



City of Perth

**Ordinary Council Meeting
Minutes**

**31 March 2020
5pm**

Meeting held via videoconference

APPROVED FOR RELEASE

Mr Murray Jorgensen
Chief Executive Officer



City of Perth

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Minutes**

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Meeting held via videoconference

Minutes to be confirmed at the next Ordinary Council meeting.

THESE MINUTES ARE HEREBY CERTIFIED AS CONFIRMED

Presiding Member's Signature

DATE: _____

Order of Business

Item

1. Prayer/Acknowledgement of country
2. Declaration of opening
3. Apologies
4. Question time for the public and notification of deputations
5. Members on leave of absence and applications for leave of absence
6. Confirmation of minutes
7. Announcements by the Chair Commissioner
8. Disclosures of members interests
9. Questions by members of which due notice has been given
10. Correspondence
11. Petitions
12. Matters for which the meeting may be closed
13. Reports

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14. Motions of which previous notice has been given
15. Urgent business

16. Closure

Minutes of the Ordinary Council Meeting of the City of Perth held via videoconference on Tuesday, 31 March 2020.

Members in attendance

Chair Commissioner Andrew Hammond Presiding Member
Deputy Chair Commissioner Gaye McMath
Commissioner Len Kosova

Officers in attendance

Mr Murray Jorgensen	Chief Executive Officer
Mr Bill Parker	General Manager Corporate Services
Mr Chris Kopec	General Manager Infrastructure and Operations
Ms Anne Banks-McAllister	General Manager Community Development
Mr Jayson Miragliotta	General Manager Planning and Economic Development
Ms Karin Strachan	Project Director Corporate Recovery
Mr Michael Kent	Project Director Strategic Finance
Ms Margaret Smith	Alliance Manager Development Approvals
Ms Tabitha McMullan	Alliance Manager Activation and Cultural Experience
Ms Siobhan Rippington	Governance Coordinator
Ms Ashlee Rutigliano	Governance Officer

Observers

Ms Nicole Moody Hunter Communications

1. Prayer/Acknowledgment of Country

The Chief Executive Officer read the prayer.

The Chair Commissioner read the Acknowledgement of Country.

2. Declaration of opening

5.03pm The Chair Commissioner declared the meeting open and read aloud the attendees of the meeting via videoconference.

3. Apologies

Nil

4. Question time for the public and notification of deputations

4.1 Question time for the public

Nil

4.2 Notification of deputations

A deputation was received in relation to **Item 13.1 – 15 (Lot 5) and 9 (Lot 6) The Esplanade, Perth – Proposed 21 – Level and 56-Level Mixed-Use Development – Advice to DevelopmentWA** from Josh Watson from Planning Solutions (CM 70185/20).

The Chief Executive Officer read the deputation aloud on behalf of Mr Watson.

5. Members on leave of absence and applications for leave of absence

Nil

6. Confirmation of minutes

Council Resolution

Moved: Commissioner Kosova

Seconded: Commissioner McMath

That Council CONFIRM the minutes of the:

Ordinary Council Meeting held on 25 February 2020;
Special Council Meeting held on 5 March 2020; and
Special Council Meeting held on 17 March 2020

as a true and correct record.

CARRIED 3 / 0

For:

Commissioner Hammond

Commissioner McMath

Commissioner Kosova

Against:

Nil

7. Announcements by the Chair Commissioner

COVID-19

The Chair Commissioner made the following announcement:

Announcements will be made during the week in relation to COVID-19 and the crisis we are currently dealing with. I can assure you that the Commissioners, the executive staff and managerial staff, are working together to provide solutions to the many challenges the City faces, not only as a corporation, but as a city entity.

Over the next two to three weeks, the City will be announcing and delivering a range of initiatives and also a range of responses to this crisis and working in conjunction with our federal and state government stakeholders, our City stakeholders, and also our fellow local governments. I am sure we can work together and develop some solutions that will provide us with a very sustainable and enjoyable outcome.

I would like to publicly acknowledge the efforts of the Commissioners, the Chief Executive Officer, and all staff in the way we are dealing with this very challenging situation.

