	-	-	-
Capital Grants	6,842,450	54,167	22,535	(31,632)
	<b>55,931,360</b>	<b>11,025,353</b>	<b>9,981,167</b>	<b>(1,044,186)</b>
<b>Add: Opening Funds</b>	<b>1,123,643</b>	<b>1,123,643</b>	<b>10,859,061</b>	<b>9,735,418</b>
<b>Net Surplus/(Deficit) before Rates</b>	<b>(75,750,031)</b>	<b>7,540,090</b>	<b>21,658,976</b>	<b>14,118,886</b>
<b>Amount made up from Rates</b>	<b>82,692,367</b>	<b>80,188,881</b>	<b>80,129,330</b>	<b>(59,551)</b>
<b>Less: Closing Funds</b>	<b>6,942,336</b>	<b>87,728,971</b>	<b>101,788,306</b>	<b>14,059,335</b>
<b>Net Cash on Hand</b>				
Cash On Hand	4,109,637	3,760,599	6,883,112	3,122,513
Money Market Investments	105,930,238	108,491,201	111,335,864	2,844,663
<b>Funds on Hand</b>	<b>110,039,875</b>	<b>112,251,800</b>	<b>118,218,976</b>	<b>5,967,176</b>
<b>Analysis of Funds on Hand</b>				
Reserves	85,600,968	69,467,554	71,728,457	2,260,903
Provisions	11,475,729	11,520,471	11,563,483	43,012
Carry forwards	-	19,996,790	21,049,252	1,052,463
General Funds	12,963,178	11,266,986	13,877,784	2,610,798
<b>Funds on Hand</b>	<b>110,039,875</b>	<b>112,251,800</b>	<b>118,218,976</b>	<b>5,967,176</b>

## CITY OF PERTH

## CURRENT POSITION AS AT THE END OF THE PERIOD

31-July-2015

	2015/16 Budget	2015/16 Budget YTD	2015/16 Actual YTD	2015/16 Variance
	\$	\$	\$	\$
<b>Current Assets</b>				
Cash and Cash Equivalents	4,109,637	3,760,599	6,883,112	3,122,513
Deposits and Prepayments	1,539,537	15,017,490	18,428,553	3,411,063
Money Market Investments - Municipal Funds	20,329,270	39,023,647	39,607,407	583,760
Money Market Investments - Restricted Funds	85,600,968	69,467,554	71,728,457	2,260,903
Trade and Other Receivables	11,535,833	79,345,621	83,661,414	4,315,793
Work in Progress	1,352,457	380,250	795,271	415,021
Inventories	1,385,321	655,193	1,109,675	454,482
<b>Total Current Assets</b>	<b>125,853,023</b>	<b>207,650,354</b>	<b>222,213,889</b>	<b>14,563,535</b>
<b>Current Liabilities</b>				
Trade and Other Payables	21,833,990	38,450,859	36,696,606	(1,754,253)
Employee Entitlements	10,750,892	10,795,634	10,859,758	64,124
Provisions	724,837	724,837	703,725	(21,112)
Borrowings	6,771,075	6,489,080	6,489,080	-
<b>Total Current Liabilities</b>	<b>40,080,794</b>	<b>56,460,410</b>	<b>54,749,169</b>	<b>- 1,711,241</b>
<b>Working Capital Position Brought Forward</b>	<b>\$ 85,772,229</b>	<b>\$ 151,189,945</b>	<b>\$ 167,464,720</b>	<b>\$ 16,274,775</b>
Deduct Restricted Cash Holdings	(85,600,968)	(69,467,554)	(71,728,457)	(2,260,903)
Deduct Restricted Capital Grants	-	(482,500)	(437,037)	45,463.00
Add Current Borrowings	6,771,075	6,489,080	6,489,080	-
<b>Current Funds Position Brought Forward</b>	<b>\$ 6,942,336</b>	<b>\$ 87,728,971</b>	<b>\$ 101,788,306</b>	<b>\$ 14,059,335</b>



# EXPLANATORY NOTES – FINANCIAL ACTIVITY STATEMENT

## BACKGROUND

- Regulation 34 of the Local Government (Financial Management) Regulations 1996 was amended effective from 1 July 2005.
- The amendment prescribes a monthly Financial Activity Statement (FAS) reporting the sources and application of funds, as set out in the Rate Setting Statement which is included in the Annual Budget.

## PURPOSE

- The FAS reports the actual financial performance of the City in relation to its adopted budget, which has been structured on financial viability and sustainability principles.
- The FAS is intended to act as a guide to Council of the impact of financial activities and the reasons for major variances to the annual budget estimates.

## PRESENTATION

- Regulation 34 prescribes the minimum detail to be included in the FAS. These are listed below.
  - Annual Budget estimates, and approved revisions to these, are to be included for comparison purposes.
  - Actual amounts of income and expenditure to the end of the month of the FAS.
  - Material variances between the comparable amounts and commentary on reasons for these.
  - The net current assets at the end of the month to which the FAS relates.
- An explanation of the composition of the net current assets at the end of the month to which the FAS relates; less committed and restricted assets.
- Councils are given the option of adopting a format which is considered most appropriate to their needs. These options are listed below.
  - According to nature and type classification,
  - by program, or
  - by business unit.
- It is recommended that while the information presented by cost objects (programs and activities) or by cost centres (business units) are useful for expense allocation and cost centre accountability purposes, they are less informative and difficult to comprehend in matters of disclosure and less effective in cost management and control.
- The FAS has therefore been presented in the format using nature and type classification as the most meaningful disclosure to the Council and public.

## FORMAT

- The FAS is formatted to align with the Rate Setting Statement.
- The first part deals with operating income and expenditure, excluding rate revenue.
- The next classification is the amount spent on capital expenditure and debt repayments.
- The classification 'Financing Activities' provides a statement of sources of funds other than from operating or rates revenue, which are usually associated with capital expenditure.
- Attached to the FAS is a statement of 'Net Current Assets' for the budget and actual expenditure to the end of the month to which the FAS relates.
- Opening and closing funds represent the balance of 'Net Current Assets', not including any funds which are committed or restricted.
- "Committed assets" means revenue unspent but set aside under the annual budget for a specific purpose.
- "Restricted assets" means those assets the uses of which are restricted, wholly or partially, by regulations or other externally imposed requirements", e.g. reserves set aside for specific purposes.
- To avoid duplication in calculating 'Closing Funds on hand', certain balances, such as provisions and borrowings, are also deducted.
- The total Closing Funds on hand are to be taken into account when calculating the amount to be raised by rates each year.
- The classification "Net Cash on Hand" represents the balances of funds held in cash or invested and the analysis into those funds reserved, carried forward or remaining unspent at the end of the month to which the FAS relates.

## ITEM NO: 3

### FINANCIAL STATEMENTS AND FINANCIAL ACTIVITY STATEMENT FOR THE PERIOD ENDED 31 AUGUST 2015

**RECOMMENDATION:**

**(APPROVAL)**

***That Council approves the Financial Statements and the Financial Activity Statement for the period ended 31 August 2015 as detailed in Schedule 2***

#### **BACKGROUND:**

FILE REFERENCE: P1014149-25  
REPORTING UNIT: Finance  
RESPONSIBLE DIRECTORATE: Corporate Services  
DATE: 24 September 2015  
MAP / SCHEDULE: Schedule 2 – Financial Statements and Financial Activity Statement for the period ended 31 August 2015

#### **LEGISLATION / STRATEGIC PLAN / POLICY:**

<b>Legislation</b>	Section 6.4(1) and (2) of the <i>Local Government Act 1995</i> Regulation 34(1) of the <i>Local Government (Financial Management) Regulations 1996</i>
<b>Integrated Planning and Reporting Framework Implications</b>	<b>Strategic Community Plan</b> Council Four Year Priorities: Community Outcome Capable and Responsive Organisation A capable, flexible and sustainable organisation with a strong and effective governance system to provide leadership as a capital city and deliver efficient and effective community centred services.

#### **DETAILS:**

The Financial Activity Statement is presented together with a commentary on variances from the annual budget.

#### **FINANCIAL IMPLICATIONS:**

There are no direct financial implications arising from this report.

**COMMENTS:**

The Financial Activity Statement commentary compares the actual results for the two months to 31 August 2015 to the Annual Budget 2015/16 adopted by Council on 9 June 2015.

**FINANCIAL ACTIVITY STATEMENT FOR THE TWO MONTHS TO  
31 AUGUST 2015****REPORT OF VARIANCES TO BUDGET**

**This report compares the actual performance for the two months to 31 August 2015 with the Annual Budget approved by Council on 9 June 2015.**

**Operating Revenue**

- Parking revenue was (\$862,000) under budget across all areas resulting from a combination of factors. The prevailing economic conditions are causing lower patronage generally, which is also being exacerbated by current disruption through ongoing construction activity in the City. Also the budget estimates were based on more optimistic assumptions for revenue from changes in the pricing structure.
- Undercover car parks were (\$283,000) lower than the budget, open air car parks (\$275,000) and kerbside parking (\$303,000). Revenue shortfalls were spread across most car parks, with more significant variances being in the Convention Centre (\$90,000), Alexander Library (\$85,000) and Cultural Centre (\$67,000) car parks.
- Fines and Costs were (\$274,000) below the budget for the two months due to a combination of factors including a number of vacant parking officer positions, a lower level of parking generally in the City and the current construction work reducing the number of available bays.
- Investment income fell short of the budget for the period due mainly to a negative return on the Colonial Share Index investment fund following the recent fall in the ASX 200 index. The current fixed interest rate market is expected to continue at lower levels for the foreseeable future.
- Rubbish Collections are running at \$430,000 above budget forecasts with higher than expected uptake of the extension of co-mingled recycling services for commercial ratepayers and an increase in the transitioning of services from 240L to 660L bins following the re-pricing strategy adopted in the budget.
- Other Revenue was (\$354,000) under the budget predominantly due to phasing of Outdoor Eating License receipts (\$142,000) and Food Premises inspection fees (\$120,000), plus lower than expected Planning and Building inspection fees (\$99,000).

**FINANCIAL ACTIVITY STATEMENT FOR THE TWO MONTHS TO  
31 AUGUST 2015**

**REPORT OF VARIANCES TO BUDGET**

**Operating Expenditure**

- Employee costs were \$1 million below the budget primarily as a result of the timing of \$777,000 in termination payments expected in the new financial year that were accrued into the 30 June 2015 accounts. The result is also affected by the period required for recruitment of new staff replacements. The adjustments will be reflected in the October Budget Review.
- Materials and Contracts were \$1.4 million under the budget for the period spread generally throughout the organisation. Major areas were timing of work in Council House \$203,000 and the Raine Square Bridge demolition \$210,000 plus the City of Perth Library \$194,000, including security services, cleaning and maintenance. Consultancy \$744,000, Other Professional Fees \$457,000 and Infrastructure Contractors \$250,000 were also under spent. The remaining areas underspent are largely the result of budget phasing where work is still to be scheduled, for example Drainage and Footpath programs, the River Wall, Community Arts Program, plus property and car park maintenance.
- Utilities were below budget by \$77,000 attributable to power costs being below estimates due to timing. Particular areas include the Perth City Library \$20,000 and Council House \$12,000.
- Depreciation compared to budget gave a favourable variance of \$521,000, where Infrastructure assets are below estimates by \$799,000 in Roads and Kerbs and Footpaths. These are dependent on the timing of completion and capitalisation of works. The other areas were over budget with the highest being Fixed Plant (\$115,000) and Buildings (\$48,000).
- The variance in Loss on Disposal of Assets of \$265,000 was the result of higher proceeds from sale of assets due to earlier than predicted change over and disposal of vehicles. The budget also allowed for phasing of asset write-offs throughout the year which only occurs as capital projects progress.

**Investing Activities**

- Capital expenditure was \$3.5 million under budget due to the timing of the program of works on current projects. On-going large projects include the City of Perth Library and Public Plaza, the Barrack Street 2-Way Conversion project and Treasury Footpath projects. A higher than expected figure of \$7.7 million of capital works carried over into the current financial year will impact the delivery of the planned works compared with the budget schedule.
- Transfers to Reserves will accelerate in the coming months in accordance with the budget program.

**FINANCIAL ACTIVITY STATEMENT FOR THE TWO MONTHS TO  
31 AUGUST 2015**

**REPORT OF VARIANCES TO BUDGET**

**Financing Activities**

- Transfers from Reserves are below those expected in the annual budget and reflect the lower level of capital expenditure.
- Funding from carry forwards estimated in the budget is dependent upon the progress of the capital works program.
- Capital Grants and Contributions were (\$625,000) below the budget pending receipt of the State Government's tied grant for the Roe Street Shared Path project from Fitzgerald to Thomas Streets.

**Amounts sourced from Rates**

- Rates revenue raised was in line with budget predictions however, there have been some recent successful objections to property valuations and the timing of interim rates for a number of large buildings still being processed through Landgate Services.

CITY OF PERTH

FINANCIAL ACTIVITY STATEMENT - for the period ended 31 August 2015

	Budget 2015/16 \$	Budget YTD 31-Aug-15 \$	Actual YTD 31-Aug-15 \$	Variance YTD 31-Aug-15 \$
<b>Proceeds from Operating Activities</b>				
<b>Operating Revenue</b>				
<i>Nature of Income</i>				
Parking Fees	78,153,380	13,587,123	12,725,506	(861,617)
Fines and Costs	10,443,348	1,940,122	1,666,595	(273,527)
Investment Income and Interest	5,157,319	1,150,582	939,252	(211,330)
Community Service Fees	1,677,044	301,651	257,462	(44,189)
Rubbish Collection	7,158,185	7,038,580	7,468,561	429,981
Rentals and Hire Charges	5,100,956	822,760	819,289	(3,471)
Recurrent Grants	1,508,499	156,167	118,595	(37,572)
Contributions, Donations and Reimbursements	452,347	71,108	68,548	(2,560)
Other Income	5,409,678	1,493,283	1,138,931	(354,352)
	<b>115,060,756</b>	<b>26,561,376</b>	<b>25,202,740</b>	<b>(1,358,636)</b>
<b>Less: Operating Expenditure</b>				
<i>Nature of Expenditure</i>				
Employee Costs	69,135,566	11,685,928	10,671,017	1,014,911
Materials and Contracts	52,838,709	7,764,261	6,356,991	1,407,270
Utilities	3,069,080	550,202	473,262	76,940
Insurance Expenditure	1,166,259	198,130	196,330	1,800
Depreciation and Amortisation	34,211,101	5,681,239	5,160,208	521,031
Interest Expenses	1,836,750	284,807	256,554	28,253
Expense Provisions	962,345	160,391	168,083	(7,692)
Loss on Disposal of Assets	1,558,253	259,708	(5,058)	264,766
Other Expenditure	24,707,761	4,453,619	4,361,329	92,290
	<b>189,485,824</b>	<b>31,038,285</b>	<b>27,638,716</b>	<b>3,399,569</b>
Add back Depreciation	(34,211,101)	(5,681,239)	(5,160,208)	(521,031)
(Loss) / Profit on Disposals	(1,558,253)	(259,708)	5,058	(264,766)
	<b>153,716,470</b>	<b>25,097,338</b>	<b>22,483,566</b>	<b>2,613,772</b>
<b>Net Surplus/(Deficit) from Operations</b>	<b>(38,655,714)</b>	<b>1,464,038</b>	<b>2,719,174</b>	<b>1,255,136</b>
<b>Investing Activities</b>				
Capital Expenditure	(59,612,596)	(10,125,975)	(6,663,959)	3,462,016
Repayment of Borrowings	(6,441,707)	(980,269)	(980,269)	-
Transfers to Reserves	(28,095,017)	(954,461)	(305,792)	648,669
	<b>(94,149,320)</b>	<b>(12,060,705)</b>	<b>(7,950,020)</b>	<b>4,110,685</b>
<b>Financing Activities</b>				
Transfer from Reserves	31,752,812	13,045,672	12,392,421	(653,251)
Carry Forwards	13,979,765	2,374,645	1,562,767	(811,878)
Proceeds from Disposal of Assets/Investments	1,523,000	258,701	380,085	121,384
Distribution from TPRC	1,833,333	-	-	-
Capital Grants	6,842,450	700,200	75,600	(624,600)
	<b>55,931,360</b>	<b>16,379,218</b>	<b>14,410,873</b>	<b>(1,968,346)</b>
<b>Add: Opening Funds</b>	<b>1,123,643</b>	<b>1,123,643</b>	<b>10,859,061</b>	<b>9,735,418</b>
<b>Net Surplus/(Deficit) before Rates</b>	<b>(75,750,031)</b>	<b>6,906,194</b>	<b>20,039,087</b>	<b>13,132,893</b>
<b>Amount made up from Rates</b>	<b>82,692,367</b>	<b>80,327,141</b>	<b>80,184,778</b>	<b>(142,364)</b>
<b>Less: Closing Funds</b>	<b>6,942,336</b>	<b>87,233,336</b>	<b>100,223,865</b>	<b>12,990,529</b>
<b>Net Cash on Hand</b>				
Cash On Hand	4,109,637	684,940	14,522,497	13,837,558
Money Market Investments	105,930,238	146,554,564	142,965,860	(3,588,704)
<b>Funds on Hand</b>	<b>110,039,875</b>	<b>147,239,504</b>	<b>157,488,357</b>	<b>10,248,854</b>
<b>Analysis of Funds on Hand</b>				
Reserves	85,600,968	71,334,140	67,160,771	(4,173,369)
Provisions	11,475,729	11,603,904	11,703,366	99,462
Carry forwards	-	11,605,120	20,118,591	8,513,471
General Funds	12,963,178	52,696,339	58,505,629	5,809,289
<b>Funds on Hand</b>	<b>110,039,875</b>	<b>147,239,504</b>	<b>157,488,357</b>	<b>10,248,854</b>

## CITY OF PERTH

## CURRENT POSITION AS AT THE END OF THE PERIOD

31-August-2015

	<b>2015/16 Budget</b>	<b>2015/16 Budget YTD</b>	<b>2015/16 Actual YTD</b>	<b>2015/16 Variance</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Current Assets</b>				
Cash and Cash Equivalents	4,109,637	684,940	14,522,497	13,837,558
Deposits and Prepayments	1,539,537	15,017,490	16,856,840	1,839,350
Money Market Investments - Municipal Funds	20,329,270	75,220,424	75,805,089	584,665
Money Market Investments - Restricted Funds	85,600,968	71,334,140	67,160,771	(4,173,369)
Trade and Other Receivables	11,535,833	37,779,952	42,218,461	4,438,509
Work in Progress	1,352,457	380,250	301,536	(78,714)
Inventories	1,385,321	655,193	908,575	253,382
<b>Total Current Assets</b>	<b>125,853,023</b>	<b>201,072,389</b>	<b>217,773,769</b>	<b>16,701,381</b>
<b>Current Liabilities</b>				
Trade and Other Payables	21,833,990	30,418,509	38,248,730	7,830,221
Employee Entitlements	10,750,892	11,002,190	11,007,313	5,123
Provisions	724,837	601,714	696,053	94,339
Borrowings	6,771,075	6,489,083	6,489,083	-
<b>Total Current Liabilities</b>	<b>40,080,794</b>	<b>48,511,496</b>	<b>56,441,179</b>	<b>7,929,683</b>
<b>Working Capital Position Brought Forward</b>	<b>\$ 85,772,229</b>	<b>\$ 152,560,893</b>	<b>\$ 161,332,590</b>	<b>\$ 8,771,697</b>
Deduct Restricted Cash Holdings	(85,600,968)	(71,334,140)	(67,160,771)	4,173,369.00
Deduct Restricted Capital Grants	-	(482,500)	(437,037)	45,463
Add Current Borrowings	6,771,075	6,489,083	6,489,083	-
<b>Current Funds Position Brought Forward</b>	<b>\$ 6,942,336</b>	<b>\$ 87,233,336</b>	<b>\$ 100,223,865</b>	<b>\$ 12,990,529</b>



# EXPLANATORY NOTES – FINANCIAL ACTIVITY STATEMENT

## BACKGROUND

- Regulation 34 of the Local Government (Financial Management) Regulations 1996 was amended effective from 1 July 2005.
- The amendment prescribes a monthly Financial Activity Statement (FAS) reporting the sources and application of funds, as set out in the Rate Setting Statement which is included in the Annual Budget.

