

Special Council Meeting

Tuesday, 27 March 2018
6.00pm

Council Chamber
Level 9
Council House
27 St Georges Terrace, Perth WA
6000



City of Perth

Agenda

The purpose of the Special Council Meeting is for Council to consider business critical items published within the agenda including, but not limited to, the consideration of:

- development approvals;
- tenders;
- lease agreements; and
- the Compliance Audit Return.

ORDER OF BUSINESS AND INDEX

- 1 Prayer/Acknowledgment of Country
- 2 Declaration of Opening
- 3 Apologies
- 4 Question Time for the Public
- 5 Disclosure of Members' interests
- 6 Matters for which the meeting may be closed

Attachment No.	Item No. and Title	Reason
Confidential Attachment 7.3A & 7.3B	Item 7.3 - Tender No. 092-17/18 – Fibre Optic, Data & Communication Services	s 5.23(2)(e) (ii)
Confidential Attachment 7.4A	Item 7.4 - Tender 087-1718 - Waterproofing Stage 1 – Perth Concert Hall	s 5.23(2)(e) (ii)
Confidential Attachment 7.5A	Item 7.5 - New Lease - Shop 1, Pier Street Car Park, 88-96 Murray Street, Perth - SFA Pty Ltd (Trading as Seoul Korean BBQ)	s 5.23(2)(e) (ii)
Confidential Attachment 7.6A & 7.6B	Item 7.6 - Tender 106-17/18 – Marble Façade and Concrete Repairs – Council House	s 5.23(2)(e) (ii)
Confidential Attachment 7.8A - 7.8D	Item 7.8 - Tender 085-17/18 Tree Growing, Supply and Installation	s 5.23(2)(e) (ii)

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Reports

- 7.1 52B (Lot 115) Wittenoom Street, East Perth – Renovations to an Existing Two Level Dwelling Including an Addition of a Third Level and a Deck Above the Existing Garage
- 7.2 Proposed Street Name for Driveway Access to the Westin Hotel at 480 Hay Street, Perth – ‘Hibernian Lane’
- 7.3 Tender 092-17/18 – Fibre Optics Contract Award Report
- 7.4 Tender 087-1718 – Waterproofing Stage 1 – Perth Concert Hall
- 7.5 New Lease - Shop 1, Pier Street Car Park, 88-96 Murray Street, Perth - SFA Pty Ltd (Trading as Seoul Korean BBQ)
- 7.6 Tender 106-17/18 – Marble Façade and Concrete Repairs – Council House
- 7.7 Compliance Audit Return
- 7.8 Tender 085-17/18 – Tree Growing, Supply and Installation

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Closure



MARTIN MILEHAM
CHIEF EXECUTIVE OFFICER
22 March 2018

This meeting is open to members of the public



Council Chambers Seating Layout



Manager Governance
Mark Ridgwell



Commissioner
Eric Lumsden



Chief
Executive Officer
Martin Mileham



Director Community and
Commercial Services
Rebecca Moore



Commissioner
Andrew Hammond



Commissioner
Gaye McMath



Director Planning and
Development
Erica Barrenger



Manager
Development Approvals
Margaret Smith



Director Economic
Development and Activation
Annaliese Battista



Director Construction
and Maintenance
Paul Crosetta



Director
Corporate Services
Robert Mianich



A/ Governance
Coordinator
Siobhan Rippington

Public Gallery

INFORMATION FOR THE PUBLIC ATTENDING COUNCIL MEETINGS

Welcome to this evening's Council meeting. This information is provided on matters which may affect members of the public. If you have any queries on procedural matters please contact a member of the City's staff in attendance tonight.

Question Time for the Public

- An opportunity is available at Council meetings for 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 before the meeting begins. Alternatively questions can be forwarded to the City of Perth prior to 3.00pm on the day of the meeting, by:-
 - Letter: Addressed to GPO Box C120, Perth, 6839;
 - Email: governance@cityofperth.wa.gov.au.
- Question Sheets are also available on the City's web site: 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.

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 Council meeting prior to written advice on the resolution of the Council being received.

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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.



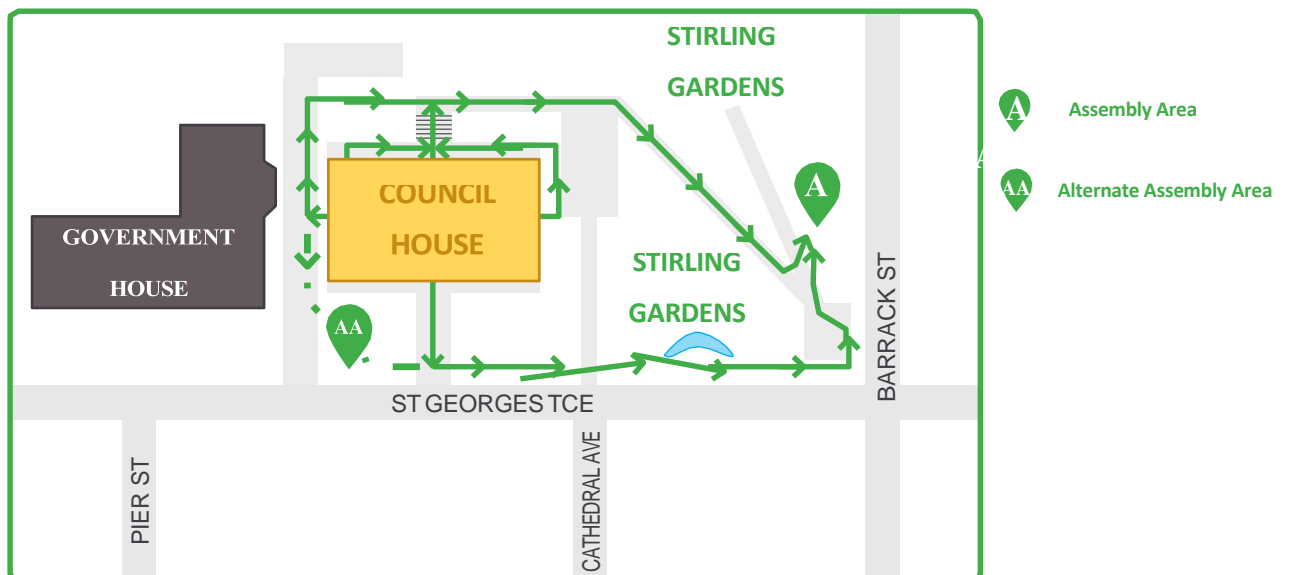
EVACUATION ALARM / PROCEDURES

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



Agenda Item 7.1 **52B (Lot 115) Wittenoom Street, East Perth – Renovations to an Existing Two Level Dwelling Including an Addition of a Third Level and a Deck Above the Existing Garage**

Recommendation:

*That, in accordance with the provisions of the City Planning Scheme No. 2, Local Planning Scheme No. 26 and the Metropolitan Region Scheme, Council **APPROVES BY AN ABSOLUTE MAJORITY** the application for renovations to an existing two level dwelling including addition of a third level and a deck above the existing garage at 52B (Lot 115) Wittenoom Street, East Perth as indicated on the Metropolitan Region Scheme Form One dated 14 November 2017 and as shown on the plans received on 16 November 2017 subject to:*

- 1. the boundary wall on the eastern elevation being reduced in height to match the height of the roof canopy on the eastern boundary and the height of the lift shaft being reduced to match the height of the new eastern boundary wall to achieve improved light penetration into the courtyard of the adjoining dwelling at 52A Wittenoom Street;*
- 2. the new lift being designed and located to ensure no that there is no transmission of noise or vibration to the adjacent property at 52A Wittenoom Street;*
- 3. any proposed external building plant, piping, ducting and air conditioning units being located so as to minimise any visual and noise impact on the adjacent developments, and being screened from view, with details of the location and screening of any proposed external building plant being submitted for approval by the City prior to applying for a building permit;*
- 4. the glass balustrading on the garage roof deck area to be obscure or translucent glazing; and*
- 5. a construction management plan for the proposal being submitted for approval by the City prior to applying for a building permit, detailing how it is proposed to manage:*
 - a. delivery of materials and equipment to the site;*
 - b. storage of materials and equipment on the site;*
 - c. obtaining access over adjoining sites to complete construction and finishes on the side elevation;*
 - d. parking arrangements for the contractors and subcontractors;*
 - e. maintaining access through the rear laneway throughout construction; and*
 - f. any other matters likely to impact on the surrounding properties.*

FILE REFERENCE: 2017/5469
SUBURB/LOCATION: 52B Wittenoom Street, East Perth
REPORTING UNIT: Development Approvals
RESPONSIBLE DIRECTORATE: Planning and Development
DATE: 16 November 2017
ATTACHMENT/S: Attachment 7.1A - Location Plan
Attachment 7.1B - Perspectives

3D MODEL PRESENTATION: No

LANDOWNER: Ms T M Lewis
APPLICANT: Ms T M Lewis
ZONING: (MRS Zone) Urban Zone
(Local Planning Scheme No. 26 Precinct) EP3 – Royal Street Central

APPROXIMATE COST: \$150,000

Council Role:

- Advocacy *When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.*
- Executive *The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.*
- Legislative *Includes adopting local laws, town planning schemes and policies.*
- Quasi-Judicial *When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (e.g. under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.*
- Information *For the Council/Committee to note.*

Legislation / Strategic Plan / Policy:

Legislation

*Planning and Development Act 2005
Planning and Development (Local Planning Scheme) Regulations 2015 – Deemed Provisions
City Planning Scheme No. 2 (CPS2) Local Planning Scheme No. 26*

Policy

Policy No and Name: East Perth Planning Policies and Design Guidelines
Design of Residential Development (3.1) City Development Design Guidelines (4.1)

Purpose and Background:

The 198 m² subject site is located within the East Perth Precinct No. 15 (P15) under the City Planning Scheme No. 2 (CPS2) and is subject to Local Planning Scheme No. 26 (LPS26). The subject site is situated within the 'Royal Street Central' Precinct of East Perth (EP3) and is subject to the Royal and Bennett Streets Design Guidelines. The intent of the precinct is to focus on retail and commercial activity whilst also supporting mixed-use development.

The subject site is currently occupied by a two level residential dwelling which fronts onto Wittenoom Street with rear laneway access for vehicles and servicing. The site abuts residential dwellings to the east and west with mixed use buildings immediately to the north and south.

An application for renovations including the addition of a third level, installation of a pool, and the conversion of the roof of the existing garage into a roof deck was submitted to the City on 16 November 2017.

At the Planning Committee held on **6 February 2018**, the Committee agreed to amend the officer recommendation to address matters raised in the objections and to ameliorate the impact on amenity for the surrounding properties, by adding a condition and an advice note as follows to the original recommendation:

"the new lift being designed and located to ensure no that there is no transmission of noise or vibration to the adjacent property at 52A Wittenoom Street.

Advice note:

- 1. the final details of the eastern elevation, as required under condition 1, should include a material pallet and/or wall design that aims to achieve improved light penetration into the courtyard of the dwelling at 52A Wittenoom Street."*

At the Ordinary Council Meeting held on **13 February 2018**, Council moved a procedural motion to refer the matter back to the Planning Committee.

Following the Council Meeting, the applicant and the Administration discussed alternative options to address the concerns raised. The applicant was concerned regarding additional costs of any modified designs and wants to ensure that any modifications addressed the neighbour's complaints regarding noise. The Administration advised that the concerns raised by the Planning Committee regarding natural light to the neighbour's courtyard being affected by the works will be satisfactorily addressed by making two minor changes to the current design. The first is to modify the current lift-shaft by reducing the unnecessary height to not extend above the proposed boundary wall. The second is to reduce the height of the boundary wall to match the height and not project above the height of the new roof canopy. The applicant advised that the modifications were not acceptable as they had concerns that the neighbour may continue raising noise concerns and these modifications would not address these effectively. The Administration considers that these modifications will have a comparatively negligible change in any noise impact on the neighbouring properties and therefore recommends that these changes be made additional conditions of any approval.

Details:

The proposed development consists of the following:

- an additional level being constructed above the existing two level dwelling bringing the dwelling to three levels in height. The new third level will comprise a stair case addition, store room, master bedroom, bathroom and a robe area;
- installation of a new lift providing access between the ground floor, first floor and second floor;
- removal of the first floor roof to allow for the extension of the ceiling height from 2400mm to 2657mm;
- removal of the rear wall of the existing garage to accommodate a new laundry area on the ground floor;
- conversion of the roof of the existing garage to a roof deck including the installation of balustrading, an outdoor kitchen, privacy screening, and Colorbond roof;
- installation of a new swimming pool and storage area on the ground floor adjacent to the west of the existing garage;
- the extension to the height of the parapet wall on the south eastern side of the subject lot in order to provide privacy;
- construction of a walkway on the second floor between the main dwelling and the garage roof deck; and
- an internal renovation within the property including relocation of the existing ground floor kitchen, new concrete flooring, removal of existing air conditioning ducts and addition of new ducts, and the addition of a new hand basin and sliding doors on the ground floor.

Compliance with Planning Scheme:

Land Use

The subject site is located within the East Perth Precinct (P15) under City Planning Scheme No. 2 (CPS2) and is subject to Local Planning Scheme No. 26 (LPS26). The subject property falls within the 'Royal Street Central' Precinct within LPS26. The Royal Street Central Precinct is the main focus for shopping and commercial activity in the East Perth Area, whilst also supporting mixed-use development. A 'Residential' use is a 'Preferred' (P) use in this Precinct.