8. Disclosures of members interests

Member/Officer	Item No. and Title	Nature of Interest
Commissioner Gaye McMath (CM 66218/20)	Item 13.3 – Strategic Arts Sponsorship – West Australian Symphony Orchestra	Nature: Direct Financial Interest – Commissioner McMath has received hospitality from this organisation and is also a donor to this organisation. Extent: Significant
Commissioner Gaye McMath (CM 66219/20)	Item 13.4 – Key Sector Development Sponsorship – 2020 REMIX Academy Perth	Nature: Impartiality Interest – Commissioner McMath is on the board of the Chamber of Culture and Arts Western Australia. Extent: Insignificant
Mr Chris Kopec – General Manager Infrastructure and Operations (CM 66171/20)	Item 13.11 - Tender 008-19/20 – East End Revitalisation – Civil, Landscape and Electrical Works	Nature: Impartiality Interest – Mr Kopec was employed at Georgiou Group for 14 years from 2002 – 2016 and remains friends with numerous employees who are still working for Georgiou Group. Due to the

		friendships described, Mr Kopec removed himself from active involvement in the tender process. Extent: Insignificant
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9. Questions by members of which due notice has been given

Nil

10. Correspondence

Nil

11. Petitions

Nil

12. Matters for which the meeting may be closed

In accordance with section 5.23(2) of the *Local Government Act 1995*, to preserve the confidentiality of attachments 13.10A, 13.10B and 13.11A, it was recommended that the meeting be closed to the public prior to consideration of the matters.

Attachment No.	Item No. and Title	Reason
Confidential Attachment 13.10A and 13.10B	Item 13.10 – Tender 115 19/20 – Wellington Square Stolen Generation Acknowledgement	s5.23(2)(e)(ii)
Confidential Attachment 13.11A	Item 13.11 – Tender 008-19/20 – East End Revitalisation – Civil, Landscape and Electrical Works	s5.23(2)(e)(ii)

13. Reports

Item 13.1 – 15 (Lot 5) and 9 (Lot 6) The Esplanade, Perth – Proposed 21 – Level and 56-Level Mixed-Use Development – Advice to DevelopmentWA

File Reference	2020/5026
Report Author	Michaela Trlin, Senior Statutory Planner
Other Contributors	Craig Smith, City Architect
Reporting Service Unit and Alliance	Development Approvals, Planning and Economic Development
Report Author Disclosure of Interest	Nil
Date of Report	9 March 2020
Nature of Council's Role	Advocacy
Voting Requirement	Simple Majority
Attachment/s	Attachment 13.1A – Map Attachment 13.1B – Perspectives Attachment 13.1C – Development Plans
Landowner	Brookfield EQ 5 Landowner Pty Ltd
Applicant	PTS Town Planning Pty Ltd
Zoning	(MRS Zone) Redevelopment Scheme/Act Area (MRA Central Perth Redevelopment Scheme Precinct) Elizabeth Quay – Inlet (P39)
Approximate cost	\$367 million

Purpose

In accordance with subsection 42(1) of the *Metropolitan Redevelopment Authority Act 2011* (MRA Act), DevelopmentWA (DWA) has referred an application to the City for comment for the construction of a 56-level mixed-use development on Lot 5 and a 21-level mixed-use development on Lot 6 within the Elizabeth Quay Project Area.

In accordance with the provisions of the MRA Act, no decision shall be made on a development application until comment from the City has been received, or until after the expiration of 42 days.

DWA is to have due regard for the matters raised in any submission made by the City in determining an application. The purpose of this report is to seek Council's endorsement of the recommended advice to DWA in regard to the subject development application.

Background

Lot 5 has an area of 3,627m² and Lot 6 is 3,594m² in area with both lots having frontages to The Esplanade to the north and Geoffrey Bolton Avenue to the south. Lot 5 has a frontage to Enchantress Way to the west and Lot 6 has a frontage to Duchess Way to the east. Both sites are currently vacant, grassed and used as temporary event spaces.

The former Metropolitan Redevelopment Authority (MRA), now DevelopmentWA, granted 'in principle' approval for a 19 and 54 storey mixed-use development ('Plus' building) on Lots 5 and 6 at Elizabeth Quay on 13 October 2017. Clause 5.32 of the MRA Central Perth Redevelopment Scheme allows an applicant to obtain 'in principle' development approval on a proposal prior to lodging a formal development application. Rex Architecture, an architecture and design firm based in New York, is the lead project architect for this new proposal and was previously appointed for the 'Plus' design. This current proposal is of a similar scale and size to the 'in principle' approval which has now lapsed, however the overall design of the development has been substantially modified.