## PURPOSE

- The FAS reports the actual financial performance of the City in relation to its adopted budget, which has been structured on financial viability and sustainability principles.
- The FAS is intended to act as a guide to Council of the impact of financial activities and the reasons for major variances to the annual budget estimates.

## PRESENTATION

- Regulation 34 prescribes the minimum detail to be included in the FAS. These are listed below.
  - Annual Budget estimates, and approved revisions to these, are to be included for comparison purposes.
  - Actual amounts of income and expenditure to the end of the month of the FAS.
  - Material variances between the comparable amounts and commentary on reasons for these.
  - The net current assets at the end of the month to which the FAS relates.
- An explanation of the composition of the net current assets at the end of the month to which the FAS relates; less committed and restricted assets.
- Councils are given the option of adopting a format which is considered most appropriate to their needs. These options are listed below.
  - According to nature and type classification,
  - by program, or
  - by business unit.
- It is recommended that while the information presented by cost objects (programs and activities) or by cost centres (business units) are useful for expense allocation and cost centre accountability purposes, they are less informative and difficult to comprehend in matters of disclosure and less effective in cost management and control.
- The FAS has therefore been presented in the format using nature and type classification as the most meaningful disclosure to the Council and public.

## FORMAT

- The FAS is formatted to align with the Rate Setting Statement.
- The first part deals with operating income and expenditure, excluding rate revenue.
- The next classification is the amount spent on capital expenditure and debt repayments.
- The classification 'Financing Activities' provides a statement of sources of funds other than from operating or rates revenue, which are usually associated with capital expenditure.
- Attached to the FAS is a statement of 'Net Current Assets' for the budget and actual expenditure to the end of the month to which the FAS relates.
- Opening and closing funds represent the balance of 'Net Current Assets', not including any funds which are committed or restricted.
- "Committed assets" means revenue unspent but set aside under the annual budget for a specific purpose.
- "Restricted assets" means those assets the uses of which are restricted, wholly or partially, by regulations or other externally imposed requirements", e.g. reserves set aside for specific purposes.
- To avoid duplication in calculating 'Closing Funds on hand', certain balances, such as provisions and borrowings, are also deducted.
- The total Closing Funds on hand are to be taken into account when calculating the amount to be raised by rates each year.
- The classification "Net Cash on Hand" represents the balances of funds held in cash or invested and the analysis into those funds reserved, carried forward or remaining unspent at the end of the month to which the FAS relates.



**CITY of PERTH**

# **CITY of PERTH**

## **Financial Report**

**For the 2 months ended 31 August 2015**

**CITY OF PERTH  
MUNICIPAL**

*Statement of Comprehensive Income for the 2 months ended 31 August 2015*

*(By Program)*

	Note	Budget 2015/2016	Revised Budget YTD	Actual YTD 31/08/2015	YTD Variance	
		\$	\$	\$	\$	%
<b>OPERATING REVENUE</b>						
General Purpose Funding Rates		83,567,338	80,949,069	80,828,476	(120,593)	-0.1%
General Purpose Funding Other		5,735,976	955,996	687,254	(268,742)	-28.1%
Law, Order, Public Safety		46,225	13,998	4,791	(9,207)	-65.8%
Health		864,920	612,027	346,414	(265,613)	-43.4%
Education and Welfare		2,153,539	378,106	336,705	(41,401)	-10.9%
Housing		656,190	109,365	136,036	26,671	24.4%
Community Amenities		10,294,628	7,548,338	7,944,838	396,500	5.3%
Recreation and Culture		1,859,860	159,666	133,939	(25,727)	-16.1%
Transport		90,764,129	15,867,556	14,747,158	(1,120,398)	-7.1%
Economic Services		1,093,247	177,294	102,044	(75,250)	-42.4%
Other Property and Services		717,071	117,102	119,863	2,761	2.4%
Total Operating Income		197,753,123	106,888,517	105,387,518	(1,500,999)	-1.4%
<b>OPERATING EXPENDITURE</b>						
Governance		11,262,129	2,045,820	1,561,096	484,724	23.7%
General Purpose Funding		3,089,672	737,345	576,939	160,406	21.8%
Law, Order, Public Safety		3,868,851	523,689	554,276	(30,587)	-5.8%
Health		1,884,897	237,330	367,981	(130,651)	-55.1%
Education and Welfare		3,870,122	531,330	584,729	(53,399)	-10.1%
Housing		563,144	93,857	99,404	(5,547)	-5.9%
Community Amenities		28,558,870	4,522,270	4,148,886	373,384	8.3%
Recreation and Culture		32,248,092	4,704,470	4,185,893	518,577	11.0%
Transport		85,571,552	14,044,821	13,170,053	874,768	6.2%
Economic Services		9,744,103	1,526,346	1,559,895	(33,549)	-2.2%
Other Property and Services		7,266,137	1,811,300	834,622	976,678	53.9%
Total Operating Expenditure		187,927,571	30,778,577	27,643,774	3,134,803	10.2%
<b>NET FROM OPERATIONS</b>		9,825,552	76,109,940	77,743,744	1,633,804	2.1%
<b>GRANTS/CONTRIBUTIONS</b>						
For the Development of Assets						
- General Purpose Funding		80,200	80,200	-	(80,200)	-100.0%
- Recreation and Culture		3,207,250	620,000	-	-	0.0%
- Transport		3,555,000	-	75,600	75,600	0.0%
Total Grants/Contributions		6,842,450	700,200	75,600	(624,600)	-89.2%
<b>DISPOSAL/WRITE OFF OF ASSETS</b>						
Gain/(Loss) on Disposal of Assets	2	(1,558,253)	(259,708)	8,713	268,421	-103.4%
<i>Change in net assets resulting from operations before significant items</i>		15,109,749	76,550,432	77,828,057	1,277,625	1.7%
<b>SIGNIFICANT ITEMS</b>						
Distribution from TPRC		1,833,333	-	-	-	0.0%
(Loss) on Disposal of Investments		-	-	(3,655)	(3,655)	0.0%
<i>Change in net assets resulting from operations after significant items</i>		16,943,082	76,550,432	77,824,402	1,273,970	1.7%

**CITY OF PERTH  
MUNICIPAL**

*Statement of Comprehensive Income for the 2 months ended 31 August 2015*

*(By Nature)*

	Note	Budget 2015/2016	Revised Budget YTD	Actual YTD 31/08/2015	YTD Variance	
		\$	\$	\$	\$	%
<b>OPERATING REVENUE</b>						
Rates		82,692,367	80,327,141	80,184,778	(142,363)	-0.2%
Grants and Contributions for Non Capital Purposes		1,508,499	156,167	118,595	(37,572)	-24.1%
Donations and Reimbursements		452,347	71,108	68,548	(2,560)	-3.6%
Fees and Charges		105,979,914	24,905,494	23,805,848	(1,099,646)	-4.4%
Interest and Investment Income		5,157,319	1,150,582	939,252	(211,330)	-18.4%
Other Revenue		1,962,676	278,024	270,498	(7,526)	-2.7%
Total Revenue from Operating Activities		197,753,122	106,888,517	105,387,518	(1,500,999)	-1.4%
<b>OPERATING EXPENDITURE</b>						
Employee Costs		69,135,566	11,685,928	10,671,017	1,014,911	8.7%
Materials and Contracts		52,838,709	7,764,261	6,356,991	1,407,270	18.1%
Utilities		3,069,080	550,202	473,262	76,940	14.0%
Depreciation and Amortisation		34,211,101	5,681,239	5,160,206	521,033	9.2%
Interest		1,836,750	284,807	256,554	28,253	9.9%
Insurance		1,166,259	198,130	196,330	1,800	0.9%
Expenses Provision		962,345	160,391	168,082	(7,691)	-4.8%
Other Expenses from Ordinary Activities		24,707,761	4,453,619	4,361,332	92,287	2.1%
Total Expenses from Ordinary Activities		187,927,571	30,778,577	27,643,774	3,134,803	10.2%
Change in Net Assets from Ordinary Activities before Capital Amounts		9,825,551	76,109,940	77,743,744	1,633,804	2.1%
<b>GRANTS/CONTRIBUTIONS</b>						
Grants and Contributions- Capital		6,842,450	700,200	75,600	(624,600)	-89.2%
<b>NET OPERATING SURPLUS</b>						
		16,668,002	76,810,140	77,819,344	1,009,204	1.3%
<b>DISPOSAL/WRITE OFF OF ASSETS</b>						
	2	(1,558,253)	(259,708)	8,713	268,421	-103.4%
<b>SIGNIFICANT ITEMS</b>						
Distribution from TPRC		1,833,333	-	-	-	0.0%
(Loss) on Disposal of Investments		-	-	(3,655)	(3,655)	0.0%
<i>Change in net assets resulting from operations after capital amounts and significant items</i>		16,943,082	76,550,432	77,824,402	1,273,970	1.7%

**CITY OF PERTH  
MUNICIPAL**

*Statement of Financial Position as at 31 August 2015*

	Note	31/08/2015	30/06/2015
<b>CURRENT ASSETS</b>			
		\$	\$
Cash and Cash Equivalents	11	14,522,497	21,164,777
Deposits/Prepayments	4	16,856,840	1,339,244
Investments	3, 11	142,965,860	91,045,389
Trade and Other Receivables	5	16,333,269	8,355,249
Rates Receivable	1	25,885,192	64,096
Inventories		1,210,111	1,394,201
<b>TOTAL CURRENT ASSETS</b>		<b>217,773,769</b>	<b>123,362,956</b>
<b>NON CURRENT ASSETS</b>			
Investments	3	6,793,093	7,110,313
Trade and Other Receivables	5	34,457	39,567
Property, Plant and Equipment	8	657,185,007	659,937,053
Infrastructure	8	478,141,537	480,607,504
Capital Work in Progress	8	75,941,671	69,215,093
<b>TOTAL NON CURRENT ASSETS</b>		<b>1,218,095,765</b>	<b>1,216,909,530</b>
<b>TOTAL ASSETS</b>		<b>1,435,869,534</b>	<b>1,340,272,486</b>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	6	38,248,730	19,155,304
Employee Benefits	7	11,007,313	11,405,126
Provisions	7	696,053	703,725
Loan Liability	9	6,489,083	6,441,709
<b>TOTAL CURRENT LIABILITIES</b>		<b>56,441,179</b>	<b>37,705,864</b>
<b>NON CURRENT LIABILITIES</b>			
Employee Benefits	7	1,891,737	1,891,737
Provisions	7	3,934,637	3,869,667
Loan Liability	9	35,299,359	36,327,002
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>41,125,733</b>	<b>42,088,406</b>
<b>TOTAL LIABILITIES</b>		<b>97,566,912</b>	<b>79,794,270</b>
<b>NET ASSETS</b>		<b>\$1,338,302,622</b>	<b>\$1,260,478,216</b>
<b>EQUITY</b>			
Accumulated Surplus		707,580,350	612,108,619
Asset Revaluation Reserve	10	560,795,095	560,795,095
Reserves	10	69,927,177	87,574,502
<b>TOTAL EQUITY</b>		<b>\$1,338,302,622</b>	<b>\$1,260,478,216</b>

**CITY OF PERTH  
MUNICIPAL**

*Statement of Changes in Equity for the 2 months ended 31 August 2015*

	Accumulated Surplus	Asset Revaluation Reserve	Cash Backed Reserves	Total Equity
<b>Balance at 1 July 2014</b>	\$ 587,289,902	\$ 372,942,447	\$ 85,605,577	\$ 1,045,837,926
Change in net assets resulting from operations	214,640,281	-	-	214,640,281
Transfer to Cash Backed Reserves	(25,386,259)	-	25,386,259	-
Transfers to Asset Revaluation Reserve	(189,027,761)	189,027,761	-	-
Transfers from Asset Revaluation Reserve	1,175,113	(1,175,113)	-	-
Transfer from Cash Backed Reserves	23,417,340	-	(23,417,340)	-
Balance at 30 June 2015	\$612,108,615	\$560,795,095	\$87,574,496	\$1,260,478,207
<b>Balance at 1 July 2015</b>	\$ 612,108,615	\$ 560,795,095	\$ 87,574,496	\$ 1,260,478,206
Change in net assets resulting from operations	77,824,402	-	-	77,824,402
Transfer to Cash Backed Reserves	(305,792)	-	305,792	-
Transfers to Asset Revaluation Reserve	-	-	-	-
Transfers from Asset Revaluation Reserve	-	-	-	-
Transfer from Cash Backed Reserves	17,953,117	-	(17,953,117)	-
<b>Balance at the end of the reporting period</b>	<b>\$707,580,341</b>	<b>\$560,795,095</b>	<b>\$69,927,172</b>	<b>\$1,338,302,608</b>

**CITY OF PERTH  
MUNICIPAL**

*Statement of Cash Flows for the 2 months ended 31 August 2015*

	Note	Budget 2015/2016	YTD Actual 31/08/2015	YTD Variation	
		\$	\$	\$	%
<b>Cash Flows from Operating Activities</b>					
<b>Receipts</b>					
Rates		82,681,333	47,309,231	(35,372,102)	-42.8%
Fees and Charges		104,237,072	22,763,149	(81,473,923)	-78.2%
Interest		5,009,468	932,435	(4,077,033)	-81.4%
Other		5,485,536	291,278	(5,194,258)	-94.7%
		197,413,411	71,296,093	(126,117,318)	-63.9%
<b>Payments</b>					
Employee Costs		(68,531,216)	(10,598,968)	57,932,248	84.5%
Materials and Contracts		(50,557,095)	(5,920,683)	44,636,412	88.3%
Interest		(1,686,749)	(175,856)	1,510,893	89.6%
Other		(24,363,418)	(5,134,036)	19,229,382	78.9%
		(145,138,478)	(21,829,543)	123,308,935	85.0%
Net Cash Flows from Operating Activities	12	52,274,932	49,466,550	(2,808,382)	5.4%
<b>Cash Flows from Investing Activities</b>					
<b>Receipts</b>					
Distribution from TPRC		1,833,333	-	(1,833,333)	-100.0%
Proceeds from Disposal of Assets		1,523,000	66,520	(1,456,480)	-95.6%
Proceeds from Disposal of Investments(Non Current)		-	313,565	313,565	0.0%
<b>Payments</b>					
Purchase Land and Buildings		(13,036,542)	-	13,036,542	-100.0%
Purchase Infrastructure Assets		(37,840,203)	-	37,840,203	-100.0%
Purchase Plant and Mobile Equipment		(3,347,436)	-	3,347,436	100.0%
Purchase Office Furniture and Equipment		(561,648)	-	561,648	-100.0%
Work in Progress		-	(3,830,139)	(3,830,139)	0.0%
		(54,785,829)	(3,830,139)	50,955,690	93.0%
Net Cash Flows from Investing Activities		(51,429,496)	(3,450,054)	47,979,442	93.3%
<b>Cash Flows from Financing Activities</b>					
Proceeds from Borrowings		-	-	-	0.0%
Repayment of Borrowings		(6,441,707)	(980,269)	5,461,438	84.8%
		(6,441,707)	(980,269)	5,461,438	84.8%
<b>Cash Flows from Government and Other Parties</b>					
<b>Receipts from Appropriations/Grants</b>					
Recurrent		1,760,075	166,363	(1,593,712)	-90.5%
Capital		6,842,450	75,600	(6,766,850)	-98.9%
		8,602,525	241,963	(8,360,562)	-97.2%
Net Increase (Decrease) in Cash Held		3,006,254	45,278,190	42,271,936	1406.1%
<b>Cash at 1 July 2015</b>		107,033,620	112,210,166	5,176,546	4.8%
<b>Cash at 31 August 2015</b>	11	110,039,874	157,488,357	47,448,483	43.1%

**MUNICIPAL**

**Notes to the Balance Sheet for the 2 months ended 31 August 2015**

**1 Rates Receivable**

	Actual YTD 31/08/2015	2014/15 YTD 31/08/2014
	\$	\$
Outstanding Amount at 30 June 2015	64,096	52,088
Rates Levied for the Year	80,245,167	75,528,686
Late Payment Penalties	37,382	23,800
Ex Gratia Rates	17,464	10,283
Rates Administration Fee	257,379	244,286
Rates Instalment Interest	340,160	305,767
Back Rates	(77,853)	(14,092)
Bins Levy	617,372	517,124
	81,501,167	76,667,942
Amount Received during the Period	55,615,975	51,646,921
Outstanding Amount at 31 August 2015	<b>\$25,885,192</b>	<b>\$25,021,021</b>

**2 Gain/(Loss) on Disposal/Write off of Assets**

	Annual Budget	Actual YTD 31/08/2015
<b>Infrastructure</b>		
Proceeds on Disposal	-	-
Less: Carrying amount of assets written off	1,721,201	-
(Loss) on Write Off	(1,721,201)	-
<b>Plant and Mobile Equipment</b>		
Proceeds on Disposal	1,523,000	65,866
Less: Carrying amount of assets sold/written off	1,360,052	57,807
Profit/(Loss) on Disposal/Write Off	162,948	8,059
<b>Furniture and Equipment</b>		
Proceeds on Disposal	-	654
Less: Carrying amount of assets sold /written off	-	-
(Loss) on Disposal/Write Off	-	654
<b>Gain/(Loss) on Disposal/Write off of Assets</b>	<b>(\$1,558,253)</b>	<b>\$8,713</b>

**3 Investments**

<b>Current</b>	31/08/2015	30/06/2015
<b>Short Term Cash Investments *</b>	\$	\$
Call Funds	5,000,085	23,629
Bank/Term Deposits	134,000,000	83,900,000
Managed Funds	3,965,775	4,118,105
Floating Rate Notes (FRN)	-	3,003,655
Total Current Investments	<b>\$142,965,860</b>	<b>\$91,045,389</b>

\* Short Term Cash Investments as stated in Note 11.