Development Requirements

The proposal's compliance with the requirements of LPS26 and the Royal and Bennett Streets Design Guidelines are summarised below:

Development Standard	Proposed	Required/Permitted
Building Height	Three storeys with a maximum building height of 8.25 metres. Maximum building height of 5.06 metres for proposed deck area on the roof of the existing garage.	Minimum two storeys with a maximum building height of 14 metres to the roof ridge. Maximum building height of 3 metres for rear garages abutting the right of way.
Setbacks Front (street): Rear: Side (at street frontage):	3.0m (no change) Nil (no change) Nil (no change)	Min - 3.0m, Max – 3.5m Min - Nil Min – Nil, Max – Nil
Access	Existing vehicular access maintained from the right of way.	All vehicular access shall be obtained via the right of way.
Plot Ratio	65.4m ² of additional area to the existing dwelling with a maximum plot ratio of 1.04 (205m ²).	Maximum plot ratio of 2.5 (495m ²) provided that in any development having a plot ratio in excess of 1.5, not less than 50% of the excess floor area shall be dedicated to residential use.
Open Space	The existing courtyard area is modified with more than 16m ² maintained.	Private open space shall be provided to each dwelling in the form of a courtyard with a minimum area of 16m ² .
Privacy	No openings are proposed on the eastern elevation of the existing dwelling. The proposed garage roof deck is setback 1.9 metres from the adjacent property to the west and includes privacy screening.	Designs should be mindful of privacy issues. Windows, balconies and terraces should be located to avoid any loss of amenity to the extent possible.

Development Standard	Proposed	Required/Permitted
Walls	The exterior walls will consist of face brickwork and the new parapet wall will match the colours and style of the existing boundary walls.	Exterior of walls of buildings should be predominately of masonry construction and may utilise combinations of face brickwork or blockwork, rendered finishes, and limestone block.
Blank Walls	The proposed works will result in a blank façade on the eastern elevation containing no openings and has a nil setback.	Exposed blank facades are not permitted. Elevations should be detailed and articulated to provide visual interest, except where nil setbacks adjoin other lots.
Roofs	A colorbond roof is proposed for the garage roof deck area. Solar roof tiling is proposed on the main residential dwelling. The roof of the garage roof deck area and the roof of the residential dwelling will have a matching appearance.	Roof materials and colours should be compatible with the building style. Roofs should preferably be flat profile tiles in mid-grey or pale ochre, or corrugated metal decking in Colorbond Off White, merino, birch grey, wheat or saltbush.
Roof Form	Proposed roof on the dwelling pitched at 25 degrees, roof over the deck area will be flat.	Roofs may be flat or pitched up to 45 degrees.

Comments:

Consultation

The proposal was advertised for three weeks to the neighbouring properties to the east (52A Wittenoom Street) and west (54 Wittenoom Street) of the subject site.

One submission was received from the residents at 52A Wittenoom Street who have raised an objection to the proposal citing the following concerns:

- *The scale of the proposed parapet wall could potentially reduce natural daylight and breeze coming into their home;*
- *The bulk and finish of the proposed parapet wall will result in the eastern elevation having an unattractive appearance;*
- *The potential increase of noise given the proposed garage roof top outdoor area is right beside the master bedroom of their residences and is separated by a wall that appears to be of single brick construction; and*
- *The noise of the proposed lift.*

These concerns will be discussed in further detail in the following sections of this report.

Overshadowing

The existing courtyard of 52A Wittenoom Street, located east of the subject site, abuts the courtyard of the subject site however is marginally offset to the south and is currently divided by a 1.8 metre high boundary wall. As part of the works, the boundary wall will be replaced with a new six metre high parapet wall. The parapet wall is significantly taller than the existing boundary and therefore will overshadow the adjoining 52A Wittenoom Street in the afternoon.

It is noted that similar developments already exist among a number of lots along Wittenoom Street, where the courtyard is bounded by the external parapet walls of the neighbouring property. The residences which have courtyards with this configuration include 50 (Lot 113), 56 (Lot 117) and 58 (Lot 118) Wittenoom Street. The site specific plan of the Royal and Bennett Streets Design Guidelines show Lots 112 – 119 Wittenoom Street are to be designed where the residential dwelling is built to the front of the property facing onto Wittenoom Street, with garages being located at the rear and courtyards situated central to each lot. Accordingly, a number of the dwellings on the lots along Wittenoom Street have courtyards bounded by the parapet walls of the neighbouring property, including 50 (Lot 113), 56 (Lot 117) and 58 (Lot 118) Wittenoom Street. Given the proposed six metre parapet wall and the design of the proposal is consistent with the Royal and Bennett Street Design Guidelines, the extent of overshadowing is considered to be acceptable.

Building Height

The Royal and Bennett Streets Design Guidelines state that dwellings are required to be a minimum of two storeys and are permitted to be a maximum of 14 metres in height to the roof ridge. The proposal seeks to increase the number of levels from two to three but will have a total building height of 8.25 metres. The additional level will be setback from the front elevation of the building, whereby the existing character of the streetscape will be maintained. As the building height for the main dwelling complies with the Design Guidelines the additional building height can be supported.

In accordance with the Royal and Bennett Streets Design Guidelines building envelopes are used to define the allowable limits of building bulk. The only projections beyond the envelope that will be allowed will be building services and features that contribute to the character and identity of the building and the locality. Balconies and awnings may project beyond the building. The site specific plan for the Royal and Bennett Streets Design Guidelines show that there is a maximum building height of three metres at the rear boundary for Lots 112-119 with any additional building height being contained within a 45 degree plane up to 14 metres in height. The proposed deck area above the existing garage has a maximum height of 5.06 metres from the ground level to the top of the roof. Part of the roof deck area will project into the prescribed maximum building envelope, however it is noted that other properties along Wittenoom Street also project outside the maximum building height for the rear boundary. These properties include 50 (Lot 113) and 58 (Lot 118) Wittenoom Street. The proposed deck area will be open on three sides and is similar in nature to a balcony that is permitted to project beyond the building envelope. Therefore, it is considered to be a minor encroachment that will not have an adverse impact on adjoining properties or the existing streetscape of the laneway. It is recommended that the proposed encroachment into the building envelope to the rear of the subject site be supported.

Privacy

In regards to concerns raised by the neighbours over potential privacy issues, the Royal and Bennett Streets Design Guidelines affirm that designs of dwellings should mitigate privacy concerns where possible.

The proposal aims to protect the privacy of the adjoining property to the east. Firstly, the proposed additional level does not overlook the neighbouring property to the east given there are no openings on this side of the dwelling. Secondly, the construction of parapet walls will ensure that the adjoining property to the east cannot be overlooked from the proposed walkway and garage roof deck.

The development plans show privacy screening located on the western and northern sides of the new outdoor deck area above the existing garage to ensure privacy can be maintained between the subject site and the neighbouring property to the west. The roof deck is setback 1.9 metres from the western boundary with 1.6 metre high glass balustrading. It is considered that the proposed design adequately limits any potential for overlooking or privacy issues.

Building Design, Materials and Finishes

The objection has raised a concern over the unattractive appearance of the eastern elevation of the dwelling and walls of the subject site. The addition of another level to the existing dwelling and the construction of the parapet wall will result in a large area of exposed brick visible from the adjoining property.

The Royal and Bennett Streets Design Guidelines state that exterior of walls of buildings should be predominately of masonry construction and may utilise combinations of face brickwork or blockwork, rendered finishes, and limestone block. The applicant has responded to this concern and advised that they have no issues with the walls on the eastern elevation being finished to a high quality. The intention is for the new walls to be face brick however the applicants are willing to have the eastern elevation finished in another material if this appearance is not considered to be acceptable.

However, the applicant also state that the east facing wall can only be finished to a high standard if the residents at 52A Wittenoom Street provide consent for workers to access their property to undertake any such work. Noting the requirements of the design guidelines, a high quality finish of the blank walls on the eastern elevation to the City's satisfaction should be required as a condition of any approval.

The proposal conforms to the development standards and provisions of the Royal and Bennett Streets Design Guidelines. Furthermore, the proposal is consistent with its approach to design where the garage and the residential dwelling are integrated rather than detached elements of the residences.

Noise

The objection to the proposal has detailed concerns regarding noise, particularly from the proposed lift and garage roof deck. More specifically, the residents of 52A Wittenoom Street have identified this noise potentially being heard from their main bedroom as the primary concern. The applicant has responded to the objection noting the courtyards of 52A and 52B Wittenoom Street are adjacent to each other and that this current configuration is not ideal for noise reduction. They have advocated that the proposal will reduce noise noting that the six metre high parapet wall will block more sound than the existing 1.8 metre high boundary wall.

In regards to the lift, the applicant has noted that any noise produced from the lift will also be attenuated by the proposed parapet wall and the lift shaft. Furthermore, the applicant has stated that they would not install a lift which would generate a high volume of noise, as doing so would have much more impact on them.

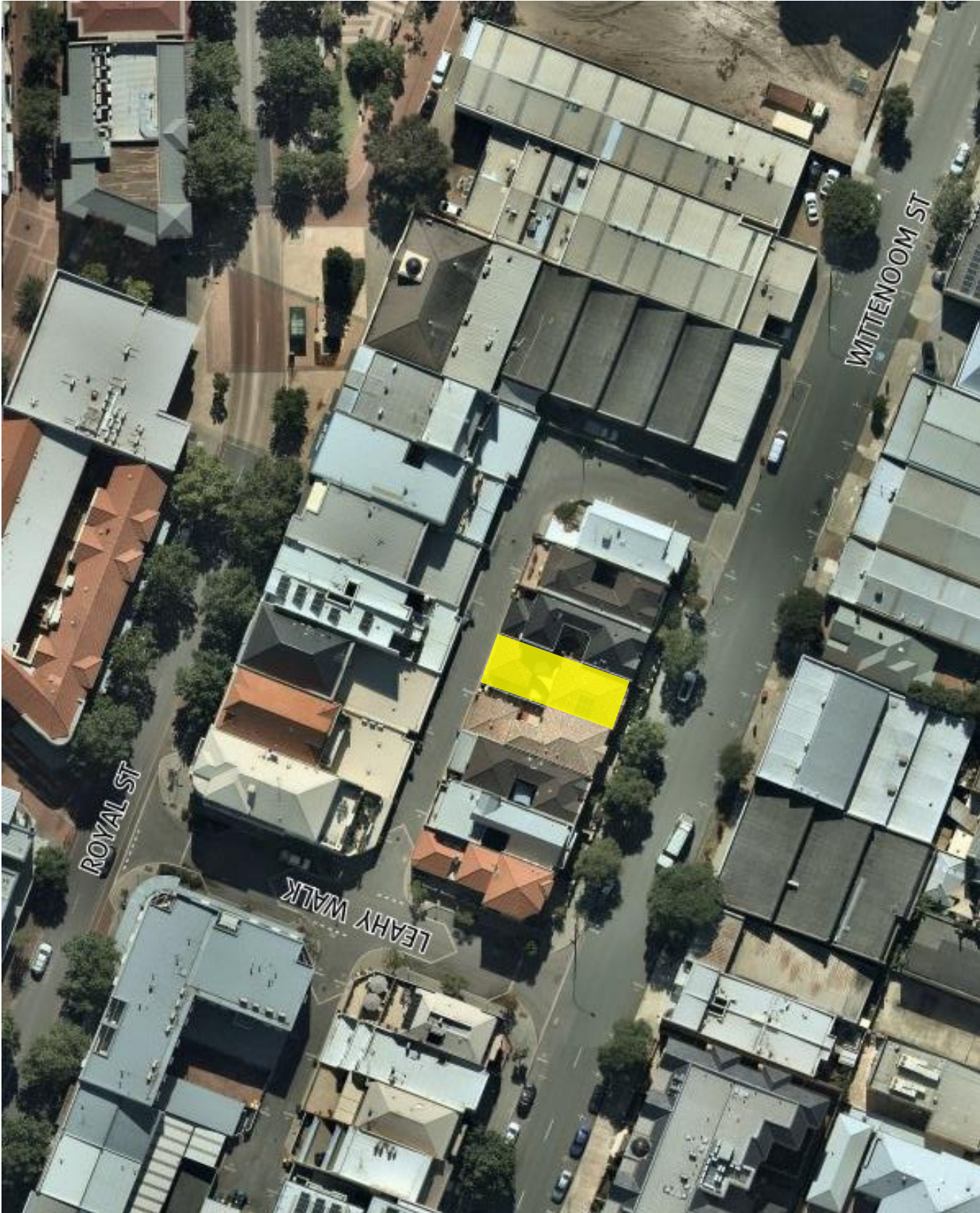
Whilst the use of a lift and garage roof deck may have potential noise impact, the proposal is not considered to have any additional noise impact than the use of the existing outdoor courtyard area.

Conclusion:

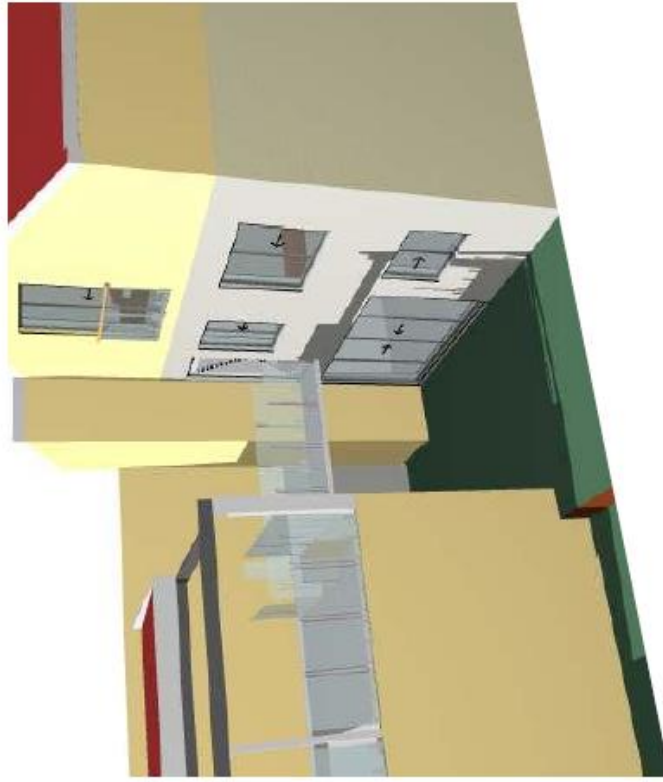
The proposed alterations and additions to the residence at 52B Wittenoom Street have been designed to comply with the applicable design guidelines. Notwithstanding, the objection received from the neighbours to the east of the subject site outlined issues pertaining to concerns over privacy, overshadowing, noise, building design and appearance.

The design is considered to be consistent with the provisions of the Royal and Bennett Streets Design Guidelines. Furthermore, the proposal seeks to follow a design which is similar in nature to other residences on the street, whilst maintaining privacy between adjoining properties. Any overshadowing of the adjoining property is limited to afternoon sun only and the proposal is not considered to create any additional noise concerns.