This application is for the development of both Lots 5 and 6. The applicant has advised that the two buildings can be individually developed and staged, however have been considered as a whole in terms of their built form, function and contribution to the public realm. The 21-level development on Lot 6 is also the subject of a separate application that has been referred to the City for comment. The applicant has explained that the purpose of having a separate development application for Lot 6 is to potentially enable an earlier approval for the smaller of the two buildings.

Details

The City's comments are sought by DWA in relation to an application for a proposed development that involves integrated basement levels and ground level public domain with a 56-level mixed use building on Lot 5 and a 21-level office and retail building on Lot 6 at Elizabeth Quay. The proposed development on Lot 5 will contain office, hotel and residential uses and will be comprised of:

- 1060m² of dining space at ground and level one;
- A 167m² hotel lobby and a 240m² residential lobby accessed from Enchantress Way with a secondary access to the central galleria and the 343m² office lobby fronting The Esplanade, all at ground level;
- 17,308m² of office space over 11 levels (Levels One to Eleven);
- Plant over two mid-levels (Levels Twelve and Thirteen);
- Residential and hotel amenities over 3 levels (Levels 14 to 16) including a theatre, fitness centre and gym, private dining room, library, outdoor courtyard and fitness centre, swimming pool and pool deck for residents and a restaurant and bar, gym and wellness spa; for hotel guests;
- 84 hotel rooms over 4 levels (Levels 17 to 20);
- 237 residential dwellings over 35 levels (Levels 21 to 55) and includes:
 - 34 one-bedroom dwellings;
 - 72 two-bedroom dwellings;
 - 124 three-bedroom dwellings; and

- 7 four-bedroom dwellings (includes penthouse apartments on Levels 54 and 55).

The proposed development for Lot 5 also includes five basement levels, with the lower three levels straddling the boundaries of both Lots 5 and 6 and the two upper basement levels extending fully under both Lots 5 and 6. The combined basements of Lots 5 and 6 accommodate 453 residential car parking bays, 112 commercial tenant bays (including 10 bays designated for hotel parking), end of trip facilities, store rooms and shared site services including loading dock and plant. Access to the basement car park will be from Enchantress Way with service vehicle access from Duchess Way.

The proposed building on Lot 6 will be used mainly for offices and will contain:

- 757m² of retail/restaurant space at ground level, service areas and the office lobby fronting The Esplanade;
- 33,903m² of office space over 19 levels; and
- One level of plant.

A key recommendation of the MRA's previous 'in principle' approval was a review of the development's contribution to the public domain. This has resulted in the two buildings being separated by a 20 metre wide and 60-metre-long, 1,238m² public space, connecting the Geoffrey Bolton Avenue and The Esplanade frontages at ground level, which aims to improve pedestrian permeability through the site. The public space will be covered at level two with a glass canopy and will be enclosed at each end to assist the control of environmental conditions within the public space. The two buildings will be setback from the Geoffrey Bolton Avenue frontage to provide a southern plaza, which when combined with The Landing and Geoffrey Bolton Avenue, could provide an enlarged public space for public events.

The applicant has explained that the buildings will incorporate high quality materials and finishes, using locally sourced and sustainable products where possible. The façades are proposed to be comprised of a unitized aluminium curtain wall with flush glazing to the exterior behind an overlay of structural vertical mullions. The structural vertical mullions create a smaller frame on the building interior which will perform as a fin to assist in sun shading. The glazing will be an insulated glass unit with a high performance low-E coating. Wintergardens have been designed for the residential balconies and are integrated into the façade to protect residents from wind, provide shading and to reduce heat gain. Operable panels within the wintergardens will allow the balconies to open and close and become an extension of the interior living space.

Compliance with Planning Scheme and Design Guidelines:

DevelopmentWA is responsible for planning and development control within the Central Perth Redevelopment Area (CPRA). The Elizabeth Quay project area is subject to the provisions of the DWA's Central Perth Redevelopment Scheme No. 2 (CPRS2). The general land use intent of the CPRS is to create diverse mixed land use urban environments, including creating high quality spaces for people through an activated and interesting public realm.