<b>Non Current Investments</b>	31/08/2015	30/06/2015
	\$	\$
Mortgage Backed Securities (MBS)	2,721,799	2,766,406
	2,721,799	2,766,406
Equity in Local Government House	10,000	10,000
Equity in Mindarie Regional Council	398,074	398,074
Equity in Tamala Park Regional Council	3,663,220	3,935,833
	<b>\$6,793,093</b>	<b>\$7,110,313</b>



**MUNICIPAL**

**Notes to the Balance Sheet for the 2 months ended 31 August 2015**

**4 Deposits/Prepayments**

	31/08/2015	30/06/2015
	\$	\$
Prepaid Insurance	909,357	-
Prepaid Parking Bay Licence Fees	14,266,545	91,560
Other	1,680,938	1,247,684
	<b>\$16,856,840</b>	<b>\$1,339,244</b>

**5 Trade And Other Receivables**

	31/08/2015	30/06/2015
<b>Current</b>	\$	\$
Emergency Services Levy (ESL)	7,759,056	63,463
Accrued Interest and Investment Income	607,114	600,296
Accrued Income	1,674,755	1,251,900
Modified Penalties/Fines and Costs	7,433,019	7,156,124
Debtors - General		
Australian Taxation Office - GST Refundable	-	479,963
Works and Services	293,150	156,225
Other Debtors	1,751,426	1,701,472
	19,518,520	11,409,443
<b>Less: Provision for Doubtful Debts</b>	(3,185,251)	(3,054,194)
	<b>\$16,333,269</b>	<b>\$8,355,249</b>
<b>Non Current</b>		
Pensioners' Rates Deferred	34,457	39,567
	<b>\$34,457</b>	<b>\$39,567</b>

**6 Trade And Other Payables**

	31/08/2015	30/06/2015
<b>Current</b>	\$	\$
Trade Creditors	3,713,455	13,260,443
Emergency Services Levy	23,919,408	-
Interest Payable on Loans	321,713	241,015
Accrued Expenses - Operating	4,076,850	2,617,565
Accrued Expenses - Capital	3,256,767	360,328
Advances Received for Recoverable Works	83,535	77,424
Income Received / Raised in Advance	935,611	871,600
Australian Taxation Office - GST Payable	79,949	-
Other Creditors	1,861,442	1,726,929
	<b>\$38,248,730</b>	<b>\$19,155,304</b>

**MUNICIPAL**

**Notes to the Balance Sheet for the 2 months ended 31 August 2015**

**7 Employee Benefits**

	31/08/2015	30/06/2015
<b>Current</b>	<b>\$</b>	<b>\$</b>
<b>Leave Entitlements</b>		
Annual Leave	4,640,300	4,795,260
Self Funded Leave	244,657	270,891
Long Service Leave	5,980,000	6,189,337
Recognition of Employees- Presentations	142,356	149,638
	<b>\$11,007,313</b>	<b>\$11,405,126</b>
<b>Non Current</b>		
Annual Leave	838,090	838,090
Long Service Leave	1,053,647	1,053,647
	<b>\$1,891,737</b>	<b>\$1,891,737</b>

**Provisions**

	31/08/2015	30/06/2015
<b>Current</b>	<b>\$</b>	<b>\$</b>
Workers Compensation	696,053	703,725
	<b>\$696,053</b>	<b>\$703,725</b>
<b>Non Current</b>		
Provision for Equipment Replacement PCEC	3,934,637	3,869,667
	<b>\$3,934,637</b>	<b>\$3,869,667</b>

**8 Property, Plant and Equipment and Work in Progress**

	31/08/2015	30/06/2015
	<b>\$</b>	<b>\$</b>
Land and Air Rights - at cost/fair value	380,366,193	380,366,194
Less: Accumulated Depreciation	(2,666,100)	(2,570,139)
	377,700,093	377,796,055
Buildings/Freehold - at fair value	379,893,678	379,893,679
Less: Accumulated Depreciation	(147,410,975)	(146,015,858)
	232,482,703	233,877,821
Improvements - at fair value	8,010,840	8,010,841
Less: Accumulated Depreciation	(4,608,742)	(4,564,395)
	3,402,098	3,446,446
Infrastructure Assets - at cost/fair value	741,999,705	741,999,706
Less: Accumulated Depreciation	(263,858,168)	(261,392,201)
	478,141,537	480,607,505
Plant and Mobile Equipment - at cost/fair value	45,394,904	45,505,811
Less: Accumulated Depreciation	(26,084,654)	(25,351,476)
	19,310,250	20,154,335
Office Furniture and Equipment - at cost/fair value	36,740,437	36,740,437
Less: Accumulated Depreciation	(13,245,845)	(12,873,309)
	23,494,592	23,867,128
Agricultural - at cost	795,271	795,271
Less: Accumulated Depreciation	-	-
	795,271	795,271
Property, Plant and Equipment	1,135,326,544	1,140,544,561
Work in Progress - at cost	75,941,671	69,215,093
	75,941,671	69,215,093
Total Property, Plant and Equipment and Work in Progress	<b>\$1,211,268,215</b>	<b>\$1,209,759,650</b>

**MUNICIPAL**

**Notes to the Balance Sheet for the 2 months ended 31 August 2015**

**8 Property, Plant and Equipment and Work in Progress - Movement at Cost**

	Balance 30/06/2015	Acquisitions Actual YTD 31/08/2015	Transfers Actual YTD 31/08/2015	Disposals/ Write off/ Actual YTD 31/08/2015	Revaluation Actual YTD 31/08/2015	Balance 31/08/2015
	\$	\$	\$	\$		\$
Land and Air Rights	380,366,194	-	-	-	-	380,366,194
Buildings	379,893,679	-	-	-	-	379,893,679
Improvements	8,010,841	-	-	-	-	8,010,841
Infrastructure Assets	741,999,706	-	-	-	-	741,999,706
Plant and Mobile Equipment	45,505,811	-	-	(110,907)	-	45,394,904
Office Furniture and Equipment	36,740,437	-	-	-	-	36,740,437
Agricultural	795,271	-	-	-	-	795,271
Work in Progress	69,215,093	6,726,578	-	-	-	75,941,671
	<b>\$1,662,527,032</b>	<b>\$6,726,578</b>	-	<b>(\$110,907)</b>	-	<b>\$1,669,142,703</b>

**9 Loan Liability**

	31/08/2015	30/06/2015
<b>Current</b>	\$	\$
Loans - Western Australian Treasury Corporation	6,489,083	6,441,709
<b>Non Current</b>		
Loans - Western Australian Treasury Corporation	35,299,359	36,327,002

**10 Reserve Funds**

Purpose of Reserve Fund	Balance 30/06/2015	Transfer from Accumulated Surplus	Transfer to Accumulated Surplus	Balance 31/08/2015
	\$	\$	\$	\$
Refuse Disposal and Treatment	2,843,524	14,636	-	2,858,160
Concert Hall - Refurbishment and Maint.	4,826,518	16,413	-	4,842,931
Asset Enhancement	29,008,935	99,719	(931,608)	28,177,046
Community Recreation Centres/Facilities	-	-	-	-
Street Furniture Replacement	540,334	1,837	-	542,171
Parking Levy	17,132,501	408	(17,012,592)	120,317
Art Acquisition	315,397	774	-	316,171
Heritage Incentive	587,371	5,161	-	592,532
Parking Facilities Development	23,952,738	81,402	(8,917)	24,025,223
Employee Entitlements	1,053,647	3,674	-	1,057,321
David Jones Bridge	277,223	949	-	278,172
Bonus Plot Ratio	595,996	2,027	-	598,023
PCEC Fixed Plant Replacement	3,869,667	64,970	-	3,934,637
Enterprise and Initiative	2,570,651	13,822	-	2,584,467
	87,574,502	305,792	(17,953,117)	69,927,171
* Asset Revaluation	560,795,095	-	-	560,795,095
	<b>\$648,369,597</b>	<b>\$305,792</b>	<b>(\$17,953,117)</b>	<b>\$630,722,266</b>

\* The Asset Revaluation Reserve is a non cash backed reserve and cannot be used ,except for adjustments to fixed assets on their revaluation, disposal or write off

**MUNICIPAL**

**Notes to the Balance Sheet for the 2 months ended 31 August 2015**

**11 Cash Reconciliation**

	31/08/2015	30/06/2015
	\$	\$
Cash and Cash Equivalents	14,522,497	21,164,777
Short Term Cash Investments	142,965,860	91,045,389
	<b>\$157,488,357</b>	<b>\$112,210,166</b>

**12 Reconciliation of Net Cash Provided By Operating Activities to Operating Surplus**

	31/08/2015	30/06/2015
	\$	\$
Change in Net Assets Resulting from Operations	77,828,057	18,136,854
Adjustment for items not involving the movement of Funds:		
Depreciation	5,160,206	29,115,795
Doubtful Debts	131,057	267,593
(Gain)/Loss on Disposal/Write off/Contribution of Assets	(8,713)	2,584,345
	83,110,607	50,104,587
Revenues Provided By :		
Government Grants	(241,963)	(4,039,166)
Contribution from Other Parties	-	(15,000)
	(241,963)	(4,054,166)
Change in Operating Assets and Liabilities		
<b>Add Back</b>		
Decrease in Inventories	184,090	713,171
Decrease in Deposits and Prepayments	-	81,566
Decrease in Accrued Interest and Dividend Income	-	749,725
Decrease in Debtors	-	1,650,216
Decrease in Deferred Debtors	5,110	4,638
Decrease in Accrued Income	-	-
Increase in Income Received /Raised in Advance	70,122	21,429
Increase in Accrued Interest Payable	80,698	-
Increase in Accrued Expenses	1,459,285	-
Increase in Provisions	-	1,084,280
Increase in Trade and Other Payables	14,586,882	-
<b>Deduct</b>		
Decrease in Trade and Other Payables	-	(836,489)
Decrease in Income Received /Raised in Advance	-	-
Decrease in Accrued Interest Payable	-	(43,792)
Decrease in Provisions	(340,515)	-
Decrease in Accrued Expenses	-	(201,269)
Increase in Inventories	-	-
Increase in Trade and Other Receivables	(33,500,501)	-
Increase in Prepayments	(15,517,596)	-
Increase in Accrued Income	(422,855)	(420,854)
Increase in Accrued Interest and Investment Income	(6,817)	-
	(33,402,097)	2,802,621
Net Cash Provided by Operating Activities	<b>\$49,466,550</b>	<b>\$48,853,042</b>

**MUNICIPAL**

**Notes to the Balance Sheet for the 2 months ended 31 August 2015**

**13 Ratios**

	31/08/2015	30/06/2015
<b>1 Current Ratio</b>		
<u>Current Assets minus Restricted Assets</u>		
Current Liabilities minus Liabilities associated with Restricted Assets	2.67	1.02
<b>2 Debt Ratio</b>		
<u>Total Liabilities</u>		
Total Assets	6.79%	5.95%
<b>3 Debt Service Ratio</b>		
<u>Debt Service Cost</u>		
Available Operating Revenue	1.28%	4.48%
<b>4 Rate Coverage Ratio</b>		
<u>Net Rate Revenue</u>		
Operating Revenue	76.70%	40.92%
<b>5 Outstanding Rates Ratio</b>		
<u>Rates Outstanding</u>		
Rates Collectable	31.76%	0.08%
<b>6 Untied Cash to Unpaid Creditors Ratio</b>		
<u>Untied Cash</u>		
Unpaid Trade Creditors	24.31	2.07
<b>7 Gross Debt to Revenue Ratio</b>		
<u>Gross Debt</u>		
Total Revenue	39.65%	22.93%
<b>8 Gross Debt to Economically Realisable Assets Ratio</b>		
<u>Gross Debt</u>		
Economically Realisable Assets	4.36%	4.98%

Restricted Assets includes reserve funds and tied contributions not utilised at 31.08.2015

# **CITY OF PERTH**

**FAS GRAPHS**

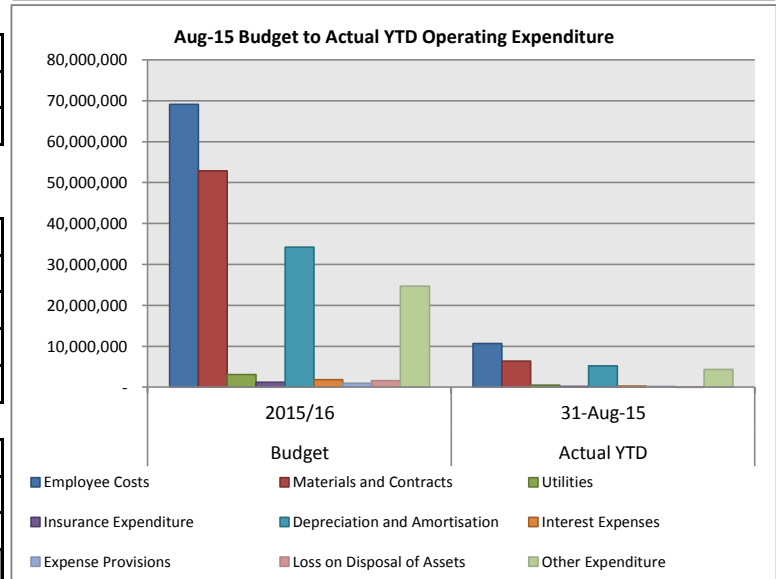
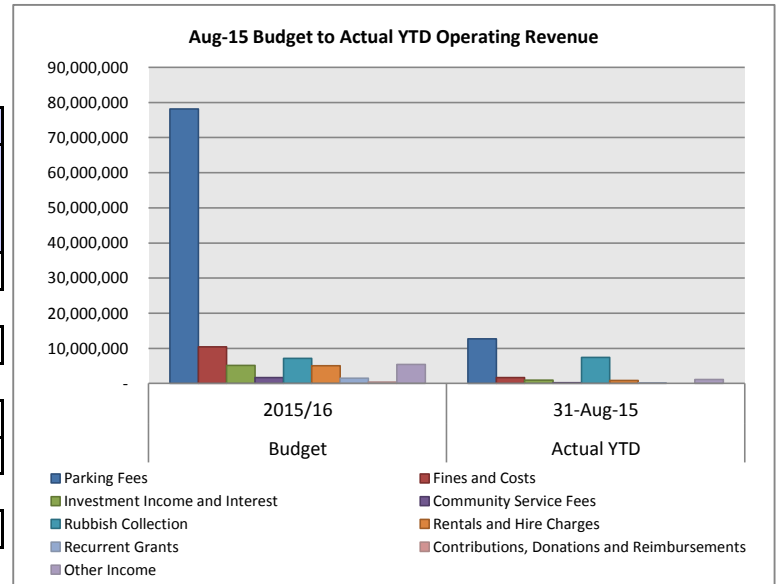
**Aug-15**

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# Financial Activity Statement

	Annual	Year To Date Aug-15		
	Budget 2015/16 \$000s	Budget YTD \$000s	Actual \$000s	Variance \$000s
<b>Proceeds from Operating Activities</b>				
Operating Revenue	115,061	26,561	25,203	-1,358
<b>Less: Operating Expenditure</b>				
Less: Operating Expenditure	189,486	28,462	27,635	827
<b>Add back Depreciation</b>				
Add back Depreciation	-34,211	-5,756	-5,160	-596
<b>(Loss)/Profit on Disposals</b>				
(Loss)/Profit on Disposals	-1,558	-172	9	-181
<b>Net Surplus/(Deficit) from Operations</b>	<b>-38,656</b>	<b>4,027</b>	<b>2,719</b>	<b>-1,308</b>
<b>Investing Activities</b>				
Capital Expenditure	-59,613	-7,585	-6,664	921
Repayment of Borrowings	-6,442	-980	-980	0
Transfers to Reserves	-28,095	-6,573	-306	6,267
<b>Financing Activities</b>				
Transfers from Reserves	31,753	39,946	12,392	-27,554
Carry Forwards	13,980	1,779	1,563	-216
Proceeds from Disposal of Assets	1,523	1,782	380	-1,402
Distribution from TPRC	1,833	0	0	0
Capital Grants	6,842	185	76	-109
<b>Net Surplus/(Deficit) before Rates</b>	<b>-75,750</b>	<b>33,704</b>	<b>20,039</b>	<b>-13,665</b>
Add: Opening Funds	1,124	1,124	10,859	9,735
Less: Closing Funds	6,942	8,607	100,224	91,617
<b>Amount Sourced from Rates</b>	<b>82,692</b>	<b>75,449</b>	<b>80,185</b>	<b>4,736</b>

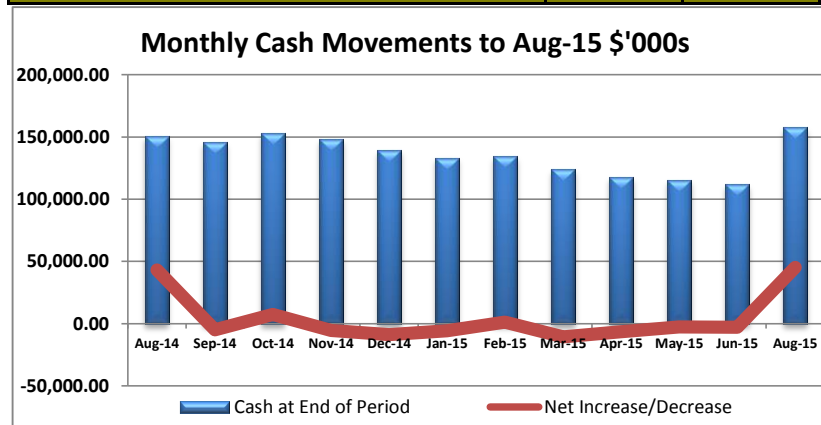




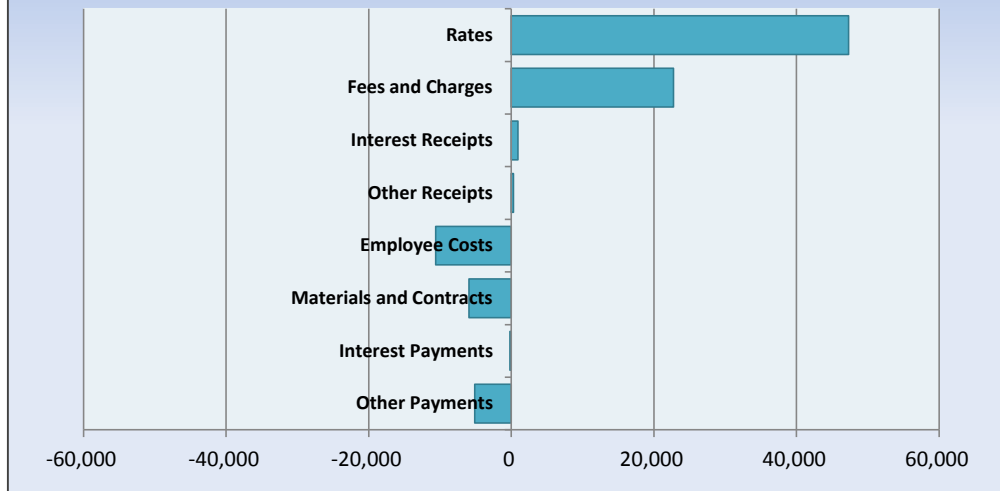
**Cash**

**SUMMARY CASH FLOW STATEMENT**

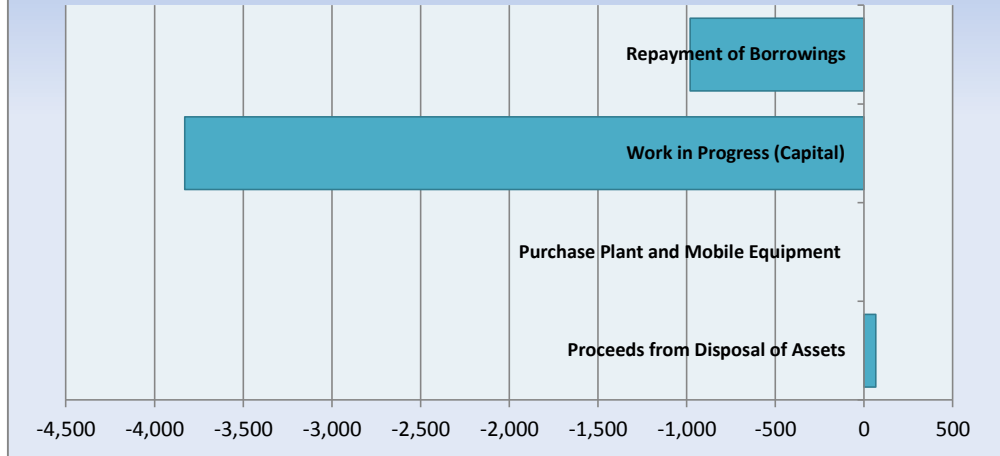
	Budget \$'000s 2015/2016	YTD Actual \$'000s Aug-15
Receipts from Customers	197,413	71,296
Payments to Suppliers and Creditors	-145,138	-21,830
Net Cash Inflow/Outflow from Operating Activities	52,275	49,466
Net Cash Inflow/Outflow from Investing Activities	-51,429	-3,450
Net Cash Inflow/Outflow from Financing Activities	-6,442	-980
Cash Flows from Government and Other Parties	8,603	242
Cash at 1 July 2015	107,034	112,210
Net Increase (Decrease) in Cash Held	3,006	45,278
Cash at 31 August 2015	110,040	157,488