The applicant has responded to the concerns raised within the objection and they have highlighted that they are willing to cooperate with the City to address any major issues identified and can be satisfactorily addressed as conditions of any approval. It is recommended that the proposal for the alterations and additions to the existing residence be approved.



2017/5469 - 52B (LOT 115) WITTENOOM STREET, EAST PERTH



2017/5469 - 52B (LOT 115) WITTENOOM STREET, EAST PERTH (PERSPECTIVES)

Report to the Special Council Meeting

Agenda **Proposed Street Name for Driveway Access to the Westin Hotel**
Item 7.2 **at 480 Hay Street, Perth - 'Hibernian Lane'**

Recommendation:

That Council ADVISES the Geographic Names Committee that it supports the use of the name 'Hibernian Lane' for the private driveway situated adjacent to the eastern boundary of the hotel site at 480 Hay Street, Perth, connecting Murray and Hay Streets.

FILE REFERENCE: P1002137-4
 REPORTING UNIT: Development Approvals
 RESPONSIBLE DIRECTORATE: Planning and Development
 DATE: 6 March 2018
 ATTACHMENT/S: Attachment 7.2A - Location Plan

Council Role:

- | | | |
|-------------------------------------|----------------|---|
| <input type="checkbox"/> | Advocacy | <i>When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i> |
| <input type="checkbox"/> | Executive | <i>The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i> |
| <input type="checkbox"/> | Legislative | <i>Includes adopting local laws, town planning schemes and policies</i> |
| <input checked="" type="checkbox"/> | Quasi-Judicial | <i>When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i> |
| <input type="checkbox"/> | Information | <i>For the Council/Committee to note.</i> |

Legislation / Strategic Plan / Policy:

Legislation *Land Administration Act 1997 Part 2 Clause 26*

Integrated Planning and Reporting Framework Implications **Strategic Community Plan**
 Goal 2 An exceptionally well designed, functional and accessible city

Purpose and Background:

At its meeting held on 26 February 2015, the City of Perth Local Development Assessment Panel (LDAP) approved an application for a mixed-used development including a 26-storey hotel building incorporating the conservation and adaptation of the State Registered Hibernian Hall, a 24-storey office building, a two to three storey commercial building fronting Irwin Street accommodating restaurants and bars, retention of the State Registered No. 1 Fire Station (former) and basement carparking including a short-term public carpark at 480 Hay Street and 15-17 Murray Street, Perth.

The hotel is nearing completion and is due to open in April 2018. The office tower has not proceeded at this stage and the southern portion of the site has been developed with temporary landscaping and low scale retail and dining uses until the office building is constructed.

The main access to the hotel lobby will be from the private driveway located along the eastern boundary of the site with access from both Hay and Murray Streets.

As both the hotel and the future office tower will be located at 480 Hay Street, the owners of the hotel are seeking the City's support to name the private driveway to provide an alternative address for the hotel, making it easier for guests to locate the hotel entrance while also reducing the potential for confusion for clients and the delivery of goods and services to the office tower and the hotel.

Details:

The City has received a request from Rowe Group who are acting on behalf of the new Westin Hotel located at 480 Hay Street, Perth, to name the private driveway located adjacent to the eastern boundary of the hotel site connecting Murray and Hay Streets 'Hibernian Lane'. The proposed name is associated with the site as it has been taken from the State Registered Hibernian Hall that has been incorporated into the development to be used as the Westin Hotel's signature restaurant with seating for 125 guests.

The Hibernian Hall was designed by prominent Western Australian architects Cavanagh & Cavanagh who also designed the No 1 Fire Station on Murray Street.

The Hibernian Hall was opened in 1902 and served the local Irish-Australian community. The Hibernian Associations provided contributing members with access to financial assistance intended for sickness benefits, life insurance, funeral costs and benefits to members widows and families.

The Hibernian Hall was also associated with the Roman Catholic Church as it served as Cathedral Hall for St Mary's Cathedral (1930).

During the 1940's the Commonwealth Government committed to the eradication of tuberculosis in Australia. One of the first steps in improving tuberculosis control in Western Australia was the establishment of Chest Clinics, which were diagnostic and treatment centres, offering free x-ray facilities for patients. Hibernian Hall was purchased in 1947 for conversion into a Chest Clinic and headquarters for tuberculosis control.

The statement of Significance from the State Register for Hibernian Hall states that the building makes a strong visual contribution to Murray Street East Precinct while the Post World War II International Style building demonstrates the further development of the precinct and makes a small contribution to it.

Financial Implications:

There are no financial implications related to this report.

Comments:

The Geographic Names Committee (GNC), established under Landgate, is responsible for approving road names and has established the 'Policies and Standards for Geographical Naming in Western Australia'. These standards set out stringent criteria for road naming.

It is unusual for a private driveway to be formerly named, as road names are usually only applied to designated thoroughfares. In this instance, way finding signage has been approved as part of the hotel development, acknowledging that the hotel entry is not visible or accessible directly from either Hay Street or Murray Street.

Section 2: 'Roads; Which Roads can be named?' of the Policies and Standards for Geographic Naming in Western Australia states that:

"Driveways that give access to five or fewer address sites do not need to be named if the properties are adequately addressed on the main road that provides access. Driveways on private land or common property should not be named, unless it can be shown there is a risk to public safety or the name is causing confusion in the delivery of goods and services."

It is the hotel owners view that, despite the presence of directional signage on the site, it is foreseeable that the 480 Hay Street address will confuse guests who wish to access the hotel and given the number of separate buildings and tenancies on the site there is also a risk that there will be some confusion in the delivery of goods and services. With the naming of the driveway the hotel can then include a 'Hibernian Lane' address as part of its branding and promotions to assist in way finding.

It is Council's practice to issue road names that have a historical association with a particular place or locality. In the interests of way finding in the city, the naming of the private driveway 'Hibernian Lane' will maintain a historical connection to the new development and provide clear directions for guests and the delivery of goods and services for the hotel.

Given the above, it is recommended that Council agrees to seek the Geographic Names Committee's approval for the name 'Hibernian Lane' to be allocated to the private driveway located along the eastern boundary of 480 Hay Street, Perth.



Map - 480 Hay Street, Perth.

Recommendation:

That Council ACCEPTS the most suitable tender being that submitted by Lightspeed Communication Australia Pty Ltd for Fibre Optic Data and Communication Services (Tender 092-17/18) in accordance with the submitted Schedule of Rates in Confidential Attachment 7.3A for a period of three years with two options of up to one year each, in accordance with adopted budgets.

FILE REFERENCE:	P1035420
REPORTING UNIT:	Information Technology
RESPONSIBLE DIRECTORATE:	Corporate Services
DATE:	14 February 2018
ATTACHMENT/S:	Confidential Attachment 7.3A - Schedule of Comparative Pricing Confidential Attachment 7.3B - Evaluation Matrix Confidential Attachments distributed to Commissioners under separate cover.

Council Role:

- | | | |
|-------------------------------------|----------------|---|
| <input type="checkbox"/> | Advocacy | <i>When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i> |
| <input checked="" type="checkbox"/> | Executive | <i>The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i> |
| <input type="checkbox"/> | Legislative | <i>Includes adopting local laws, town planning schemes and policies</i> |
| <input type="checkbox"/> | Quasi-Judicial | <i>When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (e.g. under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i> |
| <input type="checkbox"/> | Information | <i>For the Council/Committee to note.</i> |

Legislation / Strategic Plan / Policy:

Legislation	Part 4 of the <i>Local Government (Function and General) Regulations 1996</i>
Integrated Planning and Reporting Framework Implications	Strategic Community Plan Goal 8 A city that delivers for its community 13808/18 Information Technology Asset Management Plan FY 18-19
Policy	
Policy No and Name:	9.7 - Purchasing

Purpose and Background:

The City of Perth operates internal network services that are provisioned by a vast array of optical fibre that traverse and circumnavigate around the City of Perth central business district. The optical fibre was originally installed to connect the City of Perth Parking facilities and provide Community Amenity and Safety with CCTV coverage. Today this City asset continues to provide this important connectivity and has expanded to provide network connectivity between key locations and the public Wifi service. It is currently under expansion to East Perth.

The optical fibre has been managed under tender which recently ended. The service provided under this tender is managed by the Information Technology Unit.

Details:

Tender 092-17/18 was advertised Saturday, 9 December 2017 and closed Thursday, 18 January 2018. Tenders were received from the following companies:

1. Programmed Electrical Technologies
2. NGT Downer – Fibre Optics & Communications Services
3. Lightspeed Communications & Electrical Services
4. Metrowest Electrical & Communications

Criteria 1 Transitioning capability, Project approach, reporting and communication planning.
Lightspeed Communications was rated as the best in response. All aspects of this criteria were captured in their response with additional detail. Metrowest response did meet the requirement listed whereas both Programmed Electrical and NGT Downer were short on at least 1 desired requirement.

Criteria 2 Suitability of the proposed service.

Lightspeed clearly understood these requirements of the City for the provisioning of these services. Their knowledge of the environment is extensive and this was evident in their response. Metrowest Electrical, NGT Downer and Programmed Electrical provided good responses however each missed a requirement linked to this criteria.

Criteria 3 Certification, skills and experience of key personnel.

In this criterion only Programmed Electrical Technologies were not able to meet all requirements.

Criteria 4 Experience and Quality.

NGT Downer was rated as the best in response for all four vendors. Lightspeed as the current provider was also able to demonstrate good experience on the City of Perth infrastructure. Both Metro West and Programmed Electrical Technologies could show some of the requirements but not all.

Financial Implications:

ACCOUNT NUMBER:	CW 2203/CL40889000-7217
BUDGET ITEM:	Fibre Optic Network & Public WIF 2017-18
17/18 BUDGETED AMOUNT:	\$110,000/\$60,000 (IT budget only)
KNOWN PROJECTS FY 17/18	
Referenced by each project in Attachment 7.3B	\$1,377,000
AMOUNT SPENT TO DATE:	\$ 0
PROPOSED COST:	\$ 0
BALANCE REMAINING:	\$ 0
ANNUAL MAINTENANCE:	\$ 50,000
ESTIMATED WHOLE OF LIFE COST:	\$3,000,000

All figures quoted in this report are exclusive of GST.

The whole of life costs of the proposed 3+1+1 year contract are estimated at \$3,000,000.

Projects to be delivered in the 2017/18 Financial Year have been approved or form part of the budget review process and are estimated to the value of \$1,377,000.

Projects proposed for 2018/19 financial year are estimated to the value of \$675,000.

Projects to be delivered in subsequent years will be in accordance with Council adopted budgets.

Comments:

Lightspeed Communications & Electrical Services was the strongest response overall to Tender 092-17/18. This was followed by NGT Downer – Fibre Optics & Communication Service. Lightspeed was the only vendor to meet or exceed all criteria requirements.

In review of the Pricing Schedule only Lightspeed could provide all costs and the maintenance estimates as requested. NGT Downer, Programmed Electrical and Metrowest Electrical all had gaps in the pricing schedule that was supplied with their responses.

CONFIDENTIAL ATTACHMENTS 7.3A & 7.3B
ITEM 7.3 – TENDER NO. 092-17/18 – FIBRE OPTIC, DATA &
COMMUNICATION SERVICES

FOR SPECIAL COUNCIL MEETING

27 MARCH 2018

DISTRIBUTED TO COMMISSIONERS UNDER SEPARATE COVER

Recommendation:

That Council ACCEPTS the most suitable tender, being that submitted by Duratec Australia Pty Ltd Pty Ltd Stage 1 Waterproofing (Tender 087-17/18) for a lump sum cost of \$1,415,732.33 (excluding GST).

FILE REFERENCE: P1035381
 REPORTING UNIT: Properties
 RESPONSIBLE DIRECTORATE: Construction and Maintenance
 DATE: 22 February 2018
 ATTACHMENT/S: Confidential Attachment 7.4A – Matrix
 Confidential Attachments distributed to Commissioners under separate cover.

Council Role:

- | | | |
|-------------------------------------|----------------|---|
| <input type="checkbox"/> | Advocacy | <i>When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i> |
| <input type="checkbox"/> | Executive | <i>The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i> |
| <input type="checkbox"/> | Legislative | <i>Includes adopting local laws, town planning schemes and policies.</i> |
| <input checked="" type="checkbox"/> | Quasi-Judicial | <i>When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (e.g. under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i> |
| <input type="checkbox"/> | Information | <i>For the Council/Committee to note.</i> |

Legislation / Strategic Plan / Policy:

Legislation Part 4 – of the *Local Government (Functions and General) Regulations 1996*

Integrated Planning and Reporting Framework Implications

Strategic Community Plan
 Goal 8 A city that delivers for its community

Policy

Policy No and Name: 9.7 – Purchasing

Purpose and Background:

Waterproofing remediation works are required to the concourse decks of the Perth Concert Hall. The City intends to undertake the works in two stages over two to three years. Stage 1 will incorporate the upper concourse level including the two ramps up to St Georges Terrace and the planter boxes on the eastern boundary.

Details:

Tender 087-17/18 Waterproofing Stage 1 – Perth Concert Hall, was advertised in the West Australian on Wednesday, 6 December 2017. Tenders closed at 2:00pm on Tuesday, 19 December 2017, with the following tenders received:

Consultant	Price (ex GST)
Duratec Australia Pty Ltd	\$1,415,732.33
Spanos (WA) Pty Ltd	\$1,714,008.90
Buss Barrett Joint Venture	\$1,323,867.45
SRG Services (Western) Pty Ltd	\$1,028,780.00

The quotations were evaluated against the following qualitative criteria:

Scope of Works

The Perth Concert Hall does not have a waterproofing membrane applied on the external ground level slab. As a result of this, leaks affecting several areas within the lower levels of the building (CPP Car Park) have been identified.

The scope of works for this project includes removal of heritage pavers and refurbishment of balustrades, bollards, light poles and hand rails. Additionally, should any corrosion be identified to the structural slab after removal of the pavers, repairs will need to take place; a provisional sum has been added to the submitted price as contingency.