The form and function of development within Elizabeth Quay is guided by DWA’s Elizabeth Quay Design Guidelines. The vision for the Elizabeth Quay Project is to transform the relationship between the city and the river and enhance the identity of central Perth.

Land Use

The site is located with DWA’s Inlet Precinct (Precinct 39) of the Elizabeth Quay Project Area under CPRS2. The land uses in the Inlet Precinct will include a mix of permanent and transient residential, commercial, retail, dining and entertainment land uses. ‘Commercial’, ‘Retail’, ‘Residential’ (dwellings and hotel) and ‘Dining and Entertainment’ (restaurants, cafes and hotel bars) land uses are preferred uses within the Inlet Precinct under CPRS2.

The application proposes a mixed-use development comprising of retail, office, hotel and residential land uses within the proposed buildings. This is consistent with the Elizabeth Quay Design Guidelines for Lots 5 and 6 which encourages active uses including shops, restaurants, café and small bars at the ground floor level; offices, shops, café, residential serviced apartments and hotel within the upper podium levels; and office, residential, serviced apartments and a hotel in the tower levels.

Development Requirements

DWA’s Elizabeth Quay Design Guidelines recognises the potential for sites 5 and 6 to be amalgamated should a developer wish to propose an integrated development solution for the combined site. The applicant has advised that as part of the development of the site, the lots are proposed to remain as two green titled lots with the boundary between the lots to be moved east to align with the western facade of the office building on Lot 6.

Where Lots 5 and 6 are to have an integrated development solution, the towers should not negatively impact on the city skyline, view corridors or the public realm. The towers will be designed and proportioned in such a way as to minimise apparent size from surrounding view points and excessive overshadowing of the adjacent public realm.

Towers should not present a ‘wall’ of development to the north of the Inlet and the extent of area between Howard Street and Sherwood Court occupied by a single tower should be minimised through an appropriate design response.

The lower levels will be highly activated with a fine grain architectural response incorporating multiple openings at grade and opportunity for integrated pedestrian connections in the form of retail arcades.

The proposal’s compliance with DWA’s development requirements for the development on Lots 5 is summarised below:

Development Standard	Requirement Lot 5	Proposed Lot 5
Podium Height:	Minimum: 2 storeys up to 8 metres Maximum: 6 storeys up to 24 metres	No podium
Tower Height:	Minimum: 20 storeys	56 storeys

Development Standard	Requirement Lot 5	Proposed Lot 5
	Maximum: 30 storeys	
Lot Setbacks:	Nil to lot boundary at ground level	1 metre western boundary 10.23 to eastern boundary 1.12 metres to northern boundary 13.9 metres to southern boundary
Setbacks Above Podium:		
Northern Boundary	Minimum: 5 metres	18.5 metres
Eastern Boundary	Minimum: 5 metres	Nil to 10.2 metres
Southern Boundary	Minimum: 5 metres	31 metres
Western Boundary	Minimum: 5 metres	2.2 metres
Minimum Residential Dwellings, Hotel Rooms or Short Stay Serviced Apartments	Nil	237 residential apartments and 84 hotel rooms
Active Edges:		
Primary frontage	80%	100% Geoffrey Bolton Avenue
Secondary frontages	50%	69% to Enchantress Way, 100% The Esplanade and 61% to Lot 6
Vehicle and Service Access	Single access point only from either Enchantress Way or Duchess Way	Car Parking access from Enchantress Way, service vehicle access from Duchess Way
Solar Access	Maintain 80% minimum solar access to The Landing at 12pm on 1 September	29% solar access is provided at The Landing at 12pm 1 September
Car Parking: (Integrated Access)		
- Tenant car parking bays	55 bays	39 bays
- Residential car parking bays	166 bays	453 bays (Lots 5 and 6)

The proposal's compliance with DWA's development requirements for the development on Lot 6 is summarised below:

Development standard	Requirement Lot 6	Proposed Lot 6
Podium Height	Minimum: 2 storeys up to 8 metres Maximum: 6 storeys up to 24 metres	No podium proposed
Tower Height	Minimum: 20 storeys Maximum: 30 storeys	21 storeys
Lot Setbacks	Nil to lot boundary at ground level	1 metre eastern boundary 10.23 to western boundary 1.12 metres to northern boundary 13.9 metres to southern boundary
Setbacks Above Podium		
Northern Boundary	Minimum: 5 metres	0.44 metres
Eastern Boundary	Minimum: 5 metres	0.76 metres
Southern Boundary	Minimum: 5 metres	13.88 metres
Western Boundary	Minimum: 5 metres	10.47 metres
Green Building Policy Specification	Minimum Tier 2	Classified as Tier 2
Vehicle and Service Access	Single access point only from Duchess Way (Sherwood Court extension).	The building is serviced by one crossover from Duchess Way.
Car Parking (Integrated Access)	54 tenant bays (as stipulated under the Perth Parking Policy)	83 tenant bays
Active Edges:		
Primary Frontage	Min 80% activation at street level	100% (Geoffrey Bolton Avenue)
Secondary Frontage	Min 50% activation at street level	74.5% (Duchess Way)
Solar Access	Maintain 80% minimum solar access to The Landing at 12pm on 1 September	28.6% solar access is provided at The Landing at 12pm on 1 September with is for the final integrated development containing both Lot 5 and 6

Stakeholder engagement

No advertising or stakeholder engagement in relation to the application has occurred noting the site is not subject to the advertising provisions of CPS2, the City is only a referral agency in this case and DWA is the authority responsible for consulting with any agencies or stakeholders as required.

Strategic alignment

Strategic Community Plan

This item addresses the Community’s Vision for the future and specifically the following Aspiration and Strategic Objective(s) contained in the Strategic Community Plan 2019 – 2029:

Aspiration:	Place
Strategic Objective:	Stimulating, functional and attractive design outcomes across all developments.

The proposal relates to several Strategic Objectives including Aspirations which encompass People, Place and Prosperity. However, the Strategic Objective that has been designated is the one which endorses places that are stimulating, functional and have attractive design outcomes. The proposal is one which will have the opportunity to become a landmark building within Elizabeth Quay and so should be an example of stimulating, functional and attractive design.

Legal and statutory implications

- *Metropolitan Redevelopment Authority Act 2011*
- *Metropolitan Redevelopment Regulations 2011*
- Central Perth Redevelopment Scheme No. 2

Connection with mandates in the *City of Perth Act 2016*

8(1)(j) - to strike an appropriate balance among civic, economic, social, cultural and environmental considerations

Risk implications

Impact of Decision	
Organisation	Low
Community	Low

Risk Domain	Consequence	Likelihood	Risk Rating
People	Minor	Possible	Minor
Legal and Regulatory/Ethical	Minor	Possible	Minor
Reputation and External Stakeholders	Minor	Possible	Minor

As identified in the table above, the proposal has low risk implications.

Approval implications

DWA is the responsible planning authority for granting development approval for this development. Should approval be granted it will be enable further development within the Inlet Precinct, bringing with it the investment, activation and vibrancy resulting from a mixed use development of this large scale. However, it will be a significant departure from the intended building heights for development in Elizabeth Quay, but it is noted that a precedent has already been set by the approved 52 storey residential and hotel development on Lots 2 and 3 at Elizabeth Quay, which is under construction. It is also noted that the development is seeking additional car parking, contrary to the provisions of the Perth Parking Policy and the CPRS2, which could have implications for traffic congestion on the local road network and traffic/pedestrian conflict within the 'shared zones' of Elizabeth Quay.

Financial implications

There are no financial implications related to this report.

Policy references

- Metropolitan Redevelopment Authority's Elizabeth Quay Design Guidelines
- Perth Parking Policy

Comments

Architectural Expression and Building Design

The Elizabeth Quay Design Guidelines set out the design intent of the general development form envisaged for the project area. Elizabeth Quay is to be organised around mid-rise podiums with tower elements above that are setback from the street. The podium tower design is to facilitate the breaking up of the visual presence of the towers and to provide view lines between the buildings. The podiums present an opportunity for diversity of use with scale differentiation to the towers above, providing a sense of human scale to the streetscape and an appropriate built form response to the street context. Podiums also importantly assist in reducing the wind impact of towers at street level. All developments are to provide fine grain human scale at the podium and street level to ensure a quality street edge and reduce building bulk and massing.