**Cash Flows from Operating Activities \$'000s**

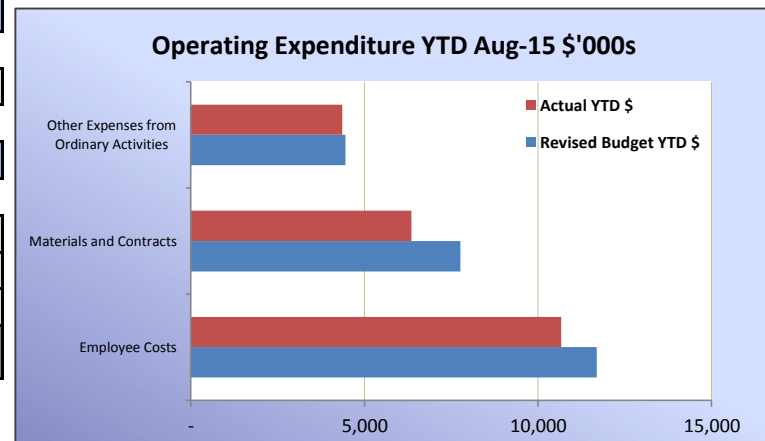
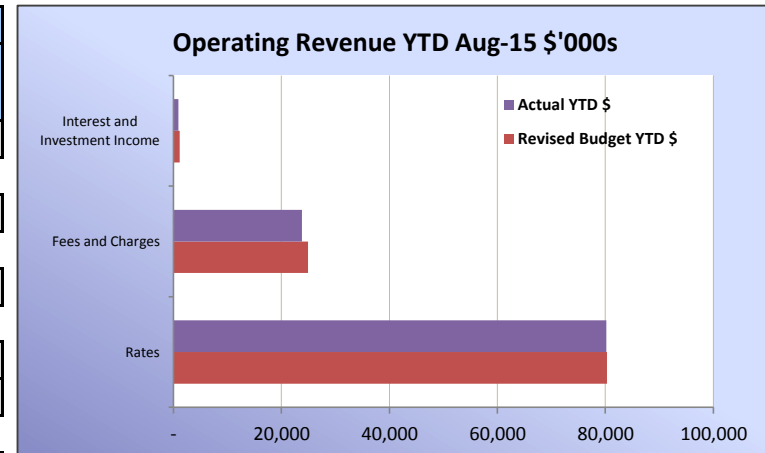


**Cash Flows from Investing Activities \$'000s**



## Summary Operating Statement

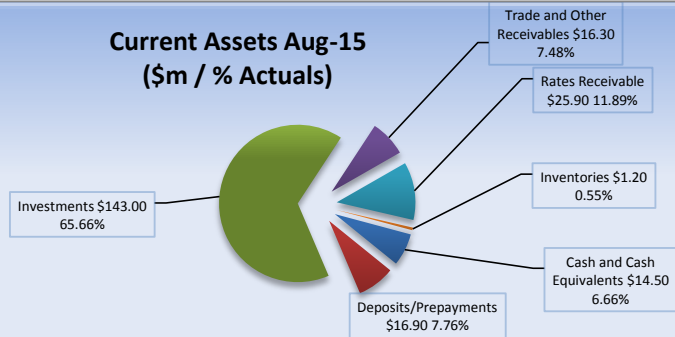
	2015/2016	Year To Date		
	Original Budget \$000	Revised Budget \$000s	Actual \$000s	Variance \$000s
Operating Revenue	197,753	106,889	105,388	-1,501
less Operating Expenses	-151,880	-24,812	-22,226	2,586
Earnings before Interest and Depreciation (EBID)	45,873	82,077	83,162	1,085
less Interest Expense	-1,837	-285	-257	28
less Depreciation	-34,211	-5,681	-5,160	521
Operating Surplus/(Deficit)	9,825	76,111	77,745	1,634
Grants and Contributions- Capital	6,842	700	76	-625
<b>NET OPERATING SURPLUS</b>	<b>16,667</b>	<b>76,811</b>	<b>77,821</b>	<b>1,010</b>
DISPOSAL/WRITE OFF OF ASSETS	-1,558	-260	9	269
Distribution from TPRC	1,833	0	0	0
(Loss) on Disposal of Investments	0	0	-4	-4
Change in net assets resulting from operations after capital amounts and significant items	16,943	76,550	77,824	1,274



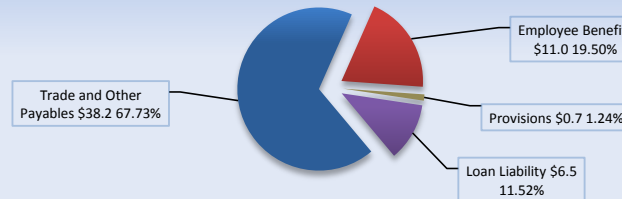
**Summary Statement of Financial Position**

	31-Aug-15	30-Jun-15
	Actual \$000s	Actual \$000s
Total Current Assets	217,774	123,363
Total Non Current Assets	1,218,096	1,216,910
<b>TOTAL ASSETS</b>	<b>1,435,870</b>	<b>1,340,273</b>
Total Current Liabilities	56,441	37,706
Total Non Current Liabilities	41,126	42,088
<b>TOTAL LIABILITIES</b>	<b>97,567</b>	<b>79,794</b>
<b>NET ASSETS</b>	<b>1,338,303</b>	<b>1,260,478</b>
<b>COMMUNITY EQUITY</b>		
Accumulated Surplus	707,580	612,109
Asset Revaluation Reserve	560,795	560,795
Reserves (Cash Backed)	69,927	87,575
<b>TOTAL EQUITY</b>	<b>1,338,303</b>	<b>1,260,478</b>

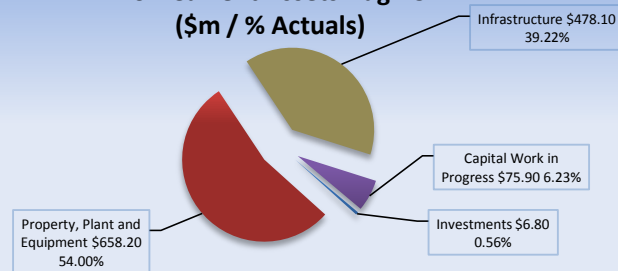
**Current Assets Aug-15**  
(\$m / % Actuals)



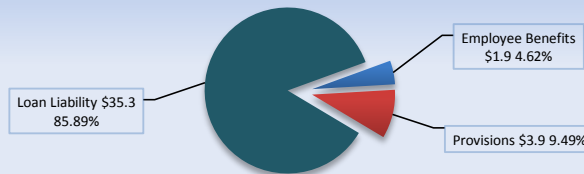
**Current Liabilities Aug-15**  
(\$m / % Actuals)



**Non-Current Assets Aug-15**  
(\$m / % Actuals)



**Non-Current Liabilities Aug-15**  
(\$m / % Actuals)



## Ratio Analysis

	Aug-15
Current Ratio (Current Assets minus Restricted Assets/Current Liabilities minus Liabilities associated with Restricted Assets)	2.67

**Ability to generate working capital to meet our commitments**

Target is greater than 2.00

	Aug-15
Operating Surplus Ratio (Revenue YTD/Operating Surplus YTD)	1.35

**Ability to fund capital and exceptional expenditure**

Target is greater than 1.5

	Aug-15
Rate Coverage Ratio (Net Rate Revenue/Operating Revenue)	76.70%

**Ability to reduce rates to ratepayers**

Target is less than 40.00% - The percentage will diminish as the bulk of the rates are raised in July

	Aug-15
Debt Service Ratio (Interest and principal repayments/Available Operating Revenue)	1.28%

**Ability to service loans including principal and interest**

Target is less than 10.0%

	Aug-15
Cash Capacity in Months (Cash < 90 days invest / (Cash Operating Costs divided by 2 months)	2.36

**Ability to manage cashflow**

Target is greater than 2.0 months

	Aug-15
Gross Debt to Economically Realisable Assets Ratio (Gross Debt / Economically Realisable Assets)	4.36%

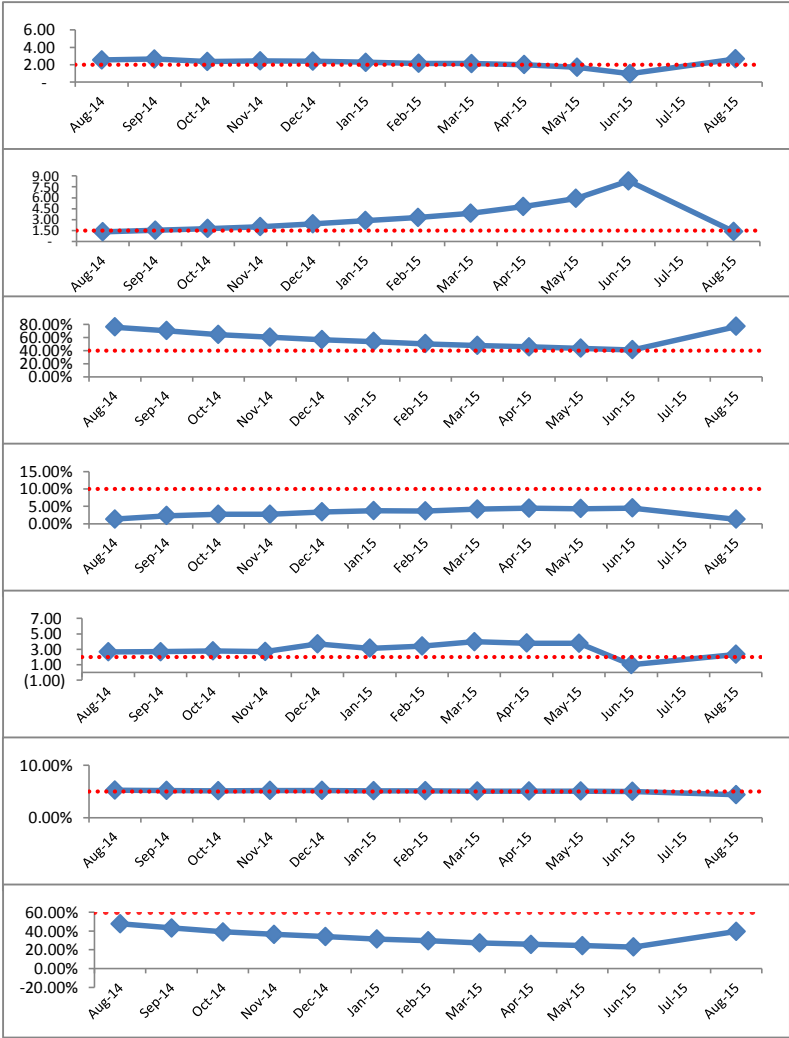
**Ability to retire debt from readily realisable assets**

Target is greater than 5.0%

	Aug-15
Gross Debt to Revenue Ratio (Gross Debt / Total Revenue)	39.65%

**Ability to service debt out of total revenue**

Target is less than 60.0%



## ITEM NO: 4

### 2016 CITY OF PERTH PHOTOGRAPHIC COMMISSIONS SELECTION

**RECOMMENDATION:**

**(APPROVAL)**

***That Council approves:***

- 1. the City of Perth History Centre to include relevant views from the 2009 Architectural Photographic Commission in the current Photographic Streetscape Documentation Project;***
- 2. the 2016 City of Perth Photographic Commissions Selection Panel recommendation to commission photographer Graham Miller to carry out the 2016 Artistic Photographic Commission at a cost of \$15,000 (excluding GST); and***
- 3. the 2016 City of Perth Photographic Commissions Selection Panel recommendation to commission photographer Jacqueline Ball to carry out the 2016 Architectural Photographic Commission at a cost of \$15,000 (excluding GST).***

**BACKGROUND:**

FILE REFERENCE: P1031593#04  
REPORTING UNIT: Community Facilities  
RESPONSIBLE DIRECTORATE: Economic Development and Activation  
DATE: 22 September 2015  
MAP / SCHEDULE: N/A

At its meeting held **21 July 2015** the following was carried by Council:

***“That Council:***

- 1. notes the increase in commission fees for two Photographic Commissions to \$15,000 per commission depicting the city to be undertaken in 2015/16 and continuing thereafter every three to five years;***
- 2. approves the themes for the Photographic Commissions as detailed in this report;***

3. *nominates Elected Member Cr Rob Butler to represent Council on the selection panel for the 2016 Photographic Commission;*
4. *requests that an Elected Member Briefing session be arranged to provide information regarding the photographic commissions that were undertaken in 2009 and 2012 depicting the development of the architectural elements of the city."*

On 1 September 2015 an Elected Member Briefing session was delivered providing information regarding the photographic commissions that were undertaken in 2009 and 2012 depicting the development of the architectural elements of the city.

As per the selection process outlined in the report to Council on 21 July 2015, the Art Curator devised a list of photographers who were invited to submit a proposal in response to the commission brief. A selection panel was formed which was made up of an Elected Member, a City of Perth representative and two industry professionals.

The Selection Panel met at 9:00am on Friday, 4 September 2015 to assess the proposals and the recommendations of the panel are detailed in the body of this report.

As the commissions result in the purchase of works of art approval from the Finance and Administration Committee is sought to commission the photographers recommended by the Selection Panel in accordance with the Delegated Authority register 2015/16.

This was reported to the Finance and Administration Committee meeting held Tuesday, 15 September 2015.

At the Finance and Administration Committee meeting held 15 September 2015 it was resolved:

*"That the Finance and Administration Committee agreed to defer consideration of the report titled 2016 City of Perth Photographic Commissions Selection, to enable further consideration of the Architectural Photographic Commission in consultation with the History Centre to ensure it aligns more appropriately with Councils initial vision."*

## **LEGISLATION / STRATEGIC PLAN / POLICY:**

### **Integrated Planning and Reporting Framework Implications**

#### **Corporate Business Plan**

Council Four Year Priorities: Healthy and Active in Perth  
S15 Reflect and celebrate the diversity of Perth

#### **Strategic Community Plan**

Council Four Year Priorities: Community Outcome  
Healthy and Active in Perth  
Reflect and celebrate the diversity of Perth

## **Policy**

Policy No and Name: 18.1 – Arts and Culture  
18.2 – Collections Management

## **DETAILS:**

### **City of Perth History Centre Photographic Streetscape Documentation Project**

In 2012 the City of Perth History Centre began a photographic streetscape documentation project to create a historical record of streets within the City of Perth to capture changes that are occurring over time and street by street. The objective for this project is to provide a visual historical record which will be useful for researchers as well as those people interested in the history of the city. This project is currently being carried out at a cost of \$5,000 per annum and the photographer is about to enter a new cycle of capturing views across the city.

The photographers brief is to attempt to capture the streets including the buildings, vehicles and people moving about in their day to day business. The photographs can be taken from a balcony, a roof top or from ground level. The city skyline is captured from various vantage points including from East Perth and Kings Park. Future skyline views can be captured from South Perth to compare this view of the city with one captured in 2009. It is understood that not all of the streets within the city can be photographed during a single financial year and as such a photographer is contracted annually to cover the city over a three to five year period. At the end of this period a photographer will revisit the locations to capture a time lapse view of the city streets. Comprehensive notes are recorded with the photographs to identify the location, the direction the photographs are taken as well as the date that the photograph is taken.

The photographer for the History Centre Photographic Streetscape Documentation project is instructed to capture specific views and precincts. This includes locations that allow for contemporary views that reference historical photographs in the History Centre Collection.

As noted in the Elected Members briefing session held 4 September 2015, the City of Perth History Centre will incorporate contemporary photographs of views captured through previous City of Perth Architectural Photographic Commissions in the photographic streetscape documentation project where the photographer is able to gain access to relevant sites.

Views of Perth from the Perth Town Hall clock tower have been captured as far back as the 1870s. Two such views were included in the 2009 Architectural Photographic Commission. Access to the clock tower is limited as it requires the photographer to have an induction and supervision from Perth Town Hall staff and also to be able to work harnessed at heights. As such it is recommended that views from this site be captured every three to five years within the History Centre Photographic Streetscape Project with a separate photographer engaged for the clock tower site given the difficulty when accessing this location.

## **2016 City of Perth Photographic Commissions**

At its meeting held 4 September 2015 the 2016 City of Perth Photographic Commissions Selection Panel assessed the submissions made by photographers who had been invited to express interest in the commission project. The panel assessed the project proposals against four selection criteria, those being Artistic Excellent, Response to the Brief, Material Quality and Risk, and Demonstration of Capacity. The photographers recommended to be commissioned are detailed below.

### **2016 Artistic Photographic Commission**

It is recommended that photographer Graham Miller be commissioned to carry out the 2016 Artistic Photographic Commission which will result in the acquisition of a series of 10 single edition photographic works of art.

Graham Miller's work has a cinematic quality with the composition of each photograph carefully considered to capture a particular moment. Viewers are often prompted to consider what may have occurred the moments just prior to or after the photographs were taken. His portrait work takes in the context of the subject's surroundings allowing the environment and ambience to give clues to the narrative that the photograph is portraying.

Miller has proposed to photograph a wide view of city spaces populated by its inhabitants. His work will show the social interactions and activities of people in Perth within the context of the city environment. The landscape will loom large and the people within Perth will be visible within the larger context of the cityscape. The locations depicted will be integral to the works with the culture of the city being articulated through a series that shows both work and play as being integral to the culture of Perth.

Graham Miller demonstrated that the resulting works would be unique and engaging while also addressing the project brief. He has experience delivering projects of a similar nature and produces work to archival standard.

Graham Miller is a highly regarded photographer who has been exhibiting nationally and internationally for over 15 years. He has exhibited in solo and group exhibitions at galleries such as the Perth Institute of Contemporary, Perth Centre for Photography, Australian Centre for Photography in Sydney, Rayko Photo Centre in San Francisco USA, Museum of Art Rhode Island USA, National Gallery of Victoria, and the Art Gallery of Western Australia.

Graham Miller has a solo exhibition scheduled at the Art Gallery of Western Australia in late 2015 as a part of their WA Focus series. He has work in the collections of the National Gallery of Victoria, Artbank, State Art Collection at the Art Gallery of Western Australia, Parliament House Collection Canberra, Murdoch University Collection, Edith Cowan University Collection, Royal Perth Hospital Collection and numerous private collections in Australia and internationally.

The City of Perth does not currently own any works by Graham Miller and the acquisition of his work through the 2016 City of Perth Artistic Photographic



Commissions will be an important addition to the City's cultural assets by depicting the social and cultural dynamic of Perth within the context of the city environment. His work will relate to and complement other works in the collection by artists such as Brad Rimmer, Max Pam, Kevin Ballantine, Max Dupain and Frederick Flood.

The commission and resulting acquisition recommendation is made in accordance with Council Policy 18.2 Collection Management and meets the acquisition criteria outlined as follows.

### Essential Acquisition Criteria

In order to be considered for the Art Collection all items must meet the essential acquisition criteria as follows.

Criteria	Reason for Proposed Acquisition
Enhance the current scope of the Collection.	As outlined above, these works will enhance the City's holdings of photographic works on paper by Western Australian contemporary artists as well as add to the representation works depicting social aspects of the city at this moment in time and the evolution of Perth generally.
Be an unconditional donation or purchase.	These commissioned works will result in an unconditional purchase.
Have the capacity to be placed on display without hindrance to public access or safety, and without breaching the artist's moral rights.	The works will be two-dimensional and will be able to be safely displayed in a variety of locations within Council buildings.
Have the necessary resources allocated to resolve all foreseeable issues related to conservation, presentation and storage, as part of the acquisition.	The City budgets for the operational expenses associated with caring for its cultural assets including the Art Collection. <u>Conservation</u> – These will be new contemporary works of art without any immediate major conservation issues evident. <u>Display</u> – The works will be mounted framed for display. <u>Storage</u> - The City of Perth has a climate controlled storage facility for works of art that are not on display. These works will fit within this facility at the current time.
Be a quality example that will be a significant addition to the Collection.	As outlined above, the works proposed by the artist for the commission will result a quality demonstration of the artist's practice and will make an important addition to the Collection.
Fit within the guidelines provided in the priority areas for art acquisition.	The 2011 Art Collection Audit Survey Report outlined: 'The representation of contemporary artworks in the Collection requires ongoing strengthening with acquisition of artworks by

Criteria	Reason for Proposed Acquisition
	established artists as they become available through exhibitions, dealers or artists self-representing.' This artwork meets this criterion.

### Specific Acquisition Criteria - Art Collection

Artwork recommended for acquisition is required to meet **one or more** of the following priorities.