After repairs have been completed, the contractor will install near 2,000 square metres of waterproofing membrane, followed by the reinstatement of removed pavers, make good and sign off by a heritage specialist.

Relevant Experience and structure of the company

Duratec Australia Pty Ltd met all the requirements of this criterion with no deficiencies. Duratec Australia Pty Ltd demonstrated recent experience with contracts of similar size and scope to the City's waterproofing project at the Perth Concert Hall.

Relevant Experience of key personnel

All four companies that tendered for the waterproofing works have met the criteria and provided the following relevant information: sub-contractors, supplies experiences and qualification. However, Duratec Australia Pty Ltd presented the details in a more consistent and professional manner.

Performance and Methodology

Duratec Australia Pty Ltd met all the requirements of this criterion with no deficiencies. Duratec scored the highest for this criterion (3.6/5) as they have demonstrated they understand the scope, they have provided a suitable methodology, they have undertaken similar projects previously and they have provided a proposed program in accordance with the City's timeframes. They have demonstrated they have the capacity to undertake the works as specified.

Financial Implications:

ACCOUNT NO:	CW2235
BUDGET ITEM:	Perth Concert Waterproofing Stage 1
BUDGETED AMOUNT:	\$2,000,000.00
AMOUNT SPENT TO DATE:	\$ 68,884.20
PROPOSED COST:	\$1,415,732.33
BALANCE REMAINING:	\$1,931,115.80
ANNUAL MAINTENANCE:	N/A

All figures quoted in this report are exclusive of GST.

Comment:

The City of Perth has a small window of opportunity to deliver the waterproofing project and although all the tendering contractors had relevant industry experience not all submissions could comply with the details outlining of the project delivery date. The Duratec Australia Pty Ltd submission has met all criteria for this project. Their understanding of the work schedule was well portrayed. Therefore, it is recommended that Duratec Australia Pty Ltd be appointed.

CONFIDENTIAL ATTACHMENT 7.4A
ITEM 7.4 – TENDER 087-1718 - WATERPROOFING STAGE 1 –
PERTH CONCERT HALL

FOR SPECIAL COUNCIL MEETING

27 MARCH 2018

DISTRIBUTED TO COMMISSIONERS UNDER SEPARATE COVER

Recommendation:

That Council:

1. ***APPROVES a new lease over Shop 1, 88-96 Murray Street, Perth under the terms and conditions detailed in Confidential Attachment 7.5A – Proposed Lease Terms;***
2. ***APPROVES the advertising under section 3.58 of the Local Government Act 1995, of the proposed new lease;***
3. ***APPROVES by AN ABSOLUTE MAJORITY for the Chief Executive Officer to be granted delegated authority to enter into a new lease subject to the following:***
 - 3.1. ***In the event an objecting submission is received this delegation does not apply and the proposal is presented to Council for consideration; and***
4. ***AUTHORISES the Chair of Commissioners and Chief Executive Officer to sign and affix the Common Seal to any necessary documentation required to affect the lease.***

FILE REFERENCE:	P1029442
REPORTING UNIT:	Properties
RESPONSIBLE DIRECTORATE:	Construction and Maintenance
DATE:	21 February 2018
ATTACHMENT/S:	Confidential Attachment 7.5A - Lease Terms and Conditions Attachment 7.5B - Tenancy Survey Plan Confidential Attachments distributed to Commissioners under separate cover.

Council Role:

- | | | |
|-------------------------------------|-------------|--|
| <input type="checkbox"/> | Advocacy | <i>When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i> |
| <input checked="" type="checkbox"/> | Executive | <i>The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i> |
| <input type="checkbox"/> | Legislative | <i>Includes adopting local laws, town planning schemes and policies.</i> |

- Quasi-Judicial *When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (e.g. under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.*
- Information *For the Council/Committee to note.*

Legislation / Strategic Plan / Policy:

Legislation Section 3.58 of the *Local Government Act 1995*, a disposition of land includes leasing of Local Government property. If a Local Government does not dispose of property via public auction or the public tender method, the proposal must be advertised for public comment unless the proposal is an exempt disposition.

Integrated Planning and Reporting Framework Implications

Strategic Community Plan

Goal 7 An open and engaged city

Goal 8 A city that delivers for its community

Policy

Policy No and Name:

9.10 – Management of Leases

9.14 – Disposal of Property

Purpose and Background:

In late 2017, the City were advised by the in-situ tenant of Shops 1 and 2, Pier Street Car Park, 88-96 Murray Street, Perth that they wished to exercise their option for a further five year lease term but only for the portion of leased area known as Shop 2. The current permitted use for this tenancy is retail of women's fashion and accessories.

The Lessee expressed their wish to surrender the other portion of tenancy being Shop 1, and at the same time had a new prospective lessee for the City to begin negotiations with. The Lessee advised Shop 1 would still be operated as per the permitted use of food and beverage.

Details:

The prospective Lessee has agreed to the negotiated lease terms. These have been agreed by way of an executed Agreement for Lease subject to Council approval.

The prospective Lessee (SFA Pty Ltd trading as Seoul Korean BBQ) seeks Council's approval to enter into a new lease agreement over Shop 1, Pier Street Car Park, 88-96 Murray Street, Perth for a period of five years commencing on 29 March 2018 with a further five year term for the permitted use of a food and beverage tenancy.

Financial Implications:

Shop 1

A proposed net rental of \$29,610.00 plus GST per annum (\$525.00 plus GST per square meter per annum) has been negotiated and agreed by the prospective Lessee subject to Council Approval. The current market rental valuation, conducted on 3 November 2017, for Shop 1 is \$525.00 plus GST per square meter per annum.

Alfresco – Shop 1

A proposed net rental of \$1,550.00 plus GST per annum (\$172.00 plus GST per square meter per annum) has been negotiated and agreed by the prospective Lessee. The current market valuation, conducted on 3 November 2017, for Shop 1 alfresco area is \$300.00 plus GST per square meter per annum, the basis for the higher valuation area rate being due to the smaller leased alfresco size.

A two month net rent free period has been agreed, which equates to a total of \$4,935.00 plus GST and represents approximately 3.32% of the total lease rental and is in line with market evidence.

All figures quoted in this report are exclusive of GST.

All valuations have been obtained as per the requirements of the *Local Government Act 1995* section 3.58 (3)-(4).

Comment:

The proposal is not unreasonable or atypical in the current WA property climate and is supported as a good commercial outcome for the City.

CONFIDENTIAL ATTACHMENT 7.5A
ITEM 7.5 – NEW LEASE - SHOP 1, PIER STREET CAR PARK, 88-96
MURRAY STREET, PERTH - SFA PTY LTD
(TRADING AS SEOUL KOREAN BBQ)

FOR SPECIAL COUNCIL MEETING

27 MARCH 2018

DISTRIBUTED TO COMMISSIONERS UNDER SEPARATE COVER



ACN 105 338 501
ABN 70 105 338 501

Bill France (Director)
L.S., B.App.Sc.Surv.

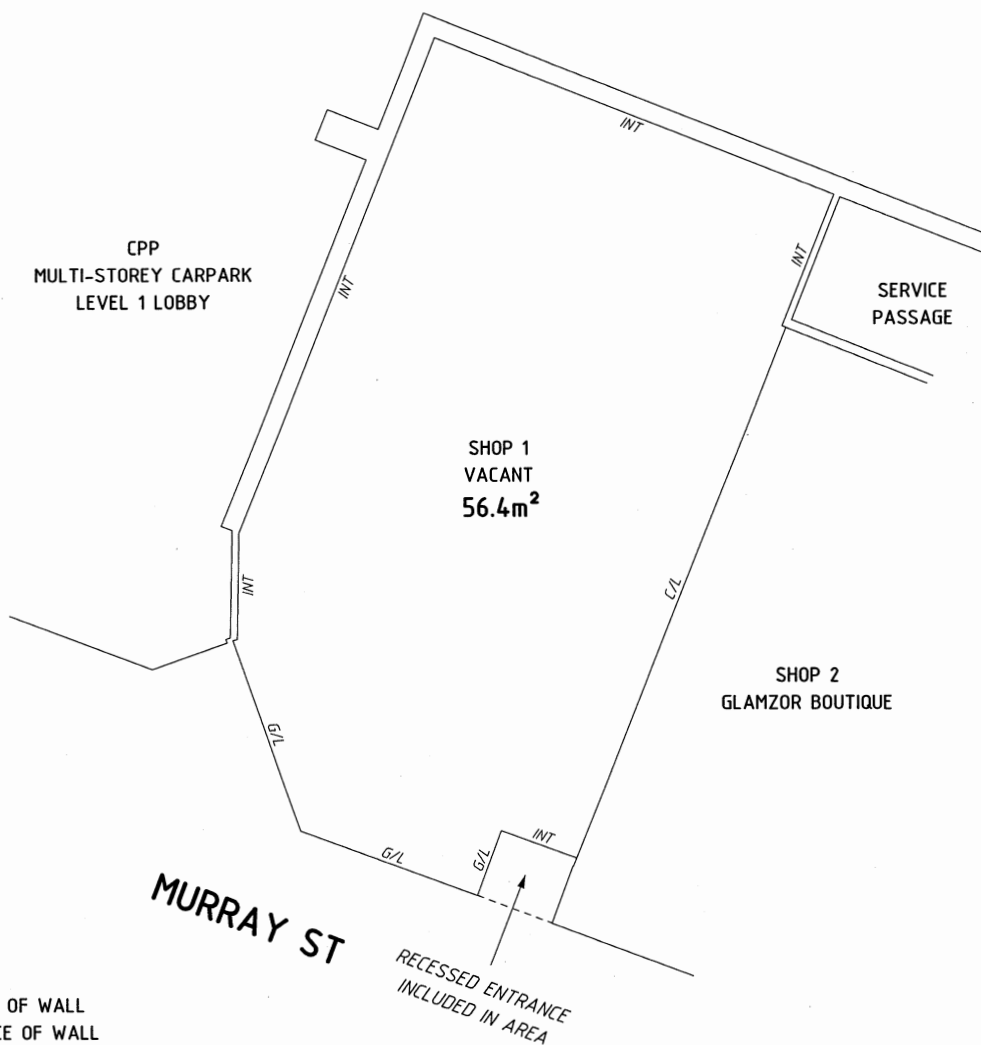
LETTABLE AREA SURVEY PIER STREET 87-89 PIER STREET, PERTH

GROSS LETTABLE AREA RETAIL
SECTION 1 OF THE P.C.A. 1997

DATE: 8th JANUARY 2018

SCALE: 1:100

BM: 17354



NOTES:

- INT - INTERNAL FACE OF WALL
- EXT - EXTERNAL FACE OF WALL
- C/L - CENTRE OF WALL
- G/L - GLASS

Recommendation:***That Council:***

1. ***APPROVES by AN ABSOLUTE MAJORITY an additional \$240,000.00 budget allocation to be transferred from the following account:***
 - 1.1. ***\$240,000.00 from Capital Works Project CW2234 – Pavement Screed and Waterproofing, Council House;***

to CW2239 Marble Façade and Concrete Repairs; and
2. ***ACCEPTS the most suitable tender from Duratec Australia Pty Ltd to undertake marble façade and concrete repairs to the Eastern, Western and Southern elevations of the elevated plaza of Council House.***

FILE REFERENCE:	P1035639
REPORTING UNIT:	Properties
RESPONSIBLE DIRECTORATE:	Construction and Maintenance
DATE:	27 February 2018
ATTACHMENT/S:	Confidential Attachment 7.6A - Confidential Matrix Confidential Attachment 7.6B - Confidential Financial Assessment Confidential attachments distributed to Commissioners under separate cover

Council Role:

- | | | |
|-------------------------------------|----------------|---|
| <input type="checkbox"/> | Advocacy | <i>When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i> |
| <input checked="" type="checkbox"/> | Executive | <i>The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i> |
| <input type="checkbox"/> | Legislative | <i>Includes adopting local laws, town planning schemes and policies.</i> |
| <input type="checkbox"/> | Quasi-Judicial | <i>When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i> |

Legislation / Strategic Plan / Policy:

Legislation	Part 4 – of the <i>Local Government (Functions and General) Regulations 1996</i>
Integrated Planning and Reporting Framework Implications	Strategic Community Plan Goal 7 An open and engaged city Goal 8 A city that delivers for its community
Policy	
Policy No and Name:	9.7 – Purchasing

Purpose and Background:

The elevated plaza is located to the eastern, western and southern elevations of the main building. The plaza is a suspended reinforced concrete slab supported by a series of beams and columns, mainly located in the underground car park. The sides of the plaza slab have been lined with marble facade panels along the elevations. In addition, steel handrails have been installed to the perimeter edges of the plaza slab (along the eastern, western and southern edges).

Concrete defects have been sighted to the vertical concrete surfaces behind the marble façade panels. The degree of spalling varies from section to section. Moreover, steel corrosion has been sighted to the perimeter handrail fixings that are attached to these concrete facades.

Details:

Tender 106-17/18 Marble Façade and Concrete Repairs – Council House, was advertised in the West Australian on Saturday, 3 February 2018. Tenders closed at 2:00pm on Tuesday, 20 February 2018, with the following tenders received:

Consultant	Price (ex GST)
Colgan Industries Pty Ltd	\$646,093.00
Duratec Australia Pty Ltd	\$673,832.30
AE Hoskins & Sons	\$800,325.22
Freyssinet	\$896,579.00

All the tenders received exceeded the approved budget allocation of \$500,000.

For comparative purposes, the tender submissions were assessed by a tender evaluation panel against the following qualitative criteria:

- Demonstrated capacity and experience of the company;
- Demonstrated capacity and experience of key personnel;
- Methodology and program; and
- Product quality/suitability.

The following assessment was made:

Demonstrated capacity and experience of the company

AE Hoskins & Sons and Duratec Australia Pty Ltd met all the requirements of this criterion with no deficiencies. They demonstrated recent experience with contracts of similar size and scope as well as providing a capacity statement outlining their availability to undertake the works. Colgan Industries Pty Ltd and Freyssinet provided limited information for this criterion.

Relevant Experience of key personnel

Duratec Australia Pty Ltd scored the highest in this criterion by providing detailed CV's outlining experience in similar works. AE Hoskins & Sons scored second highest by providing CV's relevant to the works. Colgan Industries Pty Ltd provided CV's that were lacking detail and only one CV submitted by Freyssinet was readable by the panel as the other documentation was embedded and therefore unable to be opened.