The architectural expression of the two buildings should demonstrate design excellence and include fine grain architectural detail and be designed and oriented to minimize the impact of wind and overshadowing on the public realm, providing a world class development for the Elizabeth Quay waterfront. The proposed design with its simplicity of architectural form, a cantilevered tower for

Lot 5 and the different tower heights between Lots 5 and 6 will create visual tension and interest and will be a landmark development for the site.

Lots 5 and 6 are situated within the central axis of the Elizabeth Quay waterfront, which is a highly prominent landmark site on the Perth city skyline. The original proposal for Lot 5, the Perth Plus concept, proposed a memorable, geometric building punctuated by the 'Plus', which included substantial residential and hotel facilities including a ballroom.

In the current proposal, the 'Plus' has been replaced with a rotated and cantilevered tower with a reduced hotel component (84 rooms compared to 220 rooms) with fewer publicly accessible facilities. The economic reasons for changing the design are understood, however the architectural point of difference in the 'Plus' scheme, which allowed the numerous concessions on height and bulk, has been reduced to a four-storey band that will only visually stand out at night.

The combined width of the two towers (to the height of the Lot 6 building) forms an effective wall to the northern edge of the Quay, which lacks the separation of buildings that is sought in the Design Guidelines.

The 'in principle' approval of the development acknowledged that that the proposed development does not incorporate podiums and was conditionally supported by the MRA subject to further refinement of the ground floor plane. To achieve the design intent of the design guidelines, a public space between the two buildings (the Galleria space) has been designed to link the Esplanade to The Landing and a southern plaza space has been provided.

The ground plane is an improvement to the previous scheme, with better interaction with the street. Similarly, the increased southern setback provides for greater area for general use and with Geoffrey Bolton Avenue temporarily closed, more space for public events, although the substantial tree planting in this area could limit its suitability as an event space. The Galleria space between the towers has a reasonable degree of flexibility, but could be a more dynamic space with more height to differentiate it from the other parts of the ground plane. The glass roof to the Galleria is a questionable design outcome that needs to take better account of the Perth climate.

Awnings are proposed to the primary frontages of the building, being The Esplanade and southern plaza as well as over the pedestrian entrances to the hotel and residential lobbies to achieve greater human scale at street level. The addition of the awnings and the large covered public space between the two buildings at street level, are intended to satisfy the objective of a podium to introduce human scale to the building, whilst improving the pedestrian environment through wind mitigation measures. However, the enclosure of the central public space to address the wind impacts will make it challenging for the space to be perceived and used as a public space that people are welcomed and encouraged to enter. While the Guidelines require such spaces to have multiple clearly defined entrances and visually and physically permeable facades, the enclosed public space lacks activation opportunities with substantial portions of the adjoining facades being solid and lacking both visual and physical permeability.

Building Height

Development sites within Elizabeth Quay are intended to be flexible to avoid over-regulation of heights and setbacks. The Guidelines state that variations of building height or setbacks may be supported where innovation and exemplary design quality can be demonstrated to have a positive impact on the project area and city skyline as a whole.

The proposed development includes a substantial variation in terms of the maximum 30-storey building height specified under the guidelines for Lot 5. The approved 52 storey residential development on Lot 2 and 3 at Elizabeth Quay has already set a precedent for building height variations of this extent. The 'in principle' approval by the MRA for this site also supported increased height for the tower on Lot 5, due principally to the iconic nature of the previous 'Plus' design concept.

The proposed building height has been reduced from 220 metres to 207.15 metres whilst providing an additional two floor levels. The impact of the building height has been ameliorated to some extent by revising the tower location and design, with the towers located to the northern portion of the site to improve the visual permeability and view corridors through the site as well as improve solar access to 'The Landing'.

Although both towers have been redesigned to improve solar access, it is noted that only 28% solar access will be achieved to 'The Landing' area at 12pm on 1 September, which is well below the minimum 80% requirement for solar access specified under the Design Guidelines. This variation to the acceptable design criteria was approved 'in principle' by the MRA. The applicant advises that the separation of the buildings and the reduced building height on Lot 6 will improve the solar access to 'The Landing' during the equinoxes in the morning, evening and afternoons and will increase during the day, reaching 100% by 3pm. There will also be minimal solar impact during the summer months.