Criteria	Reason for Proposed Acquisition
Represent significant periods, occasions and urban initiatives in the evolution of the city, and city life.	Being a direct commission by the City of Perth carried out in line with a project brief which defines themes relevant to the city, the commission and acquisition of 10 photographic works by Graham Miller will represent the city at this moment in time and become an artistic record of the evolution of Perth both socially and physically.
Build upon the strengths of existing holdings of the Art Collection.	As outlined above, these works of art connect on various levels with works in the Collection by artists such as Brad Rimmer, Max Pam, Kevin Ballantine, Max Dupain and Frederick Flood.
Represent the artistic practice of emerging and established Western Australian artists or artists residing in Western Australia who have received acclaim for their work locally, nationally and internationally.	The artist is an established Western Australian contemporary artist having exhibited at leading galleries in Perth as well as interstate and internationally. His work is included in the collections of several important cultural institutions.
Represent contemporary art practice and support the work of new artists and recent work by established artists.	By commissioning a contemporary artist to carry out this commission the City is supporting the creation of new work by an established Western Australian artist.
Strengthen and add to an existing series of works.	Not Applicable.
Build on identifiable themes within the whole Collection.	The artist recommended to be commissioned for the 2016 Artistic Photographic Commission has proposed to produce a series of works which will build on identifiable themes within the collection of contemporary photographic series, works that consider social interaction in the city environment and the landscape of Perth.
Be informed by or identifiably associated with the City of Perth.	As the artist will be fulfilling a project brief addressing themes identified by the City of Perth the resulting works will be informed by and identifiably associated with the City of Perth.

## **2016 Architectural Photographic Commission**

It is recommended that photographer Jacqueline Ball be commissioned to carry out the 2016 Architectural Photographic Commission which will result in the acquisition of a series of 10 single edition photographic works of art.

Jacqueline Ball's photographic work prompts consideration of the relationship between the viewer and the physical world in which they inhabit. Ball has proposed to photograph the city in a manner that shows a sublime view of Perth's architecture that is rich in colour and evokes a sense of possibility and vitality. She will photograph public and privately owned everyday spaces of the city in views that capture interior and exterior architectural environments.

There will be a focus on change and development with areas of current and future change being captured. The working, residential and social spaces of the city will also be considered with the various types of land use being captured in proximity to one another. Heritage structures will also be considered in the works by showing the variations in materials, colours and forms that make up the architecture of Perth with each denoting a different era of development in Perth.

The use of light and reflection will show the city as a layered environment of built form that is diverse in its functions (residential, business, social, travel and recreational) and materiality (glass, concrete, metal, sand and plastic for example).

Jacqueline Ball demonstrated that the resulting works would be striking and innovative while also addressing the project brief. She has experience delivering projects of a similar nature and produces work to archival standard.

Jacqueline Ball has been exhibiting nationally and internationally since 2007 including exhibitions at galleries such as the Art Gallery of Western Australia, the Royal Melbourne Institute of Technology, Monster Valley Gallery in New Zealand, Galerie Pavolva in Berlin Germany, Lawrence Wilson Art Gallery at UWA, Queensland Centre for Photograph, Museum of Contemporary Art in Sydney, and Perth Centre for Photography. In that short time Ball has had work acquired by numerous public and private collections including the Art Gallery of New South Wales, Art Gallery of Western Australia, Kerry Stokes Collection, Artbank, University of Western Australia, Wesfarmers, and the Central Institute of Technology Collection.

The City of Perth does not currently own any works by Jacqueline Ball and the acquisition of her work through the 2016 City of Perth Architectural Photographic Commissions will be an important addition to the City's cultural assets that depict and consider the changing built environment of Perth. Her work will relate to and complement other works in the collection by artists such as Brad Rimmer, Max Pam, Juha Tolonen, Max Dupain, Christopher Young, Simon Westlake and Frederick Flood.

The commission and resulting acquisition recommendation is made in accordance with Council Policy 18.2 Collection Management and meets the acquisition criteria outlined as follows.

### Essential Acquisition Criteria

In order to be considered for the Art Collection all items must meet the essential acquisition criteria as follows.

Criteria	Reason for Proposed Acquisition
Enhance the current scope of the Collection.	As outlined above, these works will enhance the City's holdings of photographic works on paper by Western Australian contemporary artists as well as add to the representation works depicting the built space of Perth at this moment in time and the evolution of Perth generally.
Be an unconditional donation or purchase.	These commissioned works will result in an unconditional purchase.
Have the capacity to be placed on display without hindrance to public access or safety, and without breaching the artist's moral rights.	The works will be two-dimensional and will be able to be safely displayed in a variety of locations within Council buildings.
Have the necessary resources allocated to resolve all foreseeable issues related to conservation, presentation and storage, as part of the acquisition.	<p>The City budgets for the operational expenses associated with caring for its cultural assets including the Art Collection.</p> <p><u>Conservation</u> – These will be new contemporary works of art without any immediate major conservation issues evident.</p> <p><u>Display</u> – The works will be mounted framed for display.</p> <p><u>Storage</u> - The City of Perth has a climate controlled storage facility for works of art that are not on display. These works will fit within this facility at the current time.</p>
Be a quality example that will be a significant addition to the Collection.	As outlined above, the works proposed by the artist for the commission will result a quality demonstration of the artist's practice and will make an important addition to the Collection.
Fit within the guidelines provided in the priority areas for art acquisition.	The 2011 Art Collection Audit Survey Report outlined: 'The representation of contemporary artworks in the Collection requires ongoing strengthening with acquisition of artworks by established artists as they become available through exhibitions, dealers or artists self-representing.' This artwork meets this criterion.

### Specific Acquisition Criteria - Art Collection

Artwork recommended for acquisition is required to meet **one or more** of the following priorities.

Criteria	Reason for Proposed Acquisition
Represent significant periods, occasions and urban initiatives in the evolution of the city, and city life.	Being a direct commission by the City of Perth carried out in line with a project brief which defines themes relevant to the city, the commission and acquisition of 10 photographic works by Jacqueline Ball will represent the city at this moment in time and become an important historical as well as artistic record of the evolution of Perth.
Build upon the strengths of existing holdings of the Art Collection.	As outlined above, these works of art connect on various levels with works in the Collection by artists such as Brad Rimmer, Max Pam, Juha Tolonen, Max Dupain, Christopher Young, Simon Westlake and Frederick Flood.
Represent the artistic practice of emerging and established Western Australian artists or artists residing in Western Australia who have received acclaim for their work locally, nationally and internationally.	The artist is a mid-career Western Australian contemporary artist having exhibited at leading galleries in Perth as well as interstate and internationally. Her work is included in the collections of several important cultural institutions.
Represent contemporary art practice and support the work of new artists and recent work by established artists.	By commissioning a contemporary artist to carry out this commission the City is supporting the creation of new work by a Western Australian artist.
Strengthen and add to an existing series of works.	Not Applicable.
Build on identifiable themes within the whole Collection.	The artist recommended to be commissioned for the 2016 Architectural Photographic Commission has proposed to produce a series of works which will build on identifiable themes within the collection of contemporary photographic series, works that show the built environment of Perth over time and the landscape of Perth generally.
Be informed by or identifiably associated with the City of Perth.	As the artist will be fulfilling a project brief addressing themes identified by the City of Perth the resulting works will be informed by and identifiably associated with the City of Perth.

**FINANCIAL IMPLICATIONS:**

ACCOUNT NO:	CW1836900
BUDGET ITEM:	Recreation and Culture – Other Culture – 2016 City of Perth Photographic Commission
BUDGET PAGE NUMBER:	17
BUDGETED AMOUNT:	\$30,000
AMOUNT SPENT TO DATE:	\$ 0
PROPOSED COST:	\$30,000
BALANCE:	\$ 0

All figures quoted in this report are exclusive of GST.

**COMMENTS:**

The City of Perth History Centre Photographic Streetscape Documentation Project allows the City to develop its archive of imagery that describes the changing city environment over time. The documentary nature of this project allows the City to prescribe specific views to be captured for visual historical archive and future research purposes. The addition of contemporary images of views captured in the 2009 Photographic Commission and also views from the Perth Town Hall clock tower to the History Centre project will allow the city to add significant views to its comprehensive archive of photographs of the city of Perth.

The City of Perth Photographic Commissions provides a valuable collection development opportunity by inviting photographers to capture and consider the city environment in order to create a visual and artistic record of the physical and social elements of Perth at a particular moment in time. The resulting works are created to fulfil a specific project brief and form an important part of the City of Perth Art Collection. These works can be displayed throughout council buildings and interpreted within collection exhibitions addressing a variety of themes and concepts.

Photographers Graham Miller and Jacqueline Ball have vast experience in the field of contemporary photography and will each provide a valuable addition to the City of Perth Art Collection through the 2016 City of Perth Photographic Commissions.

As per previous Photographic Commissions, the resulting commissioned works will be exhibited from 16 September 2016 to 2 December 2016 in the foyer of Council House and included in an exhibition catalogue.

## ITEM NO: 5

### NEW LEASE – RACING AND WAGERING WESTERN AUSTRALIA – ROE STREET CAR PARK, NORTHBRIDGE

**RECOMMENDATION:** (APPROVAL)

**That Council:**

- 1. approves the advertising of a new lease for Shop 1 at the Roe Street Car Park (129 James Street, Northbridge) to Racing and Wagering Western Australia (TAB) under the terms and conditions detailed in Schedule 3 and in accordance with Section 3.58 of the Local Government Act 1995; and**
- 2. notes that in the event that no submissions are received, in accordance with Delegation 1.10 – Disposing of Property, the Chief Executive Officer has the authority to finalise the dispositions without further consideration by Council.**

#### BACKGROUND:

FILE REFERENCE: P1016295-4  
REPORTING UNIT: Properties  
RESPONSIBLE DIRECTORATE: Construction and Maintenance  
DATE: 21 August 2015  
MAP / SCHEDULE: Schedule 3 – Lease Terms and Conditions

#### LEGISLATION / STRATEGIC PLAN / POLICY:

<b>Legislation</b>	Section 3.58 of the <i>Local Government Act 1995</i>
<b>Integrated Planning and Reporting Framework Implications</b>	<b>Corporate Business Plan</b> Council Four Year Priorities: Capable and responsive organisation S20 Meaningful community engagement and communications

In September 2000 the City entered into a new lease with Racing and Wagering Western Australia for a period of five years with two options for a further five years each.

The last of these options expires on 31 August 2015 and Racing and Wagering Western Australia has expressed its desire to enter into a new lease for a similar term.

## **DETAILS:**

The City conducted enquiries to determine potential from a range of businesses, predominantly food and beverage providers with nearly 50 companies being contacted. Whilst there was initially a positive reaction to the proposition from a number of companies, none actually downloaded the Expression of Interest documents or submitted a proposal. This was despite them being directly contacted to inform them of the details and release information.

Alternative industries that could be considered for this unit are:

- Food and Beverage;
- Creative Industries;
- Co working / Incubator;
- Retail;
- Community;
- Not for profit; and
- Office.

With each of these, it was considered that none were entirely appropriate at the present time when considering the street from an activation perspective in terms of the opening hours, required level of investment in fit-out and accompanying rent free period. Rental levels and also the facade presentation were also considered.

With each of the above alternatives it was considered that a subsidy would be required against the achievable level of rent which has been offered and matches the current market valuation which is held by the City. The precise level of rent subsidy that may be required in order to encourage occupation by another is not known, but may be as much as 100% if community or not for profit uses were to be considered, equating to forgone income of \$118,000 per annum.

The current market for attracting new tenancies is also not vibrant at present. Data from Economic Development shows us that vacancy rates in the office market space are anecdotally headed towards 20% or higher by February 2016 and rents will continue to drop (Property Council information).

There is anecdotal evidence regarding the perceived clientele of the TAB, and in order to help improve this image the Administration can work with the TAB to ascertain details around their proposed refit of the unit to try and give it some increased kerb appeal. It is understood however that in order for the TAB to invest in the property that a security of tenure for at least ten years, would be sought.

An invitation for Expressions of Interest to lease the premises was advertised in The West Australian on 5 August 2015 and closed on 20 August 2015.



Economic Development provided names of parties who had expressed interest in leasing the premises and these were notified of the advertisement.

Only one submission was received from the existing tenant.

Racing and Wagering Western Australia have occupied Shop 1 at 129 James Street, Northbridge since 2000. They have proven to be an excellent tenant and have always met their obligations under the terms of the lease.

It is proposed to enter into a new lease under the terms and conditions contained in Schedule 3, for a period of five years with two options for further terms of five years each at a commencement rental of \$118,000 per annum.

The proposed tenant plans to undertake major refurbishment works to the premises including painting, new carpets, all new furniture and fixtures and state of the art electronic technology.

#### **FINANCIAL IMPLICATIONS:**

The City holds a market rental valuation dated 17 April 2015 determining the rent to be \$118,000 per annum. Racing and Wagering Western Australia are currently paying \$122,518 per annum. The determined rent is 3.6% below the current rent and is indicative of the declining rental rates in Northbridge.

The budgeted income for the premises in the 2015/16 financial year is \$125,275 per annum. This equates to a shortfall of \$7,275.

All figures quoted in this report are exclusive of GST.

#### **COMMENTS:**

Although the market valuation is lower than the budgeted income for the premises for the 2015/16 financial year, the proposal is supported.

## SCHEDULE 3

### Lease Terms and Conditions – Racing and Wagering Western Australia

Lessor	City of Perth
Lessee	Racing and Wagering Western Australia
Premises	Shop 1, Roe Street Car Park (129 James Street, Northbridge WA)
Area	182 square metres
Permitted Use	Totalizer Agency Board (TAB)
Commencement	1 September 2015
Term	5 years
Option	2 X 5 years
Rent	\$118,000 per annum
Outgoings	Rates and taxes as assessed against the premises
Payment Date	First day of each month
Reviews	5 % annually with a market rent review on exercise of option
Insurance	Not less than \$10,000,000
Costs	Each party is responsible for their own costs

## ITEM NO: 6

### RECOMMENCEMENT OF LOCAL LAW MAKING PROCEDURE - CITY OF PERTH FENCING LOCAL LAW 2015

**RECOMMENDATION:** (APPROVAL)

***That Council:***

- 1. in accordance with Section 3.13 of the Local Government Act 1995, approves the recommencement of the local law making procedure for the City of Perth Fencing Local Law 2015 due to the proposed change to clause 6.1 which is considered a significantly different proposal from the originally advertised local law;***
- 2. in accordance with Section 3.12 of the Local Government Act 1995, gives State-wide public notice of its intention to make the City of Perth Fencing Local Law 2015, as detailed in Schedule 4, the purpose and effect being:***
  - 2.1 Purpose: to prescribe a sufficient fence and the standard for the construction of fences throughout the district of the City of Perth;***
  - 2.2 Effect: to establish the requirements for fencing within the district of the City of Perth;***
- 3. notes that the suggestions received from the Department of Local Government and Communities in response to the original public notice period have been considered and incorporated into the proposed City of Perth Fencing Local Law 2015 (Schedule 4).***

#### **BACKGROUND:**

FILE REFERENCE: P1015922-2  
REPORTING UNIT: Governance Services  
RESPONSIBLE DIRECTORATE: Corporate Services  
DATE: 21 September 2015

MAP / SCHEDULE:                      Schedule 4 – Proposed City of Perth Fencing Local Law 2015.  
Schedule 5 – Advertised City of Perth Fencing Local Law 2015 with comparison of changes.  
Schedule 6 – Suggestions from the Department of Local Government and Communities and City of Perth Responses.

At its meeting held on **21 June 2005**, Council resolved to make the original *City of Perth Fencing Local Law 2005*.

At its meeting held on **29 January 2008**, Council resolved to make the *City of Perth Amendment Local Law 2007* to amend various clauses in a number of the City's existing local laws including the *City of Perth Fencing Local Law 2005*. The subsequent amendments, together with the originally made local law, constitute the Principal Local Law. The majority of the modified penalties within the Principal Local Law have remained unchanged since 2005.

Given the significant number of drafting changes required within the Principal Local Law which was affecting its application and interpretation, in accordance with Sections 3.12(3) of the *Local Government Act 1995*, Council at its meeting held on **21 July 2015** resolved to repeal the *City of Perth Fencing Local Law 2005* and in accordance with Section 3.12(3) of the *Local Government Act 1995*, give state-wide public notice of its intention to make the proposed *City of Perth Fencing Local Law 2015*.

The state-wide public notice was published in The West Australian on Friday, 31 July 2015, and displayed on the City's notice boards and the City of Perth website, seeking public submissions on the proposed local law. A copy of the public notice and the proposed local law were also provided to the Minister for Local Government, the Minister for Planning and the Minister for Commerce.

In accordance with Section 3.12(4) of the *Local Government Act 1995*, after the last day for submissions, Council is required to consider any submissions received and may resolve by an absolute majority to make the local law or to make a local law that is not significantly different from the proposed local law.

#### **LEGISLATION / STRATEGIC PLAN / POLICY:**

**Legislation**                              Sections 3.12, 3.13 and 3.16 of the *Local Government Act 1995*  
*City of Perth Thoroughfares and Public Places Local Law 2007*

**Integrated Planning and Reporting Framework Implications**                      **Corporate Business Plan**  
Council Four Year Priorities: Community Outcome  
Capable and Responsive Organisation  
A capable, flexible and sustainable organisation with a strong effective governance system to provide leadership as

a capital city and deliver efficient and effective community centred services.

## **DETAILS:**

At the close of the public notice period on Friday, 18 September 2015, no submissions were received from the public.

The Department of Local Government and Communities (DLGC) on behalf of the Minister for Local Government provided comments on the advertised local law on Thursday, 17 September 2015.

The majority of the DLGC comments relate to minor adjustments to the drafting to ensure alignment with current legislative practices and standards. There was however, a proposed change to Clause 6.1 Offences and Penalties to include wording to the effect that exists in the Principal Local Law in relation to unmodified penalties for offences which prescribes the maximum total limit for a penalty and a maximum daily penalty limit.

As instructed by the Department of Local Government and Communities this change is likely to be considered by Parliament's Joint Standing Committee on Delegated Legislation as a "significantly different" change to the proposed local law that was originally advertised and in accordance with Section 3.12 of the *Local Government Act 1995*, the City of Perth is therefore required to recommence the local law making procedure by re-issuing state-wide public notice of its intention to make the newly proposed City of Perth Fencing Local Law 2015.

The DLGC also queried whether the public can access the Australian Standards and Building Codes referenced within the proposed local law and which are protected by copyright. The State Library of Western Australia provides computer access to view these publications upon request by members of the public and the City will provide a note to this effect in the administrative version of the local law on the City's website.

The DLGC suggestions and Officer responses are detailed in Schedule 6 along with an indicative comparison of the changes to the originally advertised local law detailed in Schedule 5.

## **FINANCIAL IMPLICATIONS:**

The recommencement of the local law making process will require a nominal sum of \$500 for local public notice.

The gazettal and final public notice requirements for the proposed local law, once resolved by Council, are estimated to be \$2,500.

These costs can be accommodated within existing operating budgets.

All figures quoted in this report are exclusive of GST.

**COMMENTS:**

**Application of the Caretaker Policy**

The decision the Council may make in relation to this item could constitute a 'Major Policy Decision' within the context of the City of Perth Caretaker Policy, however, an exemption should be made because, the process relating to the amendment local law being made had been initiated prior to the 2015 Caretaker Period taking effect and a delay would impact legislative timeframes as noted in Section 5.8 of the DLGC's "Local Government Operational Guidelines – Number 16 – November 2011 – Local Laws."

Given the change to Clause 6.1 of the proposed local law it is recommended that Council resolve to recommence the local law making process in accordance with Section 3.13 of the *Local Government Act 1995* by reissuing state-wide public notice of its intention to make the newly proposed City of Perth Fencing Local Law 2015.

*Local Government Act 1995*

**CITY OF PERTH**

**FENCING LOCAL LAW 2015**

Under the powers conferred by the *Local Government Act 1995*, and under all other powers enabling it, the Council of the City of Perth resolved on (Insert Council Meeting Date) to make the following local law.