Methodology and program

Duratec Australia Pty Ltd scored the highest on this criterion by providing detailed information including a GANTT chart, traffic management plan and clear methodology. AE Hoskins & Sons scored second on this criterion by providing a GANTT chart and methodology, however they stated a June completion date which does not meet the completion date specified in the Scope of Works. Freyssinet received a nil score for this criterion as their attachments were embedded within the document and could not be opened.

Product quality/suitability

Duratec Australia Pty Ltd scored the highest in this criterion by providing products similar to or of equal quality to those suggested in the Tender document. They also provided examples of projects where they have used the products previously. AE Hoskins & Sons scored second highest due to their ability to provide similar quality products and examples of their Materials Safety Data Sheets. Colgan Industries Pty Ltd provided background on the previous use of similar rated products and scored third on this criterion. Freyssinet received a nil score for this criterion as their attachments were embedded into the submitted document and could not be opened.

Financial Implications:

ACCOUNT NO:	CW2239
BUDGET ITEM:	Marble Façade and Concrete Repairs
BUDGETED AMOUNT:	\$ 500,000.00
AMOUNT SPENT TO DATE:	\$ 54,150.00
PROPOSED COST:	\$ 673,832.30
BALANCE REMAINING:	\$-227,982.30
ANNUAL MAINTENANCE:	\$ 500.00
ESTIMATED WHOLE OF LIFE COST:	

The additional funds are to be sourced from the following account:

ACCOUNT NO:	CW2234
BUDGET ITEM:	Pavement Screed and Waterproofing, Council House
BUDGETED AMOUNT:	\$800,000.00
AMOUNT SPENT TO DATE:	\$ 40,200.00
PROPOSED COST:	\$337,939.00
BALANCE REMAINING:	\$421,861.00
ANNUAL MAINTENANCE:	N/A
ESTIMATED WHOLE OF LIFE COST:	

All figures quoted in this report are exclusive of GST.

This will not impact the ability to deliver the current projects.

Comment:

Surplus funds have been identified in Capital Works Project CW2234 – Pavement Screed and Waterproofing, Council House which has a budget of \$800,000. The project has been streamlined to enable a shorter construction period, therefore reducing costs and enabling a surplus of \$421,861. It is recommended that Council approve the transfer of \$240,000 from CW2234 to Capital Works Project CW2239 – Marble Façade and Concrete Repair to allow this project to commence.

The Marble Façade and Concrete repairs project is critical for Council House as a number of the existing marble panels are loose and falling away from the building which poses a risk to the health and safety of people within the area, the screed layer that bonds the panels to the facade has failed and needs to be reinstated which will allow them to be secured to the façade safely.

If additional funds cannot be allocated to this project, the project will need to be cancelled.

CONFIDENTIAL ATTACHMENTS 7.6A & 7.6B
ITEM 7.6 – TENDER 106-17/18 – MARBLE FAÇADE AND CONCRETE
REPAIRS – COUNCIL HOUSE

FOR SPECIAL COUNCIL MEETING

27 MARCH 2018

DISTRIBUTED TO COMMISSIONERS UNDER SEPARATE COVER

Agenda
Item 7.7 **Compliance Audit Return 2017**

Recommendation:

That Council ADOPTS the completed 2017 Compliance Audit Return as detailed in Attachment 7.7A for certification by the Chair Commissioner and the Chief Executive Officer in accordance with Regulation 15(2) of the Local Government (Audit) Regulations 1996.

The Committee recommendation to the Council for this report was resolved by the Audit and Risk Committee at its meeting held on 19 March 2018.

The Committee recommendation to the Council is the same as that recommended by the Officers.

Following the Audit and Risk Committee held on 19 March 2018 changes were recommended by the Committee and have been incorporated into the report and the 2017 Compliance Audit Return.

FILE REFERENCE:	P1013788-5
REPORTING UNIT:	Corporate Services Office
RESPONSIBLE DIRECTORATE:	Corporate Services
DATE:	21 March 2018
ATTACHMENT/S:	Attachment 7.7A - Completed 2017 Compliance Audit Return

Council Role:

- | | | |
|-------------------------------------|----------------|---|
| <input type="checkbox"/> | Advocacy | <i>When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i> |
| <input checked="" type="checkbox"/> | Executive | <i>The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i> |
| <input type="checkbox"/> | Legislative | <i>Includes adopting local laws, town planning schemes and policies</i> |
| <input type="checkbox"/> | Quasi-Judicial | <i>When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (e.g. under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i> |
| <input type="checkbox"/> | Information | <i>For the Council/Committee to note.</i> |

Legislation / Strategic Plan / Policy:

Legislation Section 7.13(1)(i) of the *Local Government Act 1995*
Regulations 13, 14, 15 and 16 of the *Local Government (Audit) Regulations 1996*.

Integrated Planning and Reporting Framework Implications **Strategic Community Plan**
Goal 8 A city that delivers for its community

Policy
Policy No and Name: 19.1 – Risk Management

Purpose and Background:

Western Australian local governments are required to complete a Compliance Audit Return (CAR) annually to the Department of Local Government, Sport and Cultural Industries (DLGSCI) in accordance with the requirements of the *Local Government (Audit) Regulations 1996*.

The return is a checklist of a local government's compliance with the requirements of the *Local Government Act 1995* (Act) and its Regulations as approved by the Minister. It focuses on areas considered high risk as determined by the DLGSCI. The 2017 CAR has an increased number of questions (94) due to a new section related to Integrated Planning and Reporting. Compliance with legislative requirements as listed under the following sections of the CAR is determined.

- Commercial Enterprises by Local Governments (5 questions);
- Delegation of Power / Duty (13 questions);
- Disclosures of Interest (16 questions);
- Disposal of Property (2 questions);
- Elections (Gift Register) (1 question);
- Finance (14 questions);
- Integrated Planning and Reporting (7 questions);
- Local Government Employees (5 questions);
- Official Conduct (6 questions); and
- Tenders for providing Goods and Services (25 questions).

This Compliance Audit covers the period 1 January to 31 December 2017. The completed 2017 CAR is required to be:

- Presented for review by the Audit and Risk Committee before being presented for adoption by Council;
- Subsequently certified by the Chair Commissioner and the Chief Executive Officer; and
- Returned to the DLGSCI with a copy of the relevant Council minutes by 31 March 2018.

It should be noted that the 2017 CAR was reviewed at the Audit and Risk Committee meeting on 19 March 2018 and some changes were recommended by members of the committee. As a result of these recommendations, the following changes have been made to the 2017 CAR:

- Commercial Enterprises by Local Government section. The number of non-compliances reduced from two to nil (questions 1, 4 and 5 updated response is “N/A”). These changes are due to the City of Perth Parking Business Plan being in draft form only in 2017; and
- Disclosure of Interests section. The number of non-compliances reduced from seven to five (questions 1 and 13 updated response is “yes” and “N/A” respectively). During the preparation of the 2017 CAR it was deemed that non-disclosures by Elected Members needed to be recorded as a non-compliance for transparency purposes. The CAR does not contain a question(s) to capture these non-disclosures. However, it is acknowledged that a strict interpretation of questions 1 and 13 warrants the responses of “yes” and “N/A” respectively and as a result these updates have been made within the 2017 CAR.

Details:

The Compliance Audit has been undertaken as an internal audit, sourcing evidence of compliance through the City’s record keeping system and where required, through additional information held by respective Units. Each legislative requirement listed on the CAR has been examined either wholly or by sample, dependent on the volume of activity and known risk factors.

This approach has been successful in achieving a more rigorous assessment of the City’s compliance whilst facilitating identification of opportunities for improvement. It is important to note that where a sample has been examined the audit results are based only on that sample.

Whilst the annual Compliance Audit is compulsory, the City benefits through the carrying out of this audit as follows:

- gaining assurance that operations are compliant;
- staff increasing their knowledge and understanding of legislative frameworks and compliance obligations; and
- providing assurance that the City is working to deliver good governance.

The completed 2017 CAR is provided as Attachment 7.7A.

The following is a summary of sections reviewed as part of the 2017 CAR and includes a description of instances of non-compliances.

Commercial Enterprises by Local Governments

There were no non-compliances identified during the audit period for this section of the CAR.

Delegation of Power / Duty

There was one non-compliance identified during the audit period for this section of the CAR. This instance refers to question 6 below.

Question 6: *Did the powers and duties of the Council delegated to the CEO exclude s5.42(1), 5.43; those as listed in section 5.43 of the Act?*

Admin Reg 18G

One instance of non-compliance whereby the CEO authorised via a memorandum for a Director to sign documents on behalf of the City of Perth i.e. documents requiring the Common Seal in accordance with Council Policy 10.9 "City of Perth Common Seal and Document Signing Authority" for the period 9 to 10 March 2017 (to cover the absence of the CEO). This is contrary to section 5.43 (ha) of the Act.

Section 5.43 of the Act lists a number of powers and duties that cannot be delegated to the CEO (must be exercised by the Council only) including the power under section 9.49A(4) to authorise a person to sign documents on behalf of the local government (section 5.43(ha)). Clause 3.2.3 "Deputising or Signing on Behalf of Another Person" of the abovementioned Policy 10.9 specifies that in the absence of a person authorised by this policy another person may only deputise where they have been appointed in writing to act in the authorised person's position. In this instance, it was confirmed by Human Resources Unit that there is no record of the Director acting on behalf of the CEO.

A review of relevant processes to ensure compliance with this item is to be carried out by the Governance Unit.

Observation:

Question 9: *Were all delegations by the CEO to any employee in writing?*
s5.44(2)

The City was found to be compliant with this legislative requirement. However, the following observation was noted.

During the Tender Evaluation Process Review carried out by Internal Audit in September 2017 a number of instances were identified whereby tender Project Officers during the tender evaluation process sought clarification from tenderers in relation to information contained in their tender submission without a written delegation by the CEO. Project Officers do not have a delegated authority to seek these clarifications as per Delegation of Authority 1.2.9 "Expressions of Interest and Tenders".

This matter has been brought to the attention of the Procurement Specialist. The Procurement Specialist advised that the requirement to seek clarification from tenderers in accordance with the above mentioned delegated authority is included within the new Evaluation Workbook for tenders released in February 2018. The inclusion of this requirement within the workbook has been confirmed. As per Delegated Authority 1.2.9, authority to seek clarification from tenderers in relation to information contained in their tender submission has only been given to the CEO, Directors, Senior Contracts Officer (limited to Construction and Maintenance Directorate tenders), Procurement Specialist and Contract Administrator.

Disclosures of Interest

There were five instances of non-compliance identified during the audit period for this section of the CAR. These instances refer to questions 5, 7, 10, 11 and 14 below.

Internal Audit has been advised by the Governance Coordinator that a review of relevant processes will be undertaken in order to improve compliance with disclosures of interest legislative requirements.

Question 5: *Was a primary return lodged by all newly designated employees within s5.75(1); Admin three months of their start day.*
Reg 22 Form 2

Twelve designated employees did not lodge a primary return within three months of their start day (day of commencement of employment in a role with delegated authority or the day on which the person became a designated employee).

During audit testing it was identified that six of these twelve designated employees lodged their primary returns after three months from their start day.

It was also identified that six other designated employees had not submitted a primary return. This matter was raised with the Governance Unit and as a result primary returns for each of these designated employees were submitted in late January 2018.

The Governance Unit has confirmed that for eleven of the twelve designated employees the reason for late lodgement was process error. For the remaining designated employee follow up was carried out by Governance within the abovementioned three month period, however, the employee in question lodged their primary return three weeks after final date due.

A review of the primary return process with a view to ensure that primary returns are completed within the timeframe established within section 5.75 of the Act and Division 6 of the Act has been commenced by the Governance Unit.

Question 7: *Was an annual return lodged by all designated employees by 31 August s5.76(1); Admin 2017.*
Reg 23 Form 3

Five designated employees did not lodge an annual return by 31 August 2017 as required by section 5.76 of the Act.

During audit testing, it was identified that one of these designated employees lodged an annual return on 5 October 2017.

Another designated employee is on maternity leave and an annual return has not been completed.

It was also identified that three other designated employees did not lodge an annual return. This matter was raised with the Governance Unit and as a result annual returns for each of these designated employees were submitted in late January 2018.

The Governance Unit has confirmed that for three of the five designated employees the reason for late lodgement was process error. As previously mentioned one designated employee was on maternity leave. For the remaining designated employee follow up was carried out by Governance just before 31 August 2017, however, the employee in question lodged their annual return five weeks after this date.

A review of the annual return process with a view to ensure that annual returns are completed within the timeframe established within section 5.76 of the Act and Division 6 of the act has been commenced by the Governance Unit.

Question 10: *Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70 and 5.71, in the form prescribed in Administration Regulation 28.*
s5.88(1)(2);
Admin Reg 28

Audit testing identified that one disclosure was not recorded in the register (Financial Interest and Non-financial Disclosures Register) in accordance with Administration Regulation 28. On this occasion, an impartiality interest was disclosed by an employee at the Marketing, Sponsorship and International Engagement Committee on 15 August 2017 and recorded in the register. However, number and details of the matter's agenda item at the meeting were not recorded in the register as per the abovementioned regulation.

The abovementioned impartiality interest was disclosed at the Ordinary Council meeting on 29 August 2017. However, this disclosure was not recorded in the register.

On another occasion, a council member disclosed an impartiality interest at the Finance and Administration Committee meeting on 7 February 2017. However, this disclosure was also not recorded in the register.

Additional measures have been into place to prevent future non-compliance.

Question 11: *Has the CEO removed all returns from the register when a person ceased to be a person required to lodge a return under section 5.75 or 5.76.*
s5.88 (3)

One employee who has ceased to be designated employee in 2017 was not removed from the Primary and Annual Return Register. This will be included in the review of the primary and annual return process.

Question 14: *Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to the Council or a Committee, did that person disclose the nature of that interest when giving the advice or report.*
s5.70(2)

At the Works and Urban Development Committee on 18 July 2017 and Ordinary Council meeting on 1 August 2017 an employee failed to disclose an interest in committee item 6.1 and Council item 13.19 respectively in relation to a tenderer (Tender 171-16/17 –Wellington Street Stage 2B South and Median Island and Associated Works). The employee maintains a friendship with an employee that works for one of the tenderers as per tender evaluation documentation and therefore had an impartiality interest. This employee provided a report/advice directly to the abovementioned Committee and Council meetings regarding a recommendation to accept a preferred tenderer. Under section 5.70(2) of the Act an employee must disclose the nature of the interest when giving the advice or report. In this instance, there is no evidence of disclosing this interest to the abovementioned Committee and Council.

Disclosures of interest requirements in relation to tenders have been updated by the Procurement Specialist within the abovementioned Evaluation Workbook.

Disposal of Property

There was one instance of non-compliance identified during the audit period for this section of the CAR. This instance refers to question 1 below.

Question 1: *Was local public notice given prior to disposal for any property not s3.58(3) disposed of by public auction or tender (except where excluded by Section 3.58(5)).*

There were two cases as identified below whereby no public notice was given prior to the disposal of City's property. A public auction/tender process did not take place for these two disposals.

1. Technology Smart Shelf (City of Perth Library). Written Down Value reported as \$26,730; and
2. Road Sweeper. Written Down Value reported as \$118,407.46.

These two cases involved the return of the property item to the original supplier due to malfunctioning issues. A payment (refund) of \$12,272.73 was received from the original supplier for the Technology Smart Shelf. In the case of the Road Sweeper disposition, the City received another sweeper worth \$100,000 from the original supplier. No reference to market value (as required by Section 3.58 of the Act) was sighted in the disposition documentation for these property items.

These two cases were discussed and confirmed with relevant Governance and Finance Unit staff.

Relevant Library and Plant and Equipment staff involved in the above disposals have been advised by Internal Audit of the correct treatment for property item disposals i.e. in accordance with section 3.58 of the Act.

Elections

There was one instance of non-compliance identified during the audit period for this section of the CAR.

Question 1 *Did the CEO establish and maintain an electoral gift register and ensure Elect Reg 30G (1) that all 'disclosure of gifts' forms completed by candidates and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the candidates.*

One instance of non-compliance was identified whereby a disclosure of gift form completed and lodged by a candidate was not placed on the electoral gift register.

In addition, it was observed that a disclosure of gifts form was not provided by three donors.

According to the Regulation 30G of the *Local Government (Elections) Regulations 1997* disclosure of gifts' forms need to be completed by both candidates and donors, received by the CEO and placed on the electoral gift register.

These matters have been brought to the attention of and noted by relevant Governance Unit staff.

Internal Audit has been advised by the Governance Coordinator that relevant processes relating to obtaining and recording disclosure of gift forms will be reviewed to improve compliance with legislative requirements for disclosures of gifts during elections.

Finance

There was one instance of non-compliance identified during the audit period for this section of the CAR. This instance refers to question 12 below.

Question 12 *Did the agreement between the local government and its auditor Audit Reg 7 include a plan for the audit.*

In accordance with regulation 7 of the *Local Government (Audit) Regulations 1996*, an agreement between a local government and its auditor is to include the following requirements:

- Objectives of the audit;
- Scope of the audit;
- Plan for the audit;
- Remuneration/expenses to be paid to the auditor; and
- The method to be used by the local government to communicate with, and supply information to, the auditor.

Clause 5.8 of the Tender Specification for City of Perth contract 111 15/16 (Provision of Audit Services), states that the above requirements are to be provided by the City's auditor prior to the commencement of each annual audit.

The above requirements except for the plan for the audit were provided by the City's auditor for the audit for the year ended 30 June 2017. This plan has previously been provided by the auditor within an Audit Planning Memorandum (i.e. 2014 and 2015, but not in 2016).

Confirmation of the omission of the audit plan for the audit for the year ended 30 June 2017 was obtained from the City's auditor. The abovementioned requirements of regulation 7 were reiterated to the City's auditor to ensure future compliance.

Integrated Planning and Reporting

There were no non-compliances identified during the audit period for this section of the CAR.

Local Government Employees

There was one instance of non-compliance identified during the audit period for this section of the CAR. This instance refers to question 2 below.

Question 2 *Were all vacancies for the position of CEO and other designated senior employees advertised and did the advertising comply with s.5.36(4), Admin Reg 18A 5.37(3) and Admin Reg 18A*

Three designated senior employee positions were advertised in the Weekend Australian, The West Australian newspaper and the Australian Local Government Job Directory. The advertisement for the three senior employee positions did not contain contact details for a person who can provide further information about the position as per regulation 18A(2)(e) of the *Local Government (Administration) Regulations 1996*.

The requirement to include contact details within advertisements for senior staff has been conveyed to relevant Human Resources Unit staff to ensure future compliance with this legislation.

Official Conduct

There were no non-compliances identified during the audit period for this section of the CAR.

Tenders for Providing Goods and Services

There was one instance of non-compliance identified during the audit period for this section of the CAR. This instance relates to question 1 below.

Question 1: *Did the local government invite tenders on all occasions (before entering into contracts for the supply of goods or services) where the consideration under the contract was, or was expected to be, worth more than the consideration stated in Regulation 11(1) of the Local Government (Functions & General) Regulations (Subject to Functions and General Regulation 11(2)).*

11

Audit identified five occasions where the procurement values exceeded or was expected to exceed the tender threshold of \$150,000 during 2017 as highlighted within memorandums accompanying the quarterly Contract Expenditure Reports. Relevant suppliers are as follows:

<u>A/C No.</u>	<u>Description of Goods/Services</u>
05770	The March 2017 memorandum states "various written quotes for the supply of equipment and associated services – Total expenditure indicates that a formal process should be undertaken". As at March 2017 expenditure with this supplier was over the \$150,000 tender threshold. No contract is currently in place for these services.
03714	The June 2017 memorandum states "various written quotes for glass replacements and repairs". As at July 2017 expenditure with this supplier was over the \$150,000 tender threshold. In this case a contract is in place since January 2018 for these services.
01773	The June 2017 memorandum states "written quotes for 1) traffic counting 2) intersection turning movement survey 3) parking accumulation survey. A tender for a panel to be called". Expenditure with this supplier exceeded the \$150,000 tender threshold in June 2017. No contract is currently in place for these services.
04736	The June 2017 memorandum states "written quotes for 1) Cow Parade Evaluation. 2) Christmas & New Year Evaluation. Expenditure indicates that a formal process should have been undertaken". As at June 2017 expenditure is over \$150,000 tender threshold. No contract is currently in place for these services.
07287	The December 2017 memorandum states "temporary personnel services – the services are not covered on either the WALGA or CUA panels". As at December 2017 expenditure is within the \$150,000 tender threshold. However, further invoices are expected to be paid in January 2018 thereby placing expenditure with this supplier over the tender threshold.

The Procurement Specialist has advised that he is currently working with the Data and Information Unit to obtain supplier expenditure data using the Microsoft Power Business Intelligence (BI) data analytics tool. This data will be used by the Procurement Specialist for monitoring, on a monthly basis, supplier expenditure against the tender threshold. It is envisaged that this monitoring will be in place between March and June 2018.

Financial Implications:

There are no financial implications related to this report.

Comments:

The following table provides a comparative summary of the City's compliance per sections of the CAR as evidenced in 2016 and 2017 calendar years. Total number of questions in the 2016 and 2017 CAR was 87 and 94 respectively. In the last two years the question(s) per sections of the CAR were identical with the exception of 7 questions within a new section of the 2017 CAR, Integrated Planning and Reporting.

Section of the CAR	Non-compliances (Questions) Reported		Comparison / Comments
	2016	2017	
Commercial Enterprises by Local Governments	Nil	Nil	
Delegation of Power / Duty	Nil	1	Refer to questions 6 in the 2017 CAR.
Disclosure of Interest	5	5	Refer to questions 5, 7, 10, 11 and 14 in 2017 CAR.
Disposal of Property	2	1	Refer to question 1 in 2017 CAR.
Elections	Nil	1	Refer to question 1 in 2017 CAR.
Finance	4	1	Refer to question 12 in 2017 CAR.
Integrated Planning and Reporting	N/A	Nil	
Local Government Employees	1	1	Refer to question 2 in 2017 CAR.
Official Conduct	Nil	Nil	
Tenders for Providing Goods and Services	1	1	Refer to question 1 in 2017 CAR.
Totals	13	11	

A comparison between 2016 and 2017 results show a small decline in the number of non-compliances reported via the CAR.

Each of the non-compliances reported in the 2017 CAR have been highlighted and discussed with relevant staff. As a result of these discussions, relevant staff members have increased awareness of legislative requirements within the CAR and advised Internal Audit that they will undertake actions to correct issues where applicable and/or improve existing processes to achieve a higher level of compliance in 2018 and beyond. A report on progressing these matters will be presented to a future meeting of the Audit and Risk Committee.



Department of
**Local Government, Sport
and Cultural Industries**

Perth - Compliance Audit Return 2017

Certified Copy of Return

Please submit a signed copy to the Director General of the Department of Local Government, Sport and Cultural Industries together with a copy of section of relevant minutes.

Commercial Enterprises by Local Governments						
No	Reference	Question	Response	Comments	Respondent	
1	s3.59(2)(a)(b)(c) F&G Reg 7,9	Has the local government prepared a business plan for each major trading undertaking in 2017.	N/A	A draft report was prepared in 2017 in relation to a business plan for City of Perth Parking, however, this report was not endorsed by Council in 2017. This business plan is in response to a finding from the Organisational Capability and Compliance Assessment completed by Deloitte and reported to Council in June 2017.	Niloha Mendoza	
2	s3.59(2)(a)(b)(c) F&G Reg 7,10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2017.	N/A	No major land transaction that was not exempt in 2017.	Niloha Mendoza	
3	s3.59(2)(a)(b)(c) F&G Reg 7,10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2017.	N/A	No preparatory land transaction to entry into a major land transaction in 2017.	Niloha Mendoza	
4	s3.59(4)	Has the local government given Statewide public notice of each proposal to commence a major trading undertaking or enter into a major land transaction for 2017.	N/A		Niloha Mendoza	
5	s3.59(5)	Did the Council, during 2017, resolve to proceed with each major land transaction or trading undertaking by absolute majority.	N/A		Niloha Mendoza	



Department of
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Delegation of Power / Duty					
No	Reference	Question	Response	Comments	Respondent
1	s5.16, 5.17, 5.18	Were all delegations to committees resolved by absolute majority.	Yes	Referenced in annual review: Ordinary Council Meeting (OCM) 01/08/2017 Item 13.14.	Niloha Mendoza
2	s5.16, 5.17, 5.18	Were all delegations to committees in writing.	Yes	Referenced in 2017/18 Delegated Authority Register.	Niloha Mendoza
3	s5.16, 5.17, 5.18	Were all delegations to committees within the limits specified in section 5.17.	Yes	Referenced in 2017/18 Delegated Authority Register.	Niloha Mendoza
4	s5.16, 5.17, 5.18	Were all delegations to committees recorded in a register of delegations.	Yes	2017/18 Delegated Authority Register.	Niloha Mendoza
5	s5.18	Has Council reviewed delegations to its committees in the 2016/2017 financial year.	Yes	Referenced in annual review: OCM 01/08/2017 Item 13.14.	Niloha Mendoza
6	s5.42(1),5.43 Admin Reg 18G	Did the powers and duties of the Council delegated to the CEO exclude those as listed in section 5.43 of the Act.	No	1 instance of non-compliance whereby the CEO authorised a Director to sign documents on behalf of the City of Perth for the period 9 to 10 March 2017 (this is contrary to section 5.43 (ha)).	Niloha Mendoza
7	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO resolved by an absolute majority.	Yes	OCM 01/08/2017 Item 13.14.	Niloha Mendoza
8	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO in writing.	Yes	As per 2017/18 Delegated Authority Register.	Niloha Mendoza
9	s5.44(2)	Were all delegations by the CEO to any employee in writing.	Yes	As per 2017/18 Delegated Authority Register.	Niloha Mendoza
10	s5.45(1)(b)	Were all decisions by the Council to amend or revoke a delegation made by absolute majority.	Yes	As per annual review: OCM 01/08/2017 Item 13.14.	Niloha Mendoza
11	s5.46(1)	Has the CEO kept a register of all delegations made under the Act to him and to other employees.	Yes	Referenced in 2017/18 Delegated Authority Register.	Niloha Mendoza
12	s5.46(2)	Were all delegations made under Division 4 of Part 5 of the Act reviewed by the delegator at least once during the 2016/2017 financial year.	Yes	Referenced in CEO Annual Delegated Authority Review as well as Delegation of Authority Register 2017/18.	Niloha Mendoza
13	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record as required.	Yes	Based on audit sample. However, unable to confirm that a written record was kept on all occasions.	Niloha Mendoza



Department of
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Disclosure of Interest						
No	Reference	Question	Response	Comments	Respondent	
1	s5.67	If a member disclosed an interest, did he/she ensure that they did not remain present to participate in any discussion or decision-making procedure relating to the matter in which the interest was disclosed (not including participation approvals granted under s5.68).	Yes		Niloha Mendoza	
2	s5.68(2)	Were all decisions made under section 5.68(1), and the extent of participation allowed, recorded in the minutes of Council and Committee meetings.	N/A	No decisions made under section 5.68(1).	Niloha Mendoza	
3	s5.73	Were disclosures under section 5.65 or 5.70 recorded in the minutes of the meeting at which the disclosure was made.	Yes	Referenced in the 2017 Financial and Non-financial Interest Disclosures Register and various Council and Committee meetings.	Niloha Mendoza	
4	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly elected members within three months of their start day.	Yes	2 newly elected members in 2017.	Niloha Mendoza	
5	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly designated employees within three months of their start day.	No	12 instances of non-compliance whereby newly designated employees did not lodge a primary return within the required period.	Niloha Mendoza	
6	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all continuing elected members by 31 August 2017.	Yes	As per Primary and Annual Return Register.	Niloha Mendoza	
7	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all designated employees by 31 August 2017.	No	5 instances of non-compliance as per Primary and Annual Return Register.	Niloha Mendoza	
8	s5.77	On receipt of a primary or annual return, did the CEO, (or the Mayor/ President in the case of the CEO's return) on all occasions, give written acknowledgment of having received the return.	Yes	As per Primary and Annual Return Register.	Niloha Mendoza	
9	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained the returns lodged under section 5.75 and 5.76	Yes	As per Primary and Annual Return Register.	Niloha Mendoza	
10	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70 and 5.71, in the form prescribed in Administration Regulation 28.	No	3 disclosures were not recorded in the register.	Niloha Mendoza	
11	s5.88 (3)	Has the CEO removed all returns from the register when a person ceased to be a person required to lodge a return under section 5.75 or 5.76.	No	1 instance of non-compliance as per Primary and Annual Return Register.	Niloha Mendoza	