**PART 1 – PRELIMINARY**

**1.1 Citation**

This local law may be cited as the *City of Perth Fencing Local Law 2015*.

**1.2 Commencement**

This local law comes into operation 14 days after the date of its publication in the *Government Gazette*.

**1.3 Purpose and Effect**

- (1) The purpose of this local law is to prescribe a sufficient fence and the standard for the construction of fences throughout the district of the City of Perth.
- (2) The effect of this local law is to establish the requirements for fencing within the district of the City of Perth.

**1.4 Application**

This local law applies throughout the district of the local government.

**1.5 Repeal**

The *City of Perth Fencing Local Law 2005* as published in the *Government Gazette* on 14 July 2005, and as amended on 29 February 2008, is repealed.

**1.6 Definitions**

In this local law unless the context requires otherwise—

**“Applicant”** means a person who makes an application for approval under this local law;

**“AS or AS/NZS”** means an Australian or Australian/New Zealand Standard as published by Standards Australia as amended from time to time;

**“authorised person”** means a person appointed by the City of Perth under section 9.10 of the *Local Government Act 1995* to perform any of the functions of an authorised person under this local law;

**“barbed wire fence”** means a wire or strand of wires having small pieces of sharply pointed wire twisted around it at short intervals;

**“boundary fence”** means a fence, other than a dividing fence, that separates private land from land that is local government property of a thoroughfare;

**“Building Code”** means the latest edition of the Building Code of Australia published from time to time by or on behalf of, the Australian Building Codes Board, as amended from time to time, but not including any explanatory information published with that Code;

**“building permit”** has the meaning given to it in the *Building Act 2011*;

**“Building Surveyor”** means a Building Surveyor of the local government;

**“CEO”** means the Chief Executive Officer of the local government;

**“Council”** means the Council of the local government;

**“dangerous”** in relation to any fence means, with the exception of electrified, barbed and razor wire fences as separately specified under this local law—

- (a) a fence containing exposed broken glass, asbestos fibre or any other potentially harmful projection or material; or
- (b) a fence which is likely to collapse or fall, or part of which is likely to collapse or fall, from any cause;

**“district”** means the district of the local government;

**“district planning scheme”** means a local planning scheme of the local government made under the *Planning and Development Act 2005*;

**“dividing fence”** has the meaning given to it by the *Dividing Fences Act 1961*;

**“electrified fence”** means a fence carrying or designed to carry an electric charge;

**“fence”** means any structure, not including a retaining wall, used or functioning as a barrier, irrespective of where it is located and includes any gate;

**“front boundary”** means the boundary line between a lot and the thoroughfare upon which that lot abuts, or in the case of a lot abutting on more than one thoroughfare, the boundary line between the lot and the primary thoroughfare;

**“front fence”** means a fence erected on the front boundary of a lot or on a line



adjacent to the front boundary;

**“front setback area”** means the area between the building line of a lot and the front boundary of that lot;

**“height”** in relation to a fence means the vertical distance between—

- (a) the top of the fence at any point; and
- (b) the ground level or, where the ground levels on each side of the fence are not the same, the higher ground level, immediately below that point;

**“local government”** means the local government of the City of Perth;

**“local government property”** means anything except a thoroughfare—

- (a) which belongs to the local government;
- (b) of which the local government is the management body under the *Land Administration Act 1997*; or
- (c) which is an “otherwise unvested facility” under section 3.53 of the *Local Government Act 1995*;

**“lot”** has the meaning given to it and for the purposes of the *Planning and Development Act 2005*;

**“Non-Residential Lot”** means any lot situated in the district that is not defined as a residential lot under this local law;

**“notice of breach”** means a notice referred to in clause 5.1 of this local law;

**“occupier”** has the meaning given to it in the *Local Government Act 1995*;

**“owner”** has the meaning given to it in the *Local Government Act 1995*;

**“person”** means any person, company, employer and includes an owner, occupier and licensee;

**“razor wire fence”** means a coiled strong wire with pieces of sharp cutting edges set across it at closes intervals;

**“Residential Lot”** means a lot where a residential use—

- (a) is or may be permitted under the district planning scheme; and
- (b) is or will be the predominant use of the lot;

**“retaining wall”** means any structure which prevents the movement of soil or retains soil or structures in order to allow ground levels of different elevations to exist adjacent to one another;

**“Schedule”** means a Schedule to this local law;

**“sufficient fence”** means a fence described in clause 2.1 of this local law, but

does not include a retaining wall;

“**thoroughfare**” has the meaning given to it by the *Local Government Act 1995*, but does not include a private thoroughfare which is not under the management or control of the local government.

### **1.7 Relationship with other laws**

- (1) In the event of any inconsistency between the provisions of a district planning scheme and the provisions of this local law, the provisions of the district planning scheme are to prevail.
- (2) Nothing in this local law affects the need for compliance, in respect of a fence, with—
  - (a) any relevant provisions of a district planning scheme; and
  - (b) any relevant provisions that apply if a building permit is required for that fence under the *Building Act 2011* or *Building Regulations 2012*.

### **1.8 Licence fees and charges**

All licence fees and charges applicable under this local law shall be determined by the Council from time to time in accordance with section 6.16 of the *Local Government Act 1995*.

## **PART 2 – FENCES**

### **Division 1 – Sufficient Fences**

#### **2.1 Sufficient fences**

- (1) A person shall not erect a dividing fence or a boundary fence that is not a sufficient fence, unless otherwise approved or required by the local government.
- (2) Subject to subclause (3) and (4), a sufficient fence—
  - (a) on a Residential Lot is a dividing fence or a boundary fence constructed and maintained in accordance with the specifications and requirements of Schedule 2;
  - (b) on a Non-Residential Lot is a dividing fence or a boundary fence constructed and maintained in accordance with the specifications and requirements of Schedule 3;
- (3) An application must be made to the local government for grant of consent to any variation to the specifications in Schedules 2 and 3.
- (4) Unless an authorised person determines otherwise, a sufficient fence on a boundary between lots other than those specified in subclause (2) is a dividing fence constructed in accordance with the specifications and requirements of Schedule 2 or Schedule 3, whichever is appropriate.
- (5) Notwithstanding any other provision in this local law, a dividing fence or boundary fence constructed of masonry, stone or concrete shall be a sufficient fence only if it is designed by a professional engineer and constructed in accordance with that design where—
  - (a) it is greater than 750 millimetres in height; or
  - (b) the Building Surveyor so requires.
- (6) Notwithstanding any other provision in this local law, a dividing fence or boundary fence shall not exceed 1,800 millimetres height unless the approval of the local government has been obtained for such a fence.

### **Division 2 – General**

#### **2.2 Fences within front setback areas**

- (1) A person shall not, without the written consent of the Building Surveyor, erect a free-standing fence greater than 1,200 millimetres in height, within the front setback area of a Residential Lot within the district.

- (2) The Building Surveyor may approve the erection of a fence of a height greater than 1,200 millimetres in the front setback area of a Residential Lot only if the fence on each side of the driveway into the lot across the front boundary is to be angled into the lot for a distance of not less than 1,500 millimetres along the frontage to a distance of not less than 1,500 millimetres from the frontage in order to provide appropriate splayed lines of vision for a motorist using the driveway for access to a thoroughfare.
- (3) The provision of subclause (2) shall not apply to a fence—
  - (a) of open construction that does not obscure the lines of vision of a motorist using the driveway for access to a thoroughfare; or
  - (b) that does not adjoin a footpath.

### **2.3 Gates in fences**

A person shall not erect a gate in a fence which does not—

- (a) open into the lot; or
- (b) open by sliding parallel and on the inside of the fence, which it forms part of, when closed.

without first obtaining the written approval of the local government.

### **2.4 Depositing fencing material on public place**

A person shall not deposit or permit the deposit of any materials whatsoever used in the construction or maintenance of any fence, on any thoroughfare, public place or local government property unless the approval of the local government has been obtained.

### **2.5 Maintenance of fences**

An owner of a lot or any person undertaking work on a lot on which a fence is erected shall maintain the fence in good condition so as to prevent it from becoming dangerous, dilapidated, or unsightly to the amenity of the locality.

### **2.6 Fences across rights-of-ways, public access ways or thoroughfares**

A person must not, without the approval of the local government, erect or maintain a fence or obstruction of a temporary or permanent nature across any right-of-way, public access way or thoroughfare so as to impede or prevent use of those facilities in the manner for which they are intended and constructed.

## **2.7 Fences and Sightlines**

Unless otherwise approved by the local government—

- (a) front fences or boundary fences that are adjacent to a vehicle access point or a thoroughfare shall be truncated with the minimum dimension of the truncation being 2,000 millimetres or the fence reduced in height to no more than 750 millimetres, unless—
  - (i) the fence is an open fence that does not obscure the lines of vision of a motorist using the vehicle access point or thoroughfare; or
  - (ii) there is a distance of 3,500 millimetres between the fence and a carriageway or footpath.
- (b) where a dividing fence is closer than 2,000 millimetres from a vehicle access point and connects to a thoroughfare, the dividing fence shall be reduced to 750 millimetres in height for the first 2,000 millimetres from the thoroughfare back into the lot.
- (c) a corner Lot without the standard street corner truncation, with a front fence height that exceeds 750 millimetres in height of solid material is not permitted within the 6,000 millimetres by 6,000 millimetres corner sightline area.
- (d) where two right of ways or laneways intersect, a 3,000 millimetres by 3,000 millimetres sightline is required so that a fence height that exceeds 750mm in height of solid material is not permitted.

## **2.8 Dividing Fences**

- (1) Notwithstanding the provisions of clause 2.1, an authorised person may approve the erection or repair of a dividing fence which is not a sufficient fence where all of the owners of the lots to be separated by the dividing fence make an application for approval for that purpose.
- (2) In determining whether to grant approval under subclause (1), an authorised person may consider, in addition to any other matter they are authorised to consider, where the erection or retention of the fence would have an adverse effect on—
  - (a) the safe or convenient use of any land;
  - (b) the safety or convenience of any person; or
  - (c) the visual amenity of the locality.

## **Division 3 – Fencing Materials**

### **2.9 Fencing Designs**

Where required by an authorised person, fencing designs are to be certified by a professional engineer as being suitable for wind loadings found in Region D Category 2 areas in accordance with the current edition of AS/NZS 1170.0:2002 Structural design actions – General principles.

### **2.10 Pre-used fencing materials**

- (1) Notwithstanding clause 2.1, a person shall not construct a fence on a Residential Lot or a Non-Residential Lot from pre-used materials without the approval of the local government.
- (2) Where the local government approves the use of pre-used materials in the construction of a fence under subclause (1), that approval shall be conditional on the applicant painting or treating the pre-used material as directed by the Building Surveyor.

### **2.11 Barbed wire fences and spiked or jagged materials**

- (1) An owner or occupier of a Residential Lot or a Non-Residential Lot shall not erect, affix or allow to remain on any fence on such a lot any barbed wire or other material with spiked or jagged projections, unless the prior written approval of the local government has been obtained.
- (2) Any fence bounding a lot that has barbed wire or other materials with spiked or jagged projections affixed to it may only be approved if the wire or other materials are carried on posts at an angle of 45 degrees, with the bottom row being a minimum of 2,000 millimetres from the ground level.
- (3) If the posts which carry the barbed wire or other materials referred to in subclause (2) are angled towards the outside of the lot bounded by the fence, the face of the fence must be set back from the lot boundary a sufficient distance to ensure that the angled posts, barbed wire or other materials do not encroach on adjoining land.
- (4) An owner or occupier of a lot shall not erect, affix or allow to remain as part of any fence or wall, whether internal or external, on that lot any broken glass.

### **2.12 Electrified and razor wire fences**

- (1) An owner or occupier of a lot shall not—
  - (a) construct or use an electrified fence on that lot without obtaining the approval of the local government in the form prescribed in Schedule 4; or
  - (b) construct a fence wholly or partly of razor wire on that lot without obtaining the approval of the local government in the form prescribed in Schedule 5.

- (2) The local government shall not approve an application for the purpose of subclause (1)(a)—
  - (a) in respect of a lot which is or which abuts a Residential Lot;
  - (b) unless the fence will comply with “AS/NZS 3016:2002 Electrical installations – Electricity security fences”; and
  - (c) unless provision is made so as to enable the fence to be rendered inoperable during the hours of business operations, if any, on the lot where it is erected.
- (3) The local government shall not approve an application for the purpose of subclause (1)(b)—
  - (a) if the fence is within 3,000 millimetres of the boundary of the lot; or
  - (b) where any razor wire used in the construction of the fence is less than 2,000 millimetres or more than 2,400 millimetres above the ground level.
- (4) An application for approval for the purpose of subclauses (1)(a) or (1)(b) shall be made by the owner of the lot on which the fence is or is to be erected, or by the occupier of the lot with the written consent of the owner.

### **2.13 Prohibited fencing materials**

In constructing a fence a person must not use—

- (a) broken glass or any other potentially harmful projections or material;
- (b) asbestos fibre;
- (b) material that is likely to collapse or fall, or part of which is likely to collapse or fall, from any cause; and
- (d) pre-used materials unless the material is painted or treated to the satisfaction of an authorised person.

### **2.14 Building Code**

- (1) Subject to subclauses (2) and (3), a fence shall be constructed in accordance with the relevant provisions of the Building Code.
- (2) Where there is inconsistency between the standards or requirements of this local law and those specified in the Building Code, the standards and requirements of the Building Code shall prevail.
- (3) Subclause (1) shall not apply to an existing fence, except where the existing fence is demolished, pulled down or removed and re-erected, or in some

substantial way structurally altered or amended, in which case subclause (1) shall apply to the re-erection, alteration or amendment.

## **PART 3 – APPROVALS**

### **3.1 Application for approval**

- (1) Where a person is required to obtain the approval of the local government under this local law, that person shall apply for approval in accordance with subclause (2).
- (2) An application for approval under this local law shall—
  - (a) be in the form determined by the local government;
  - (b) be signed by the applicant and the owner of the lot;
  - (c) provide the information required by the form; and
  - (d) be forwarded to the local government together with any fee imposed and determined by the local government under and in accordance with section 6.19 of the *Local Government Act 1995*.
- (3) An authorised person may require an applicant to provide additional information reasonably related to an application before an application is considered for approval.
- (4) An authorised person may refuse to consider an application for approval which is not in accordance with subclauses (2) and (3).

### **3.2 Decision on application for approval**

- (1) The local government may—
  - (a) approve an application for approval unconditionally or subject to any conditions; or
  - (b) refuse to approve an application for approval.
- (2) If the local government approves an application for approval, it is to issue to the applicant an approval in the form determined by the local government.
- (3) If the local government refuses to approve an application for approval, it is to give written notice of that refusal to the applicant.
- (4) Where a clause of this local law refers to conditions which may be imposed on an approval or which are to be taken to be imposed on an approval, the clause does not limit the power of the local government to impose other conditions on the approval under subclause (1)(a).



### **3.3 Compliance with approval**

Where an application for approval has been approved, the applicant and the owner or occupier of the lot to which the approval relates, shall comply with the terms and any conditions of that approval.

### **3.4 Duration of approval**

Unless otherwise stated in the form of approval, an approval granted under this local law—

- (a) runs with the lot to which it relates;
- (b) may be relied upon by any subsequent occupier or owner of the lot; and
- (c) may be enforced by the local government against a subsequent occupier or owner of the lot.

## **PART 4 – MISCELLANEOUS**

### **4.1 False or misleading statement**

A person shall not make a false or misleading statement in connection with any application, requirement or request under this local law.

## **PART 5 – NOTICES OF BREACH**

### **5.1 Notices of breach**

- (1) Where a breach of any provision of this local law has occurred in relation to a fence on a lot, an authorised person may give a notice in writing to the owner of that lot.
- (2) A notice of breach shall—
  - (a) specify the provision of this local law which has been breached;
  - (b) specify the particulars of the breach; and
  - (c) state that the owner is required to remedy the breach within the time specified in the notice.
- (3) Should an owner fail to comply with a notice of breach, the local government may, by its employees, agents or contractors enter upon the lot to which the notice relates and remedy the breach, and may recover the expenses of so doing from the owner of the lot in a court of competent jurisdiction.

- (4) The provisions of this clause are subject to section 3.25 and item 12 of Division 1 of Schedule 3.1 of the *Local Government Act 1995* and any entry on to land will be in accordance with Part 3, Division 3 of that Act.

## **PART 6 – OFFENCES**

### **6.1 Offences and penalties**

- (1) A person who fails to comply with a notice of breach commits an offence.
- (2) A person who commits an offence under this local law is liable, on conviction, to a penalty not exceeding \$5000, and if the offence is of a continuing nature, to an additional penalty not exceeding \$500 for each day or part of a day which the offence has continued.

### **6.2 Modified penalties**

- (1) An offence against any provision of this local law is a prescribed offence for the purposes of section 9.16(1) of the *Local Government Act 1995*.
- (2) The amount appearing in the final column of Schedule 1, directly opposite a prescribed offence in that Schedule, is the modified penalty for that prescribed offence.
- (3) For the purpose of guidance only, before giving an infringement notice to a person in respect of the commission of a prescribed offence, an authorised person should be satisfied that—
- (a) commission of the prescribed offence is a relatively minor matter; and
  - (b) only straightforward issues of law and fact are involved in determining whether the prescribed offence was committed, and the facts in issue are readily ascertainable.

### **6.3 Form of notices**

For the purposes of this local law—

- (a) the form of the infringement notice referred to in sections 9.16 and 9.17 of the *Local Government Act 1995* is to be in the form of Form 2 of Schedule 1 of the *Local Government (Functions and General) Regulations 1996*; and
- (b) the form of the withdrawal of infringement notice referred to in section 9.20 of the *Local Government Act 1995* is to be in the form of Form 3 in Schedule 1 of the *Local Government (Functions and General) Regulations 1996*.

## **PART 7 – OBJECTIONS AND REVIEW**

### **7.1 Objections and review**

When the local government makes a decision under clause 3.2, the provision of Part 9 Division 1 of the *Local Government Act 1995*, and regulation 33 of the *Local Government (Functions and General) Regulations 1996*, apply to that decision.

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## SCHEDULE 1

### OFFENCES AND MODIFIED PENALTIES

[Clause 6.2(2)]

<b>Item No.</b>	<b>Clause No.</b>	<b>Modified penalties \$</b>
<b>1</b>	2.1(1)	<b>250</b>
<b>2</b>	2.2(1)	<b>250</b>
<b>3</b>	2.3(a)	<b>200</b>
<b>4</b>	2.3(b)	<b>200</b>
<b>5</b>	2.4	<b>250</b>
<b>6</b>	2.5	<b>250</b>
<b>7</b>	2.6	<b>250</b>
<b>8</b>	2.10(1)	<b>250</b>
<b>9</b>	2.11(1)	<b>250</b>
<b>10</b>	2.11(4)	<b>250</b>
<b>11</b>	2.12(1)	<b>250</b>
<b>12</b>	3.3	<b>250</b>
<b>13</b>	6.1(1)	<b>250</b>

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## SCHEDULE 2

### SPECIFICATIONS FOR A SUFFICIENT FENCE ON OR ABUTTING A LOT DEVELOPED FOR RESIDENTIAL USES

[Clause 2.1(2)(a)]

Each of the identified categories in this Schedule is a sufficient fence on a Residential Lot and the fence design being certified by a professional engineer.

#### **Timber fence**

- (a) corner posts to be 125mm x 125mm x 2,400mm and intermediate posts to be 125mm x 75mm x 2,400mm spaced at 2,400mm centres;
- (b) corner posts to be strutted two ways with 100mm x 50mm x 450mm sole plates and 75mm x 50mm struts;
- (c) intermediate posts to be doubled yankee strutted with 150mm x 25mm x 450mm struts; (d) all posts to have tops with a 60mm weather cut and to be sunk at least 600mm into the ground;
- (d) rails to be 75mm x 50mm with each rail spanning 2 bays of fencing double railed or bolted to each post with joints staggered;
- (e) the fence to be covered with 75mm x 20mm sawn pickets, 1 800mm in height placed 75mm apart and affixed securely to each rail; and
- (f) the height of the fence to be 1,800mm except with respect to the front set back area for which there is no minimum height but which is subject to clause 2.2.