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No	Reference	Question	Response	Comments	Respondent
12	s5.88(4)	Have all returns lodged under section 5.75 or 5.76 and removed from the register, been kept for a period of at least five years, after the person who lodged the return ceased to be a council member or designated employee.	Yes	As per Primary and Annual Return Register.	Niloha Mendoza
13	s5.103 Admin Reg 34C & Rules of Conduct Reg 11	Where an elected member or an employee disclosed an interest in a matter discussed at a Council or committee meeting where there was a reasonable belief that the impartiality of the person having the interest would be adversely affected, was it recorded in the minutes.	N/A		Niloha Mendoza
14	s5.70(2)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to the Council or a Committee, did that person disclose the nature of that interest when giving the advice or report.	No	1 instance of non-compliance whereby 1 employee did not disclose an interest. The above mentioned employee provided a report/advice directly to the Council regarding a tender outcome. However, the employee maintains a friendship with an employee of one of the tenderers.	Niloha Mendoza
15	s5.70(3)	Where an employee disclosed an interest under s5.70(2), did that person also disclose the extent of that interest when required to do so by the Council or a Committee.	Yes	As per 2017 Financial and Non-financial Interest Disclosures Register.	Niloha Mendoza
16	s5.103(3) Admin Reg 34B	Has the CEO kept a register of all notifiable gifts received by Council members and employees.	Yes	As per Gift Register. Only once the gift has been notified.	Niloha Mendoza

Disposal of Property

No	Reference	Question	Response	Comments	Respondent
1	s3.58(3)	Was local public notice given prior to disposal for any property not disposed of by public auction or tender (except where excluded by Section 3.58(5)).	No	2 instances of non-compliance whereby no public notice was given prior to disposal of a City's property.	Niloha Mendoza
2	s3.58(4)	Where the local government disposed of property under section 3.58(3), did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of property.	Yes	In one other applicable instance (Tenancy 1, S3 Kings Square, 10 Telethon Avenue, Perth) local public notice with relevant details was given by the City.	Niloha Mendoza



**Department of
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Elections					
No	Reference	Question	Response	Comments	Respondent
1	Elect Reg 30G (1)	Did the CEO establish and maintain an electoral gift register and ensure that all 'disclosure of gifts' forms completed by candidates and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the candidates.	No	1 instance of non-compliance whereby a disclosure of gift by a candidate was not placed on the electoral gift register.	Niloha Mendoza

Finance					
No	Reference	Question	Response	Comments	Respondent
1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Act.	Yes	An Audit Committee was established at Special Council meeting on 11/05/2010. The Council rename it as the Audit and Risk Committee on 4/06/2013. The Council appointed new members to the Audit & Risk Committee and re-appointed the independent member (for a term to expire 21 May 2019) at Special Council meeting on 24/10/2017.	Niloha Mendoza
2	s7.1B	Where a local government determined to delegate to its audit committee any powers or duties under Part 7 of the Act, did it do so by absolute majority.	N/A	No change to the Audit and Risk Committee delegation 1.1.3 in 2017. OCM 01/08/17 Item 13.14.	Niloha Mendoza
3	s7.3	Was the person(s) appointed by the local government to be its auditor, a registered company auditor.	Yes	OCM 11/10/2016, Item 388/16. Registered Auditor 302461.	Niloha Mendoza
4	s7.3, 7.6(3)	Was the person or persons appointed by the local government to be its auditor, appointed by an absolute majority decision of Council.	Yes	Referenced in OCM 11/10/2016, Item 388/16.	Niloha Mendoza
5	Audit Reg 10	Was the Auditor's report for the financial year ended 30 June 2017 received by the local government within 30 days of completion of the audit.	Yes	The auditor's report was completed/signed off on 24/11/17. The City of Perth received the Auditor's report through its Audit & Risk Committee on 11/12/17 and by the Council on 19/12/17.	Niloha Mendoza
6	s7.9(1)	Was the Auditor's report for the financial year ended 30 June 2017 received by the local government by 31 December 2017.	Yes	The Auditor's report was received by the Audit & Risk Committee on 11/12/17 item 8.2 and by the Council on 19/12/17 item 13.21.	Niloha Mendoza



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No	Reference	Question	Response	Comments	Respondent
7	S7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under s7.9 (1) of the Act required action to be taken by the local government, was that action undertaken.	Yes	2 minor issues were raised in the auditor's report for the 2016/17 financial year. These issues are in the process of being addressed.	Niloha Mendoza
8	S7.12A (4)	Where the local government determined that matters raised in the auditor's report (prepared under s7.9 (1) of the Act) required action to be taken by the local government, was a report prepared on any actions undertaken.	N/A	No report was required to be sent to the Minister. Issues raised in the auditor's report were of a minor nature not warranting direction from the Department.	Niloha Mendoza
9	S7.12A (4)	Where the local government determined that matters raised in the auditor's report (prepared under s7.9 (1) of the Act) required action to be taken by the local government, was a copy of the report forwarded to the Minister by the end of the financial year or 6 months after the last report prepared under s7.9 was received by the local government whichever was the latest in time.	N/A	No report was required to be sent to the Minister. Issues raised in the auditor's report were of a minor nature not warranting direction from the Department.	Niloha Mendoza
10	Audit Reg 7	Did the agreement between the local government and its auditor include the objectives of the audit.	Yes	Contract - Tender No. 111 15/16, Tender Specification 5.8, requires objective, scope and plan of the audit to be provided prior to the commencement of the audit and for each subsequent audit by the auditors. The objective of the audit was sighted in the 2017 Engagement Letter.	Niloha Mendoza
11	Audit Reg 7	Did the agreement between the local government and its auditor include the scope of the audit.	Yes	The scope of the audit was included in the above mentioned 2017 Engagement Letter.	Niloha Mendoza
12	Audit Reg 7	Did the agreement between the local government and its auditor include a plan for the audit.	No	Not provided by the auditors as required by above mentioned Contract Tender No. 111 -15/16 Specification 5.8.	Niloha Mendoza
13	Audit Reg 7	Did the agreement between the local government and its auditor include details of the remuneration and expenses to be paid to the auditor.	Yes	As per the above mentioned Contract Tender No. 111-15/16 and 2017 Engagement Letter.	Niloha Mendoza
14	Audit Reg 7	Did the agreement between the local government and its auditor include the method to be used by the local government to communicate with, and supply information to, the auditor.	Yes	This is included in the Engagement Letter dated 13/06/2017.	Niloha Mendoza



Department of
**Local Government, Sport
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Integrated Planning and Reporting					
No	Reference	Question	Response	Comments	Respondent
1	s5.56 Admin Reg 19DA (6)	Has the local government adopted a Corporate Business Plan. If Yes, please provide adoption date of the most recent Plan in Comments. This question is optional, answer N/A if you choose not to respond.	Yes	OCM 6/6/2017 Item 13.20.	Niloha Mendoza
2	s5.56 Admin Reg 19DA (6)	Has the local government adopted a modification to the most recent Corporate Business Plan. If Yes, please provide adoption date in Comments. This question is optional, answer N/A if you choose not to respond.	N/A		Niloha Mendoza
3	s5.56 Admin Reg 19C (7)	Has the local government adopted a Strategic Community Plan. If Yes, please provide adoption date of the most recent Plan in Comments. This question is optional, answer N/A if you choose not to respond.	Yes	Special Council Meeting 28/6/2017 Item 8.3.	Niloha Mendoza
4	s5.56 Admin Reg 19C (7)	Has the local government adopted a modification to the most recent Strategic Community Plan. If Yes, please provide adoption date in Comments. This question is optional, answer N/A if you choose not to respond.	N/A		Niloha Mendoza
5	S5.56	Has the local government adopted an Asset Management Plan. If Yes, in Comments please provide date of the most recent Plan, plus if adopted or endorsed by Council the date of adoption or endorsement. This question is optional, answer N/A if you choose not to respond.	Yes	OCM 6/6/2017 Item 13.20.	Niloha Mendoza
6	S5.56	Has the local government adopted a Long Term Financial Plan. If Yes, in Comments please provide date of the most recent Plan, plus if adopted or endorsed by Council the date of adoption or endorsement. This question is optional, answer N/A if you choose not to respond.	Yes	OCM 6/6/2017 Item 13.20.	Niloha Mendoza
7	S5.56	Has the local government adopted a Workforce Plan. If Yes, in Comments please provide date of the most recent Plan plus if adopted or endorsed by Council the date of adoption or endorsement. This question is optional, answer N/A if you choose not to respond.	N/A		Niloha Mendoza



**Department of
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Local Government Employees					
No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 18C	Did the local government approve the process to be used for the selection and appointment of the CEO before the position of CEO was advertised.	N/A	CEO recruitment did not occur during the audit period - 1 January to 31 December 2017.	Niloha Mendoza
2	s5.36(4) s5.37(3), Admin Reg 18A	Were all vacancies for the position of CEO and other designated senior employees advertised and did the advertising comply with s.5.36(4), 5.37(3) and Admin Reg 18A.	No	3 designated senior employee positions were advertised in the Weekend Australian, The West Australian newspaper and the Australian Local Government Job Directory. The advertisement for the 3 senior employee positions does not include contact details for a person who can provide further information about the position.	Niloha Mendoza
3	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position of CEO under section 5.36(4).	N/A	CEO was not recruited in 2017.	Niloha Mendoza
4	Admin Regs 18E	Did the local government ensure checks were carried out to confirm that the information in an application for employment was true (applicable to CEO only).	N/A	CEO was not recruited in 2017.	Niloha Mendoza
5	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss a designated senior employee.	Yes	A proposal to employ the Director Economic Development and Activation; Director Planning and Development; and Manager Coordination and Design occurred during 2017.	Niloha Mendoza



Official Conduct					
No	Reference	Question	Response	Comments	Respondent
1	s5.120	Where the CEO is not the complaints officer, has the local government designated a senior employee, as defined under s5.37, to be its complaints officer.	N/A	The CEO is the Complaints Officer.	Niloha Mendoza
2	s5.121(1)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that result in action under s5.110(6)(b) or (c).	Yes	As per the City of Perth Register of Complaints of Minor Breaches. 3 complaints of minor breaches occurred during 2017.	Niloha Mendoza
3	s5.121(2)(a)	Does the complaints register maintained by the complaints officer include provision for recording of the name of the council member about whom the complaint is made.	Yes	As per the City of Perth Register of Complaints of Minor Breaches.	Niloha Mendoza
4	s5.121(2)(b)	Does the complaints register maintained by the complaints officer include provision for recording the name of the person who makes the complaint.	Yes	As per the City of Perth Register of Complaints of Minor Breaches.	Niloha Mendoza
5	s5.121(2)(c)	Does the complaints register maintained by the complaints officer include provision for recording a description of the minor breach that the standards panel finds has occurred.	Yes	As per the City of Perth Register of Complaints of Minor Breaches.	Niloha Mendoza
6	s5.121(2)(d)	Does the complaints register maintained by the complaints officer include the provision to record details of the action taken under s5.110(6)(b) or (c).	Yes	As per the City of Perth Register of Complaints of Minor Breaches.	Niloha Mendoza

Tenders for Providing Goods and Services					
No	Reference	Question	Response	Comments	Respondent
1	s3.57 F&G Reg 11	Did the local government invite tenders on all occasions (before entering into contracts for the supply of goods or services) where the consideration under the contract was, or was expected to be, worth more than the consideration stated in Regulation 11(1) of the Local Government (Functions & General) Regulations (Subject to Functions and General Regulation 11(2)).	No	Audit identified 5 occasions where the procurement values exceeded or were about to exceed the tender threshold. Evidence sighted in the Contracts Expenditure Report.	Niloha Mendoza
2	F&G Reg 12	Did the local government comply with F&G Reg 12 when deciding to enter into multiple contracts rather than inviting tenders for a single contract.	Yes	As per monthly Contract Expenditure Reports.	Niloha Mendoza



Department of
**Local Government, Sport
 and Cultural Industries**

No	Reference	Question	Response	Comments	Respondent
3	F&G Reg 14(1) & (3)	Did the local government invite tenders via Statewide public notice.	Yes	As per Tenders Register Book, the City has advertised tenders in the West Australian newspaper. Likewise, the tenders have been displayed on the Council House and Perth City Library public notice boards.	Niloha Mendoza
4	F&G Reg 14 & 15	Did the local government's advertising and tender documentation comply with F&G Regs 14, 15 & 16.	Yes	As per Tenders Register Book.	Niloha Mendoza
5	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents or each acceptable tenderer, notice of the variation.	Yes	Based on sample audit testing (addendums issued to tenderers).	Niloha Mendoza
6	F&G Reg 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of F&G Reg 16.	Yes	As per City of Perth Tendering for Goods and Services Procedure and review of Tenders Register.	Niloha Mendoza
7	F&G Reg 18(1)	Did the local government reject the tenders that were not submitted at the place, and within the time specified in the invitation to tender.	Yes	2 instances of rejection of late tenders sighted in sample testing (tender 011-17/18, and tender 028-17/18).	Niloha Mendoza
8	F&G Reg 18 (4)	In relation to the tenders that were not rejected, did the local government assess which tender to accept and which tender was most advantageous to the local government to accept, by means of written evaluation criteria.	Yes	Evidence sighted in sample tenders files.	Niloha Mendoza
9	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of F&G Reg 17.	Yes	As per review of Tender Register Book.	Niloha Mendoza
10	F&G Reg 19	Was each tenderer sent written notice advising particulars of the successful tender or advising that no tender was accepted.	Yes	Evidence sighted in sample tenders files.	Niloha Mendoza
11	F&G Reg 21 & 22	Did the local governments's advertising and expression of interest documentation comply with the requirements of F&G Regs 21 and 22.	Yes	As per the EOJ advertisements within Tender Register.	Niloha Mendoza
12	F&G Reg 23(1)	Did the local government reject the expressions of interest that were not submitted at the place and within the time specified in the notice.	Yes	1 instance of rejection of late expression of interest i.e. EOJ 080-17/18. All other expressions of interest submitted at the place and within the time specified in the notice.	Niloha Mendoza