#### **Corrugated fence**

A fence constructed of corrugated fibre reinforced pressed cement or steel sheeting constructed to manufacturer's specifications or which satisfies the following specifications—

- (a) a minimum in-ground length of 25 per cent of the total length of the sheet, but in any case shall have a minimum in-ground depth of 600mm;
- (b) the total height and depth of the fence to consist of a single continuous fibre reinforced cement or steel sheet;
- (c) the sheets to be lapped and capped with extruded "snap-fit" type capping in accordance with the manufacturers written instructions; and
- (d) the height of the fence to be 1,800mm except with respect to the front set back area for which there is no minimum height but which is subject to clause 2.2.

#### **Brick, stone or concrete fence**

A fence constructed of brick, stone or concrete, which satisfies the following requirements and specifications—

- (a) a site classification is to be provided by a professional engineer and the footing is to be designed in accordance with AS 2870-2011 Residential slabs and footings as amended;
- (b) footings of minimum 225mm x 150mm concrete 15MPa or 300mm x 175mm brick laid in cement mortar;

- (c) fences to be offset a minimum of 200mm at maximum 3,000mm centres or 225mm x 100mm engaged piers to be provided at maximum 3,000mm centres;
- (d) expansion joints in accordance with the manufacturer's written instructions; and
- (e) the height of the fence to be 1,800mm except with respect to the front set back area for which there is no minimum height but which is subject to clause 2.2.

### **Composite fence**

A composite fence which satisfies the following specifications for the brick construction—

- (1)
  - (a) brick piers of minimum 345mm x 345mm at 1,800mm centres bonded to a minimum height base wall of 514mm;
  - (b) each pier shall be reinforced with one R10 galvanised starting rod 1 500mm high with a 250mm horizontal leg bedded into a 500mm x 200mm concrete footing and set 65mm above the base of the footing. The top of the footing shall be 1 course (85mm) below ground level;
  - (c) the minimum ultimate strength of brickwork shall be 20MPa. Mortar shall be a mix of 1 part cement, 1 part lime and 6 parts sand;
  - (d) the ground under the footings is to be compacted to 6 blows per 300mm and checked with a standard falling weight penetrometer; and
  - (e) control joints in brickwork shall be provided with double piers at a maximum of 6,000mm centres;

or

- (2)
    - (a) brick piers of a minimum 345mm x 345mm x 2,700mm centres bonded to the base wall; and
    - (b) each pier shall be reinforced with two R10 galvanised starting rods as previously specified.
-

**SCHEDULE 3**  
**SPECIFICATIONS FOR A SUFFICIENT FENCE ON OR ABUTTING A LOT**  
**DEVELOPED FOR NON-RESIDENTIAL USES**

[Clause 2.1(2)(b)]

Each of the identified categories in this Schedule, with minimum and maximum specifications where stated, is a sufficient fence on a Non-Residential Lot and the fence design being certified by a professional engineer.

**Galvanised or PVC fence and gate**

A fence constructed of galvanised or PVC coated non-rail link mesh, chain mesh or steel mesh which satisfies the following specifications—

- (a) corner posts to be minimum 50mm nominal bore x 3.5mm and with footings of a 225mm diameter x 900mm;
- (b) intermediate posts to be minimum 37mm nominal bore x 3.15mm at maximum 3,500mm centres and with footings of a 225mm diameter x 600mm;
- (c) struts to be minimum 30mm nominal bore x 3.15mm fitted at each gate and 2 at each corner post and with footings 225mm x 600mm;
- (d) cables to be affixed to the top, centre and bottom of all posts and to consist of 2 or more 3.15mm wires twisted together or single 4mm wire;
- (e) non-rail link, chain or steel mesh is to be to a height of 2,000mm on top of which are to be 3 strands of barbed wire carrying the fence to a height of 2,400mm in accordance with the requirements and standards of the local planning schemes; and
- (f) galvanised link mesh wire to be 2,000mm in height and constructed of 50mm mesh 2.5mm galvanised iron wire and to be strained, neatly secured and laced to the posts and affixed to cables. Vehicle entry gates shall provide an opening of not less than 3.6m and shall be constructed of 25mm tubular framework with 1 horizontal and 1 vertical stay constructed of 20mm piping and shall be covered with 50mm x 2.5mm galvanised link mesh strained to framework. Gates shall be fixed with a drop bolt and locking attachment.

**Other fences**

- (a) a fence of cement sheet or steel sheeting constructed to the minimum specifications referred to in Schedule 2;
  - (b) a fence constructed of aluminium sheeting when supported on posts and rails provided that it is used behind a building line and is of a minimum height of 1,800mm but no greater than 2,400mm; or
  - (c) a fence of timber, brick, stone or concrete constructed to the minimum specifications referred to in Schedule 2.
-

**SCHEDULE 4**  
**ELECTRIFIED FENCE PERMIT**

[Clause 2.12(1)(a)]

This is to certify that:

\_\_\_\_\_

[Name] of [Address]

\_\_\_\_\_

is permitted, subject to the conditions set out below, to have and use an electrified fence on:

\_\_\_\_\_

[Address]

\_\_\_\_\_

from \_\_\_\_\_ 20 \_\_\_\_\_ and until this permit is transferred or cancelled.

**Approved By:**

Name: \_\_\_\_\_

Position \_\_\_\_\_

Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

**Conditions of Permit—**

The holder of the permit must—

- (b) display the permit in a prominent position on the land or premises on which the electrified fence has been erected;
- (c) upon the request of a Building Surveyor produce to him or her the permit;
- (d) within 14 days of a change in the ownership or occupation of the land or premises in respect of which the permit has been granted, notify the CEO in writing of the details of that change or those changes;
- (e) obtain the written consent of the local government prior to the commencement of any alteration, addition or other work relating to or affecting the electrified fence; and
- (f) comply with AS/NZS 3016:2002 Electrical installations – Electric security fences.

**Transfer by Endorsement**

This permit is transferred to [Name] of [Address]

\_\_\_\_\_

\_\_\_\_\_

from and including the date of this endorsement.

**Approved By:**

Name: \_\_\_\_\_

Position \_\_\_\_\_

Date: \_\_\_\_/\_\_\_\_/\_\_\_\_



**SCHEDULE 5  
RAZOR WIRE FENCE PERMIT**

[Clause 2.12(1)(b)]

This is to certify that

\_\_\_\_\_

[Name] of [Address]

\_\_\_\_\_

Is permitted, subject to the conditions set out below, to have a fence constructed wholly or partially of razor wire on:

\_\_\_\_\_

[Address]

\_\_\_\_\_

From \_\_\_\_\_ 20\_\_ and until this permit is transferred or cancelled.

**Approved By:**

Name: \_\_\_\_\_

Position \_\_\_\_\_

Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

**Conditions of Permit—**

- (a) display the permit in a prominent position on the land or premises on which the fence has been erected;
- (b) upon the request of a Building Surveyor produce to him or her the permit;
- (c) within 14 days of a change in the ownership or occupation of the land or premises in respect of which the permit has been granted, notify the CEO in writing of the details of that change or those changes; and
- (d) obtain the written consent of the local government prior to the commencement of any alteration, addition or other work relating to or affecting the fence.

**Transfer by Endorsement**

This permit is transferred to [Name] of [Address]

\_\_\_\_\_

[Name] of [Address]

\_\_\_\_\_

from and including the date of this endorsement.

**Approved By**

Name: \_\_\_\_\_

Position \_\_\_\_\_

Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

## SCHEDULE 5

### *Local Government Act 1995*

#### CITY OF PERTH

#### FENCING LOCAL LAW 2015

Under the powers conferred by the *Local Government Act 1995*, and under all other powers enabling it, the Council of the City of Perth resolved on (Insert Council Meeting Date) to make the following local law.

#### PART 1 – PRELIMINARY

##### 1.1 Citation

This local law may be cited as the *City of Perth Fencing Local Law 2015*.

##### 1.2 Commencement

This local law comes into operation 14 days after the date of its publication in the *Government Gazette*.

##### 1.3 Purpose and Effect

- (1) The purpose of this local law is to prescribe a sufficient fence and the standard for the construction of fences throughout the district of the City of Perth.
- (2) The effect of this local law is to establish the requirements for fencing within the district of the City of Perth.

##### 1.4 Application

This local law applies throughout the district of the ~~*local government City of Perth*~~.

##### 1.5 Repeal

The *City of Perth Fencing Local Law 2005* as published in the *Government Gazette* on 14 July 2005, and as amended on 29 February 2008, is repealed.

##### 1.6 Definitions

In this local law unless the context requires otherwise—

“**Applicant**” means a person who makes an application for approval under this local law;

“**AS or AS/NZS**” means an Australian or Australian/New Zealand Standard as published by Standards Australia as amended from time to time;

**“authorised person”** means a person appointed by the City of Perth under section 9.10 of the *Local Government Act 1995* to perform any of the functions of an authorised person under this local law;

**“barbed wire fence”** means a wire or strand of wires having small pieces of sharply pointed wire twisted around it at short intervals;

**“boundary fence”** means a fence, other than a dividing fence, that separates private land from land that is local government property of a thoroughfare;

**“Building Code”** means the latest edition of the Building Code of Australia published from time to time by or on behalf of, the Australian Building Codes Board, as amended from time to time, but not including any explanatory information published with that Code;

**“building permit”** has the meaning given to it in the *Building Act 2011*;

**“Building Surveyor”** means a Building Surveyor of the local government;

**“CEO”** means the Chief Executive Officer of the local government;

**“Council”** means the Council of the local government;

**“dangerous”** in relation to any fence means, with the exception of electrified, barbed and razor wire fences as separately specified under this local law—

- (a) a fence containing exposed broken glass, asbestos fibre or any other potentially harmful projection or material; or
- (b) a fence which is likely to collapse or fall, or part of which is likely to collapse or fall, from any cause;

**“district”** means the district of the local government;

**“district planning scheme”** means a local planning scheme of the local government made under the *Planning and Development Act 2005*;

**“dividing fence”** has the meaning given to it by the *Dividing Fences Act 1961*;

**“electrified fence”** means a fence carrying or designed to carry an electric charge;

**“fence”** means any structure, not including a retaining wall, used or functioning as a barrier, irrespective of where it is located and includes any gate;

**“front boundary”** means the boundary line between a lot and the thoroughfare upon which that lot abuts, or in the case of a lot abutting on more than one thoroughfare, the boundary line between the lot and the primary thoroughfare;

**“front fence”** means a fence erected on the front boundary of a lot or on a line

adjacent to the front boundary;

**“front setback area”** means the area between the building line of a lot and the front boundary of that lot;

**“height”** in relation to a fence means the vertical distance between—

- (a) the top of the fence at any point; and
- (b) the ground level or, where the ground levels on each side of the fence are not the same, the higher ground level, immediately below that point;

**“local government”** means the local government of the City of Perth;

**“local government property”** means anything except a thoroughfare—

- (a) which belongs to the local government;
- (b) of which the local government is the management body under the *Land Administration Act 1997*; or
- (c) which is an “otherwise unvested facility” under section 3.53 of the *Local Government Act 1995*;

**“lot”** has the meaning given to it and for the purposes of the *Planning and Development Act 2005*;

**“Non-Residential Lot”** means any lot situated in the district that is not defined as a residential lot under this local law;

**“notice of breach”** means a notice referred to in clause 5.1 of this local law;

**“occupier”** has the meaning given to it in the *Local Government Act 1995*;

**“owner”** has the meaning given to it in the *Local Government Act 1995*;

**“person”** means any person, company, employer and includes an owner, occupier and licensee;

**“razor wire fence”** means a coiled strong wire with pieces of sharp cutting edges set across it at closes intervals;

**“Residential Lot”** means a lot where a residential use—

- (a) is or may be permitted under the district planning scheme; and
- (b) is or will be the predominant use of the lot;

**“retaining wall”** means any structure which prevents the movement of soil or retains soil or structures in order to allow ground levels of different elevations to exist adjacent to one another;

**“Schedule”** means a Schedule to this local law;

**“sufficient fence”** means a fence described in clause 2.1 of this local law, but

does not include a retaining wall;

“**thoroughfare**” has the meaning given to it by the *Local Government Act 1995*, but does not include a private thoroughfare which is not under the management or control of the local government.

### **1.7 Relationship with other laws**

- (1) In the event of any inconsistency between the provisions of a district planning scheme and the provisions of this local law, the provisions of the district planning scheme are to prevail.
- (2) Nothing in this local law affects the need for compliance, in respect of a fence, with—
  - (a) any relevant provisions of a district planning scheme; and
  - (b) any relevant provisions that apply if a building permit is required for that fence under the *Building Act 2011* or *Building Regulations 2012*.

### **1.8 Licence fees and charges**

All licence fees and charges applicable under this local law shall be determined by the Council from time to time in accordance with section 6.16 of the *Local Government Act 1995*.

## PART 2 – FENCES

### Division 1 – Sufficient Fences

#### 2.1 Sufficient fences

##### ~~2.1~~ **Meaning of “sufficient fence”**

- (1) A person shall not erect a dividing fence or a boundary fence that is not a sufficient fence, unless otherwise approved or required by the local government.
- (2) Subject to subclause (3) and (4), a sufficient fence—
  - (a) on a Residential Lot is a dividing fence or a boundary fence constructed and maintained in accordance with the specifications and requirements of Schedule 2;
  - (b) on a Non-Residential Lot is a dividing fence or a boundary fence constructed and maintained in accordance with the specifications and requirements of Schedule 3;
- (3) An application must be made to the local government for grant of consent to any variation to the specifications in Schedules 2 and 3.
- (4) Unless an authorised person determines otherwise, a sufficient fence on a boundary between lots other than those specified in subclause ~~(2)~~(3) is a dividing fence constructed in accordance with the specifications and requirements of Schedule 2 or Schedule 3, whichever is appropriate.
- (5) Notwithstanding any other provision in this local law, a dividing fence or boundary fence constructed of masonry, stone or concrete shall be a sufficient fence only if it is designed by a professional engineer and constructed in accordance with that design where—
  - (a) it is greater than 750 millimetres in height; or
  - (b) the Building Surveyor so requires.
- (6) Notwithstanding any other provision in this local law, a dividing fence or boundary fence shall not exceed 1,800 millimetres height unless the approval of the local government has been obtained for such a fence.

### Division 2 – General

#### 2.2 Fences within front setback areas

- (1) A person shall not, without the written consent of the Building Surveyor, erect a free-standing fence greater than 1,200 millimetres in height, within the front set-

back area of a Residential Lot within the district.

- (2) The Building Surveyor may approve the erection of a fence of a height greater than 1,200 millimetres in the front setback area of a Residential Lot only if the fence on each side of the driveway into the lot across the front boundary is to be angled into the lot for a distance of not less than 1,500 millimetres along the frontage to a distance of not less than 1,500 millimetres from the frontage in order to provide appropriate splayed lines of vision for a motorist using the driveway for access to a thoroughfare.
- (3) The provision of subclause (2) shall not apply to a fence—
  - (a) of open construction that does not obscure the lines of vision of a motorist using the driveway for access to a thoroughfare; or
  - (b) that does not adjoin a footpath.

### **2.3 Gates in fences**

~~(1)~~ A person shall not erect a gate in a fence which does not—

- (a) open into the lot; or
- (b) open by sliding parallel and on the inside of the fence, which it forms part of, when closed.

without first obtaining the written approval of the local government.

### **2.4 Depositing fencing material on public place**

A person shall not deposit or permit the deposit of any materials whatsoever used in the construction or maintenance of any fence, on any thoroughfare, public place or local government property unless the approval of the local government has been obtained.

### **2.5 Maintenance of fences**

An owner of a lot or any person undertaking work on a lot on which a fence is erected shall maintain the fence in good condition so as to prevent it from becoming dangerous, dilapidated, or unsightly to the amenity of the locality.

### **2.6 Fences across rights-of-ways, public access ways or thoroughfares**

A person must not, without the approval of the local government, erect or maintain a fence or obstruction of a temporary or permanent nature across any right-of-way, public access way or thoroughfare so as to impede or prevent use of those facilities in the manner for which they are intended and constructed.

## 2.7 Fences and Sightlines

~~*Unless otherwise approved by the local government—*~~

~~(a)(4)~~ Front fences or boundary fences that are adjacent to a vehicle access point or a thoroughfare shall be truncated with the minimum dimension of the truncation being 2,000 millimetres or the fence reduced in height to no more than 750 millimetres, unless—

~~(i)(a)~~ the fence is an open fence that does not obscure the lines of vision of a motorist using the vehicle access point or thoroughfare; or

~~(ii)(b)~~ there is a distance of 3,500 millimetres between the fence and a carriageway or footpath.

~~(b)(2)~~ Where a dividing fence is closer than 2,000 millimetres from a vehicle access point and connects to a thoroughfare, the dividing fence shall be reduced to 750 millimetres in height for the first 2,000 millimetres from the thoroughfare back into the lot.

~~(c)(3)~~ A corner Lot without the standard street corner truncation, with a front fence height that exceeds 750 millimetres in height of solid material is not permitted within the 6,000 millimetres by 6,000 millimetres corner sightline area.

~~(d)(4)~~ Where two right of ways or laneways intersect, a 3,000 millimetres by 3,000 millimetres sightline is required so that a fence height that exceeds 750mm in height of solid material is not permitted.

~~*Or unless otherwise approved by the local government.*~~

## 2.8 Dividing Fences

(1) Notwithstanding the provisions of clause 2.1, an authorised person may approve the erection or repair of a dividing fence which is not a sufficient fence where all of the owners of the lots to be separated by the dividing fence make an application for approval for that purpose.

(2) In determining whether to grant approval under subclause (1), an authorised person may consider, in addition to any other matter they are authorised to consider, where the erection or retention of the fence would have an adverse effect on—

(a) the safe or convenient use of any land;

(b) the safety or convenience of any person; or

(c) the visual amenity of the locality.



## Division 3 – Fencing Materials

### 2.9 Fencing Designs

Where required by ~~the~~ *an authorised person*, fencing designs are to be certified by a professional engineer as being suitable for wind loadings found in Region D Category 2 areas in accordance with the current edition of AS/NZS 1170.0:2002 Structural design actions – General principles.

### 2.10 Pre-used fencing materials

- (1) Notwithstanding clause 2.1, a person shall not construct a fence on a Residential Lot or a Non-Residential Lot from pre-used materials without the approval of the local government.
- (2) Where the local government approves the use of pre-used materials in the construction of a fence under subclause (1), that approval shall be conditional on the applicant painting or treating the pre-used material as directed by the Building Surveyor.

### 2.11 Barbed wire fences and spiked or jagged materials

- (1) An owner or occupier of a Residential Lot or a Non-Residential Lot shall not erect, affix or allow to remain on any fence on such a lot any barbed wire or other material with spiked or jagged projections, unless the prior written approval of the local government has been obtained.
- (2) Any fence bounding a lot that has barbed wire or other materials with spiked or jagged projections affixed to it may only be approved if the wire or other materials are carried on posts at an angle of 45 degrees, with the bottom row being a minimum of 2,000 millimetres from the ground level.
- (3) If the posts which carry the barbed wire or other materials referred to in subclause (2) are angled towards the outside of the lot bounded by the fence, the face of the fence must be set back from the lot boundary a sufficient distance to ensure that the angled posts, barbed wire or other materials do not encroach on adjoining land.
- (4) An owner or occupier of a lot shall not erect, affix or allow to remain as part of any fence or wall, whether internal or external, on that lot any broken glass.

### 2.12 Electrified and razor wire fences

- (1) An owner or occupier of a lot shall not—
  - (a) construct or use an electrified fence on that lot without obtaining the approval of the local government in the form prescribed in Schedule 4; or

- (b) construct a fence wholly or partly of razor wire on that lot without obtaining the approval of the local government in the form prescribed in Schedule 5.
- (2) The local government shall not approve an application for the purpose of subclause (1)(a)—
- (a) in respect of a lot which is or which abuts a Residential Lot;
  - (b) unless the ~~prohibited~~ fence will comply ~~complies~~ with “AS/NZS 3016:2002 Electrical installations – Electricity security fences”; and
  - (c) unless provision is made so as to enable the fence to be rendered inoperable during the hours of business operations, if any, on the lot where it is erected.
- (3) The local government shall not approve an application for the purpose of subclause (1)(b)—
- (a) if the fence is within 3,000 millimetres of the boundary of the lot; or
  - (b) where any razor wire used in the construction of the fence is less than 2,000 millimetres or more than 2,400 millimetres above the ground level.
- (4) An application for approval for the purpose of subclauses (1)(a) or (1)(b) shall be made by the owner of the lot on which the fence is or is to be erected, or by the occupier of the lot with the written consent of the owner.

### **2.13 Prohibited fencing materials**

- ~~(1)~~ In constructing a fence a person must not use—
- (a) broken glass or any other potentially harmful projections or material;
  - (b) asbestos fibre;
  - (b) material that is likely to collapse or fall, or part of which is likely to collapse or fall, from any cause; and
  - (d) pre-used materials unless the material is painted or treated to the satisfaction of an authorised person.

### **2.14 Building Code**

- (1) Subject to subclauses (2) and (3), a fence shall be constructed in accordance with the relevant provisions of the Building Code.
- (2) Where there is inconsistency between the standards or requirements of this local law and those specified in the Building Code, the standards and requirements of the Building Code shall prevail.

- (3) Subclause (1) shall not apply to an existing fence, except where the existing fence is demolished, pulled down or removed and re-erected, or in some substantial way structurally altered or amended, in which case subclause (1) shall apply to the re-erection, alteration or amendment.

## **PART 3 – APPROVALS**

### **3.1 Application for approval**

- (1) Where a person is required to obtain the approval of the local government under this local law, that person shall apply for approval in accordance with subclause (2).
- (2) An application for approval under this local law shall—
  - (a) be in the form determined by the local government;
  - (b) be signed by the applicant and the owner of the lot;
  - (c) provide the information required by the form; and
  - (d) be forwarded to the local government together with any fee imposed and determined by the local government under and in accordance with section 6.19 of the *Local Government Act 1995*.
- (3) An authorised person may require an applicant to provide additional information reasonably related to an application before an application is considered for approval.
- (4) An authorised person may refuse to consider an application for approval which is not in accordance with subclauses (2) and (3).

### **3.2 Decision on application for approval**

- (1) The local government may—
  - (a) approve an application for approval unconditionally or subject to any conditions; or
  - (b) refuse to approve an application for approval.
- (2) If the local government approves an application for approval, it is to issue to the applicant an approval in the form determined by the local government.
- (3) If the local government refuses to approve an application for approval, it is to give written notice of that refusal to the applicant.
- (4) Where a clause of this local law refers to conditions which may be imposed on

an approval or which are to be taken to be imposed on an approval, the clause does not limit the power of the local government to impose other conditions on the approval under subclause (1)(a).

### **3.3 Compliance with approval**

Where an application for approval has been approved, the applicant and the owner or occupier of the lot to which the approval relates, shall comply with the terms and any conditions of that approval.

### **3.4 Duration of approval**

Unless otherwise stated in the form of approval, an approval granted under this local law—

- (a) runs with the lot to which it relates;
- (b) may be relied upon by any subsequent occupier or owner of the lot; and
- (c) may be enforced by the local government against a subsequent occupier or owner of the lot.

## **PART 4 – MISCELLANEOUS**

### **4.1 False or misleading statement**

A person shall not make a false or misleading statement in connection with any application, requirement or request under this local law.

## **PART 5 – NOTICES OF BREACH**

### **5.1 Notices of breach**

- (1) Where a breach of any provision of this local law has occurred in relation to a fence on a lot, an authorised person may give a notice in writing to the owner of that lot.
- (2) A notice of breach shall—
  - (a) specify the provision of this local law which has been breached;
  - (b) specify the particulars of the breach; and
  - (c) state that the owner is required to remedy the breach within the time specified in the notice.
- (3) Should an owner fail to comply with a notice of breach, the local government may, by its employees, agents or contractors enter upon the lot to which the

notice relates and remedy the breach, and may recover the expenses of so doing from the owner of the lot in a court of competent jurisdiction.

- (4) The provisions of this clause are subject to section 3.25 and item 12 of Division 1 of Schedule 3.1 of the *Local Government Act 1995* and any entry on to land will be in accordance with Part 3, Division 3 of that Act.

## **PART 6 – OFFENCES**

### **6.1 Offences and penalties**

- (1) ~~*A person who fails to comply with a notice of breach commits an offence, and is liable upon conviction to a penalty as prescribed in Schedule 1 and if the offence is a continuing offence, to a maximum daily penalty as prescribed in Schedule 1.*~~
- (2) ~~*A person who commits an offence under fails to comply with or who contravenes any provision of this local law commits an offence and is liable, on conviction, to a penalty not exceeding \$5000, and if the offence is of a continuing nature, to an additional penalty not exceeding \$500 for each day or part of a day which the offence has continued. as prescribed in Schedule 1 and if the offence is a continuing offence, to a maximum daily penalty as prescribed in Schedule 1.*~~

### **6.2 Modified penalties**

- (1) An offence against any provision of this local law is a prescribed offence for the purposes of section 9.16(1) of the *Local Government Act 1995*.
- (2) The amount appearing in the final column of Schedule 1, directly opposite a prescribed offence in that Schedule, is the modified penalty for that prescribed offence.
- (3) For the purpose of guidance only, before giving an infringement notice to a person in respect of the commission of a prescribed offence, an authorised person should be satisfied that—
  - (a) commission of the prescribed offence is a relatively minor matter; and
  - (b) only straightforward issues of law and fact are involved in determining whether the prescribed offence was committed, and the facts in issue are readily ascertainable.

### **6.3 Form of notices**

For the purposes of this local law—

- (a) the form of the infringement notice referred to in sections 9.16 and 9.17 of the *Local Government Act 1995* is to be in the form of Form 2 of

Schedule 1 of the *Local Government (Functions and General) Regulations 1996*; and

- (b) the form of the withdrawal of infringement notice referred to in section 9.20 of the *Local Government Act 1995* is to be in the form of Form 3 in Schedule 1 of the *Local Government (Functions and General) Regulations 1996*.

## **PART 7 – OBJECTIONS AND REVIEW**

### **7.1 Objections and review**

When the local government makes a decision under clause 3.2, the provision of Part 9 Division 1 of the *Local Government Act 1995*, and regulation 33 of the *Local Government (Functions and General) Regulations 1996*, apply to that decision.

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## SCHEDULE 1

### OFFENCES AND MODIFIED PENALTIES

[Clause 6.2(2)]

Item No.	Clause No.	Modified penalties \$
1	2.1(1)	250
2	2.2(1)	250
3	2.3(a)	200
4	2.3(b)	200
5	2.4	250
6	2.5	250
7	2.6	250
8	2.10(1)	250
9	2.11(1)	250
10	2.11(4)	250
11	2.12(1)	250
12	3.3	250
13	<del>5.1</del> 6.1(1)	250

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## SCHEDULE 2

### SPECIFICATIONS FOR A SUFFICIENT FENCE ON OR ABUTTING A LOT DEVELOPED FOR RESIDENTIAL USES

[Clause 2.1(2)(a)]

Each of the identified categories in this Schedule is a sufficient fence on a Residential Lot and the fence design being certified by a professional engineer.

#### **Timber fence**

- (a) corner posts to be 125mm x 125mm x 2,400mm and intermediate posts to be 125mm x 75mm x 2,400mm spaced at 2,400mm centres;
- (b) corner posts to be strutted two ways with 100mm x 50mm x 450mm sole plates and 75mm x 50mm struts;
- (c) intermediate posts to be doubled yankee strutted with 150mm x 25mm x 450mm struts; (d) all posts to have tops with a 60mm weather cut and to be sunk at least 600mm into the ground;
- (d) rails to be 75mm x 50mm with each rail spanning 2 bays of fencing double railed or bolted to each post with joints staggered;
- (e) the fence to be covered with 75mm x 20mm sawn pickets, 1 800mm in height placed 75mm apart and affixed securely to each rail; and
- (f) the height of the fence to be 1,800mm except with respect to the front set back area for which there is no minimum height but which is subject to clause 2.2.

#### **Corrugated fence**

A fence constructed of corrugated fibre reinforced pressed cement or steel sheeting constructed to manufacturer's specifications or which satisfies the following specifications—

- (a) a minimum in-ground length of 25 per cent of the total length of the sheet, but in any case shall have a minimum in-ground depth of 600mm;
- (b) the total height and depth of the fence to consist of a single continuous fibre reinforced cement or steel sheet;
- (c) the sheets to be lapped and capped with extruded "snap-fit" type capping in accordance with the manufacturers written instructions; and
- (d) the height of the fence to be 1,800mm except with respect to the front set back area for which there is no minimum height but which is subject to clause 2.2.

#### **Brick, stone or concrete fence**

A fence constructed of brick, stone or concrete, which satisfies the following requirements and specifications—

- (a) a site classification is to be provided by a professional engineer and the footing is to be designed in accordance with AS 2870-2011 Residential slabs and footings as amended;
- (b) footings of minimum 225mm x 150mm concrete 15MPa or 300mm x 175mm brick laid in cement mortar;



- (c) fences to be offset a minimum of 200mm at maximum 3,000mm centres or 225mm x 100mm engaged piers to be provided at maximum 3,000mm centres;
- (d) expansion joints in accordance with the manufacturer's written instructions; and
- (e) the height of the fence to be 1,800mm except with respect to the front set back area for which there is no minimum height but which is subject to clause 2.2.

### **Composite fence**

A composite fence which satisfies the following specifications for the brick construction—

- (1)
  - (a) brick piers of minimum 345mm x 345mm at 1,800mm centres bonded to a minimum height base wall of 514mm;
  - (b) each pier shall be reinforced with one R10 galvanised starting rod 1 500mm high with a 250mm horizontal leg bedded into a 500mm x 200mm concrete footing and set 65mm above the base of the footing. The top of the footing shall be 1 course (85mm) below ground level;
  - (c) the minimum ultimate strength of brickwork shall be 20MPa. Mortar shall be a mix of 1 part cement, 1 part lime and 6 parts sand;
  - (d) the ground under the footings is to be compacted to 6 blows per 300mm and checked with a standard falling weight penetrometer; and
  - (e) control joints in brickwork shall be provided with double piers at a maximum of 6,000mm centres;

or

- (2)
    - (a) brick piers of a minimum 345mm x 345mm x 2,700mm centres bonded to the base wall; and
    - (b) each pier shall be reinforced with two R10 galvanised starting rods as previously specified.
-

**SCHEDULE 3**  
**SPECIFICATIONS FOR A SUFFICIENT FENCE ON OR ABUTTING A LOT**  
**DEVELOPED FOR NON-RESIDENTIAL USES**

[Clause 2.1(2)(b)]

Each of the identified categories in this Schedule, with minimum and maximum specifications where stated, is a sufficient fence on a Non-Residential Lot and the fence design being certified by a professional engineer.

**Galvanised or PVC fence and gate**

A fence constructed of galvanised or PVC coated non-rail link mesh, chain mesh or steel mesh which satisfies the following specifications—

- (a) corner posts to be minimum 50mm nominal bore x 3.5mm and with footings of a 225mm diameter x 900mm;
- (b) intermediate posts to be minimum 37mm nominal bore x 3.15mm at maximum 3,500mm centres and with footings of a 225mm diameter x 600mm;
- (c) struts to be minimum 30mm nominal bore x 3.15mm fitted at each gate and 2 at each corner post and with footings 225mm x 600mm;
- (d) cables to be affixed to the top, centre and bottom of all posts and to consist of 2 or more 3.15mm wires twisted together or single 4mm wire;
- (e) non-rail link, chain or steel mesh is to be to a height of 2,000mm on top of which are to be 3 strands of barbed wire carrying the fence to a height of 2,400mm in accordance with the requirements and standards of the local planning schemes; and
- (f) galvanised link mesh wire to be 2,000mm in height and constructed of 50mm mesh 2.5mm galvanised iron wire and to be strained, neatly secured and laced to the posts and affixed to cables. Vehicle entry gates shall provide an opening of not less than 3.6m and shall be constructed of 25mm tubular framework with 1 horizontal and 1 vertical stay constructed of 20mm piping and shall be covered with 50mm x 2.5mm galvanised link mesh strained to framework. Gates shall be fixed with a drop bolt and locking attachment.

**Other fences**

- (a) a fence of cement sheet or steel sheeting constructed to the minimum specifications referred to in Schedule 2;
  - (b) a fence constructed of aluminium sheeting when supported on posts and rails provided that it is used behind a building line and is of a minimum height of 1,800mm but no greater than 2,400mm; or
  - (c) a fence of timber, brick, stone or concrete constructed to the minimum specifications referred to in Schedule 2.
-

**SCHEDULE 4**  
**ELECTRIFIED FENCE PERMIT**

[Clause 2.12(1)(a)]

This is to certify that:

\_\_\_\_\_

[Name] of [Address]

\_\_\_\_\_

is permitted, subject to the conditions set out below, to have and use an electrified fence on:

\_\_\_\_\_

[Address]

\_\_\_\_\_

from \_\_\_\_\_ 20 \_\_\_\_\_ and until this permit is transferred or cancelled.

**Approved By:**

Name: \_\_\_\_\_

Position \_\_\_\_\_

Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

**Conditions of Permit—**

The holder of the permit must—

- (b) display the permit in a prominent position on the land or premises on which the electrified fence has been erected;
- (c) upon the request of a Building Surveyor produce to him or her the permit;
- (d) within 14 days of a change in the ownership or occupation of the land or premises in respect of which the permit has been granted, notify the CEO in writing of the details of that change or those changes;
- (e) obtain the written consent of the local government prior to the commencement of any alteration, addition or other work relating to or affecting the electrified fence; and
- (f) comply with AS/NZS 3016:2002 Electrical installations – Electric security fences.

**Transfer by Endorsement**

This permit is transferred to [Name] of [Address]

\_\_\_\_\_

\_\_\_\_\_

from and including the date of this endorsement.

**Approved By:**

Name: \_\_\_\_\_

Position \_\_\_\_\_

Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

**SCHEDULE 5  
RAZOR WIRE FENCE PERMIT**

[Clause 2.12(1)(b)]

This is to certify that

\_\_\_\_\_

[Name] of [Address]

\_\_\_\_\_

Is permitted, subject to the conditions set out below, to have a fence constructed wholly or partially of razor wire on:

\_\_\_\_\_

[Address]

\_\_\_\_\_

From \_\_\_\_\_ 20\_\_ and until this permit is transferred or cancelled.

**Approved By:**

Name: \_\_\_\_\_

Position \_\_\_\_\_

Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

**Conditions of Permit—**

- (a) display the permit in a prominent position on the land or premises on which the fence has been erected;
- (b) upon the request of a Building Surveyor produce to him or her the permit;
- (c) within 14 days of a change in the ownership or occupation of the land or premises in respect of which the permit has been granted, notify the CEO in writing of the details of that change or those changes; and
- (d) obtain the written consent of the local government prior to the commencement of any alteration, addition or other work relating to or affecting the fence.

**Transfer by Endorsement**

This permit is transferred to [Name] of [Address]

\_\_\_\_\_

[Name] of [Address]

\_\_\_\_\_

from and including the date of this endorsement.

**Approved By**

Name: \_\_\_\_\_

Position \_\_\_\_\_

Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

SCHEDULE 6

The DLGC's main comments and the City of Perth Office responses are summarised below and have been incorporated into the proposed City of Perth Fencing Local Law 2015.

Clause	DLG Suggestions	Officer Response
<b>Clause 1.3 – Purpose and Effect</b>	While section 3.12 of the <i>Local Government Act 1995</i> requires the purpose and effect of a local law to be included in public notices, there is no requirement for the purpose and effect to be mentioned in the local law itself. The City may delete this clause if it so wishes.	It is standard drafting for the City of Perth to retain the Purpose and Effect within local laws as it provides clarity for the the community.
<b>Australian Standards and Building Codes referenced throughout the local law</b>	Ongoing accuracy of, and public access to, Australian Standards and Building Codes referenced with the local law should be considered.	All Australian Standards that have been referenced within this Local Law are accurate. The Interpretation of these AS or AS/NZS in the local law means a standard published by Standards Australia as amended from time to time.  Public access to these documents is available at the State Library of Western Australia. This will be included in the administrative version of the local law published on the City's website.
<b>Clause 2.7 - Fences and Sightlines</b>	At the end of subclause (4), delete the statement " <i>Or unless otherwise approved by the local government</i> " or redesignate as subclause (5), whichever is applicable.	This statement is relevant to the entire Clause 2.7 and this statement has therefore has been relocated to the beginning of the Clause for clarity.
<b>Clause 2.9 – Fencing Designs</b>	Clause 2.9 does not specify who the " <i>person</i> " might be.	Noted and amended to read "authorised person"
<b>Clause 2.12 – Electric fences</b>	In subclause (2)(b), delete the words " <i>prohibited</i> " and amend the word " <i>complies</i> " to " <i>will comply</i> "	Noted and amended in the proposed Local Law.
<b>Clause 6.1 – Offences and Penalties</b>	Simplify Clause 6.1(1) and (2) to read: " <i>A person who fails to comply with a notice of breach commits an offence.</i> "  " <i>A person who commits an offence under this local law is liable, on conviction, to a penalty not exceeding \$5000, and if the offence is of a continuing nature, to an additional penalty not exceeding \$500 for each day or part of a day which the offence has continued.</i> "	Noted and amended in proposed local law. <i>(It is noted that this amendment will be considered a significantly different proposal to the previously advertised local law)</i>
<b>Minor Edits to Clauses 1.4, 2.1, 2.3, 2.13, Schedule 1</b>	Minor amendments to various clauses as follows:  Clause 1.4: Replace " <i>City of Perth</i> " with " <i>local government</i> ";	Noted and amended in proposed Local Law.

Clause	DLG Suggestions	Officer Response
	<p>Clause 2.1: Deleted one of the two titles in this Clause.</p> <p>In subclause (4) replace “<i>subclause (3)</i>” with “<i>subclause (2)</i>”.</p> <p>Clause 2.3 and 2.13: The designation “(1)” can be removed, as the clause has no other subclauses.</p> <p>Schedule 1: Item 2 – Change clause number to “2.2(1)”; Item 13 – Change clause number to “6.1(1)”.</p>	

## **CONFIDENTIAL ITEM NO: 7**

### **PUBLIC LIBRARY AND PUBLIC PLAZA PROJECT – PROGRESS UPDATE TO SEPTEMBER 2015**

**RECOMMENDATION:**

**(FOR INFORMATION)**

***That the Finance and Administration Committee receives the report titled “Public Library and Public Plaza Project – Progress Update to September 2015”.***

**BACKGROUND:**

FILE REFERENCE: P1027453  
REPORTING UNIT: Construction and Maintenance Directorate Office  
RESPONSIBLE DIRECTORATE: Construction and Maintenance Directorate  
DATE: 4 September 2015  
MAP / SCHEDULE: Confidential Schedule 7 – Library and Plaza Project –  
Budget Forecast and Photographs

**In accordance with Section 5.23(2)(e)(ii) of the *Local Government Act 1995*, this item is confidential and will be distributed to the Elected Members under separate cover.**

CONFIDENTIAL SCHEDULE 7  
ITEM 7 – PUBLIC LIBRARY AND PUBLIC PLAZA PROJECT  
– PROGRESS UPDATE TO SEPTEMBER 2015

FOR THE FINANCE AND ADMINISTRATION COMMITTEE  
MEETING

6 OCTOBER 2015

DISTRIBUTED TO ELECTED MEMBERS UNDER  
SEPARATE COVER