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No	Reference	Question	Response	Comments	Respondent
13	F&G Reg 23(4)	After the local government considered expressions of interest, did the CEO list each person considered capable of satisfactorily supplying goods or services.	Yes	Evidence sighted in Record of Delegated Authority Decision for above mentioned Expressions of Interest.	Niloha Mendoza
14	F&G Reg 24	Was each person who submitted an expression of interest, given a notice in writing in accordance with Functions & General Regulation 24.	Yes	Letter to successful and unsuccessful applicants were provided.	Niloha Mendoza
15	F&G Reg 24AD(2)	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice.	Yes	As per Tenders Register.	Niloha Mendoza
16	F&G Reg 24AD(4) & 24AE	Did the local government's advertising and panel documentation comply with F&G Regs 24AD(4) & 24AE.	Yes	As per Tenders Register.	Niloha Mendoza
17	F&G Reg 24AF	Did the local government's procedure for receiving and opening applications to join a panel of pre-qualified suppliers comply with the requirements of F&G Reg 16 as if the reference in that regulation to a tender were a reference to a panel application.	Yes	As per City of Perth Purchasing Policy 9.7 and review of Tenders Register.	Niloha Mendoza
18	F&G Reg 24AD(6)	If the local government to sought to vary the information supplied to the panel, was every reasonable step taken to give each person who sought detailed information about the proposed panel or each person who submitted an application, notice of the variation.	Yes	As per addendums issued to applicants for sampled tender panels.	Niloha Mendoza
19	F&G Reg 24AH(1)	Did the local government reject the applications to join a panel of pre-qualified suppliers that were not submitted at the place, and within the time specified in the invitation for applications.	N/A	All submissions received at the place and time specified in the invitation as per Tender Register.	Niloha Mendoza
20	F&G Reg 24AH(3)	In relation to the applications that were not rejected, did the local government assess which application (s) to accept and which application(s) were most advantageous to the local government to accept, by means of written evaluation criteria.	Yes	As per relevant Council Reports and Records of Delegated Authority Decision Report.	Niloha Mendoza
21	F&G Reg 24AG	Did the information recorded in the local government's tender register about panels of pre-qualified suppliers, comply with the requirements of F&G Reg 24AG.	Yes	As per Tender Register.	Niloha Mendoza
22	F&G Reg 24AI	Did the local government send each person who submitted an application, written notice advising if the person's application was accepted and they are to be part of a panel of pre-qualified suppliers, or, that the application was not accepted.	Yes	As per sample letters to applicants within Content Manager (records keeping system).	Niloha Mendoza



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No	Reference	Question	Response	Comments	Respondent
23	F&G Reg 24E	Where the local government gave a regional price preference in relation to a tender process, did the local government comply with the requirements of F&G Reg 24E in relation to the preparation of a regional price preference policy (only if a policy had not been previously adopted by Council).	N/A	No Regional price preference given in 2017.	Niloha Mendoza
24	F&G Reg 24F	Did the local government comply with the requirements of F&G Reg 24F in relation to an adopted regional price preference policy.	N/A		Niloha Mendoza
25	F&G Reg 11A	Does the local government have a current purchasing policy in relation to contracts for other persons to supply goods or services where the consideration under the contract is, or is expected to be, \$150,000 or less.	Yes	Corporate Policy No. 9.7 (Purchasing Policy).	Niloha Mendoza

I certify this Compliance Audit return has been adopted by Council at its meeting on _____

Signed Mayor / President, Perth

Signed CEO, Perth

Recommendation:

That Council ACCEPTS the following Tenders as the most suitable offers to cover two of the categories included in Tender 085-17/18 'Tree Growing, Supply and Installation':

Category A – Contract Tree Growing

- ***Ellenby Tree Farm Pty Ltd***

Category B – Tree Supply and Installation

- ***A.L. Baldock & J. Baldock Pty Ltd T/A Psycosand***

for a period of three years with the option of two single year extensions, exercisable at the sole discretion of the City as per the Schedule of Rates detailed in Confidential Attachment 7.8A and 7.8B, with annual CPI increases.

FILE REFERENCE:	P1035379
REPORTING UNIT:	Parks
RESPONSIBLE DIRECTORATE:	Construction and Maintenance
DATE:	12 February 2018
ATTACHMENT/S:	Confidential Attachment 7.8A - Ellenby Tree Farm Pty Ltd Schedule of Rates Confidential Attachment 7.8B - A.L. Baldock & J. Baldock Pty Ltd T/A Psycosand Schedule of Rates Confidential Attachment 7.8C - Comparative Price Schedule Confidential Attachment 7.8D - Qualitative Evaluation Matrix Confidential attachments distributed to Commissioners under separate cover.

Council Role:

- | | | |
|-------------------------------------|-------------|--|
| <input type="checkbox"/> | Advocacy | <i>When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i> |
| <input checked="" type="checkbox"/> | Executive | <i>The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i> |
| <input type="checkbox"/> | Legislative | <i>Includes adopting local laws, town planning schemes and policies</i> |

- Quasi-Judicial *When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (e.g. under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.*
- Information *For the Council/Committee to note.*

Legislation / Strategic Plan / Policy:

Legislation Part 4 of the *Local Government (Functions and General) Regulations 1996*

Integrated Planning and Reporting Framework Implications

Strategic Community Plan

- Goal 2 An exceptionally well designed, functional and accessible city
- Goal 3 A city connected to its natural beauty
- Goal 4 A future focused and resilient city
- Goal 8 A city that delivers for its community

Policy

Policy No and Name: 15.2 - Protection and Enhancement of Open Space
9.7 - Purchasing Policy

Purpose and Background:

Prior to December 2017 tree supply and installation was included as part of the City's Tree Watering contract. Tree planting in hard stand areas including tree grates was not included in the Contract and was previously advertised separately on an as required basis extending project time frames considerably.

Tender 085-17/18 'Tree Growing, Supply and Installation' was developed as a cross-directorate project following the expiry of the Tree Watering contract in December 2017 and covers all aspects of tree supply and installation. The Tender includes three separable portions to enable contractors to tender on one or more of the portions, based on their expertise and experience.

The purpose of this report is to provide a review of the tender submissions received and to recommend that Council accepts the tenders which provide the most benefit to the City.

Details:

Tender 085-17/18 Tree Growing, Supply and Installation was advertised in the West Australian on Wednesday, 22 November 2017.

The Tender consists of the following categories:

- Category A: Tree Growing**
 This is a new Contract and is for the contract growing and supply of trees where trees are ordered 10-12 months in advance of being required.
- Category B: Tree Supply and Installation in soft verges and pre-prepared tree pits**
 This category is for the supply and planting of trees into soft landscape areas and pre-prepared tree pits where no civil construction works are required. Trees included in this category are sourced on an as required basis and are not ordered months in advance.
- Category C: Tree Supply and Installation including tree pit construction in hardscape**
 This is a new contract. This category is for installation of trees in hard landscape areas where civil works are required to construct tree pits. Work can be limited to the supply and installation of tree pit infrastructure.

Bidders were able to make a submission against any or all categories.

Tenders closed at 2.00pm on Thursday, 14 December 2017, with the following submissions received:

Company Name	Category A: Tree Growing	Category B: Tree Supply and Installation	Category C: Tree Supply and Installation into Hardstand
A.L. Baldock & J. Baldock Pty Ltd T/A Psycosand		x	x
Ellenby Tree Farm Pty Ltd	x	x	
BCL Group Pty Ltd		x	x
Quito Pty Ltd T/A Benara Nurseries	x		
Forestvale Trees Pty Ltd	x		
NEJ Investments Pty Ltd T/F Great Scott Family Trust T/A Arborwest Tree Farm	x		
Arbor Centre Pty Ltd		x	x

The Tenders were assessed against the following criteria:

Compliance Assessment:

All Tenderers complied with the City's Conditions of Contract.

Qualitative Assessment against Selection Criteria:

As part of their submission, Tenderers were required to address six qualitative selection criteria as listed in Table 1 (below):

Table 1 Tender 063-17/18 Qualitative Criteria

Qualitative Criteria
Experience in providing goods and services of a similar nature
Skills and experience of staff undertaking the specified works
Quality Control procedures
Tendered price / value for money

Comparative Price Schedule:

Prices were compared across the Schedule of Rates for those items which had been quoted by all Tenderers. A Comparative Price Schedule is provided at Confidential Attachment 7.8C.

Quito Pty Ltd T/A Benara Nurseries

Benara Nurseries are a well-established WA Company which supplies stock to retailers, local government and developers. Benara submitted for Category A only – Tree Growing. Benara rated second against the Qualitative criteria, mainly because they had the lowest stock availability of all tree species listed.

NEJ Investments Pty Ltd T/F Great Scott Family Trust T/A Arborwest Tree Farm

Arborwest submitted for Category A only – Tree Growing. Arborwest rated lowest against the Qualitative criteria. Their submission lacked information on similar projects and they were unable to supply a price for a large number of the required tree species.

Forestvale Trees Pty Ltd

Forestvale Trees submitted for Category A – Tree Growing only. Although Forestvale supply to other local government areas, their overall submission was brief and rated third against the Qualitative criteria. The submission by Forestvale lacked information in regards to key personnel and relevant experience; and they were unable to supply a price for a large number of the required tree species.

Arbor Centre Pty Ltd

Arbor Centre Pty Ltd is recognised for their experience in transplanting advanced trees and arboriculture services. All examples of experience reflected this set of specialised skills. More evidence of relevant experience in delivering greater quantities of trees in soft verges or hardscape was required. Arbor Centre's process control plan again referred specifically to the transplanting of advanced trees. Benara Nurseries (NIAA accredited), was listed as a subcontractor to supply bag stock trees, with Arborcentre supplying the larger field grown trees.

Ellenby Tree Farm Pty Ltd

Ellenby Tree Farm submitted for Category A – Tree Growing; and Category B – Tree Supply and Installation in soft verges and pre-prepared tree pits. Ellenby Tree Farm rated highest against the Qualitative criteria for Category A; as the demonstrated the capacity to supply quality trees and the ability to provide a large percentage of required species. Ellenby Tree Farm scored lower against Category B, as they provided limited evidence of experience in typical street tree planting.

Ellenby Tree Farm Pty Ltd was considered by the Tender Evaluation Panel to provide the most advantageous outcome for the City for Category A – Tree Growing.

A.L. Baldock & J. Baldock T/A Psycosand

The submission by A.L. Baldock & J. Baldock T/A Psycosand (Psycosand) demonstrated extensive experience for the supply and install of trees in soft verges, pre-prepared tree pits and parkland. Psycosand has had tree planting contracts with a number of metropolitan councils, including the City of Perth for the Urban Forest Plan, infill planting and tree replacement. While the submission would have benefited from more information relating to quality control procedures, Psycosand stated that trees will be sourced from accredited nurseries in accordance with AS 2303. Equipment and resources were satisfactory to meet scope of works.

Psycosand also quoted on Category C – Tree Supply and Installation including tree pit construction in hardscape; however, the evaluation panel did not feel Psycosand has the necessary experience in civil construction and coordinating complex traffic management plans to deliver this contract.

A.L. Baldock & J. Baldock T/A Psycosand was considered by the Tender Evaluation Panel to provide the most advantageous outcome for the City for Category B – Tree Supply and Installation in soft verges and pre-prepared tree pits.

BCL Group Pty Ltd

BCL Group Pty Ltd (BCL)'s core experience is in the delivery of large civil construction and landscaping projects, including streetscape and road upgrades. Although BCL were rated highest against the qualitative criteria, the company failed the independent financial capacity assessment and the City has since then been notified that BCL Group have suspended trading.

The other two submissions against Category C were not considered to meet the requirements of the Tender and therefore Category C of this contract will be withdrawn.

Assessment Matrix:

The Tender Assessment Matrix is attached at Confidential Attachment 7.8D.

Financial Implications:

ACCOUNT NO:	Various Parks operational accounts
BUDGET ITEM:	43
BUDGETED AMOUNT (FY17/18):	\$ 120,000
AMOUNT SPENT TO DATE:	\$ 0
BALANCE REMAINING	\$ 120,000
PROPOSED COST (FY18/19):	\$ 120,000
TOTAL CONTRACT COST:	\$ 360,000 (over three years)

ACCOUNT NO:	CW2187
BUDGET ITEM:	Urban Forest Plan Streetscapes
BUDGETED AMOUNT (FY17/18):	\$ 500,000
AMOUNT SPENT TO DATE:	\$ 198,753
COMMITTED:	\$ 104,902
BALANCE REMAINING	\$ 196,345
PROPOSED COST (FY18/19):	\$ 170,000
TOTAL CONTRACT COST:	\$1,350,000 (over three years)

All figures quoted in this report are exclusive of GST.

The Contracts are for a duration of three years, with the option of two single year extensions. The costs associated for new plantings under this Tender will be funded from the Urban Forest Plan budget (CDU), with any gap-up planting funded from the Parks unit operational budget.

Note: Future Urban Forest Plan capital works budgets are subject to Council approval.

Comments:

The submissions from the recommended Tenderers rated well against all qualitative selection criteria; and the tender evaluation panel considers the Tenderers included in the report recommendation to be the most advantageous to the City, due to the overall quality of the submission and the scores against the qualitative criteria.

CONFIDENTIAL ATTACHMENTS 7.8A – 7.8D
ITEM 7.8 – TENDER 085-17/18 TREE GROWING, SUPPLY AND
INSTALLATION

FOR SPECIAL COUNCIL MEETING

27 MARCH 2018

DISTRIBUTED TO COMMISSIONERS UNDER SEPARATE COVER