Notwithstanding the previous support from the MRA, such a variation to the Guidelines will impact on the amenity and enjoyment of this important public space within Elizabeth Quay.

The significant building height variation sought by the proponent should not be supported until such time as the architectural and civic consequences of the design are of sufficient quality that they meet all the criteria for design excellence.

The proposed 21-storey office building on Lot 6 is compliant with the maximum building height requirements of DWA's Elizabeth Quay Design Guidelines which requires a minimum 20 storey development and a maximum of 30 storeys.

Setbacks

Although the development does not achieve the tower and podium design intent of the guidelines, there are benefits to the design approach. The greater building setback between Lot 5 and Lot 6 of 20 metres enables a significant public space to be created in the form of a pedestrian mall, improving permeability and opening up vistas through the site, however, as previously mentioned, the enclosure of this space will make it less attractive as a 'public space' that people are encouraged to enter. The 14 metre setback of the towers to the south, together with The Landing and Geoffrey

Bolton Avenue (if temporarily closed to vehicles) will also create a substantial public space, with refinement of the landscaping details required to confirm its suitability as a potential event space.

The Elizabeth Quay Design Guidelines specify a nil setback to all lot boundaries for any podium levels, a 5 metre setback to the north and south, and a 10 metre setback to the east and west for the towers above. The proposed design seeks variations to the setbacks to both towers. The applicant has explained that the removal of the podium significantly reduces the building bulk at ground level, which would 'enclose' Elizabeth Quay when viewed from the Swan River. By not providing a podium, the visual connectivity is improved between the Swan River through Elizabeth Quay to the rest of the city. They have also demonstrated that the reduced side setback to the eastern and western lot boundaries will not obstruct the view corridors from Howard Street and Sherwood Court, with the lower building levels providing a greater view corridor than prescribed by the design guidelines. However, there could be greater public benefit from providing larger landscaped setbacks adjacent to the street frontages, contributing to the public realm, rather than internalising the public space within the development.

The setback variations have allowed for the pedestrian link and view corridors between the buildings at the lower levels, but as previously noted the cantilevered tower on Lot 5 encroaches over the boundary of Lot 6 from Level 14 and above, providing a separation of only 3 metres between the two buildings, forming an effective wall to the northern edge of Elizabeth Quay and lacking the separation of buildings that is sought in the Design Guidelines. Therefore, it is considered that these setback variations should not be supported.

Wind Impact

The design intent of the Elizabeth Quay Design Guidelines is to ensure pedestrian comfort and safety are maintained and that buildings are designed to mitigate the impact of wind on the public realm and safeguard the overall outdoor amenity of the development. Wind amelioration strategies are to be integrated into the building design. Use of 'add-ons' such as screening or landscaping to provide direct wind amelioration will only be accepted as a tool to fine tune the design.

The departure from the intended podium and tower built form and variations to setbacks could result in adverse wind impacts. Wind tunnel testing was undertaken on the 'in principle' approved development design where it was identified additional design work was required to address the wind impacts. As a result of the testing, the building design has evolved to include a cover over the plaza area between the buildings to control the horizontal wind impacts. Additional landscaping to the southern forecourt and canopies have been added to the primary street frontages to protect the pedestrian environment. The assessment surmises that the wind mitigation measures will significantly improve the pedestrian environment from the east and south west prevailing winds. The proposed cover to the plaza and addition of canopies over entrances will be effective in improving the wind conditions for the pedestrian environment, however, the glass roof should be reviewed to take better account of Perth's climate.

Traffic and Car Parking

The basement level car park has been designed to service both buildings on Lots 5 and 6 with access from Enchantress Way, which is consistent with the requirements of the design guidelines. A

second access is provided off Duchess Way, however this is proposed for the service delivery to the building only.

Over Lots 5 and 6, the Perth Parking Policy allows for a maximum total of 108 tenant car parking bays with the combined development proposing 122 bays. Of this number, 112 car parking bays will be for office and retail tenants and 10 car parking bays will be for use by the hotel. As such, the applicant is seeking a variation on the tenant parking bay requirement of the Perth Parking Policy and provided justification by noting that the end of trip facilities, including bicycle bays, are significantly more than the minimum requirements and that the 10 car parking bays for the hotel do not necessarily add to vehicle movements during peak periods.

The development as a whole should comply with the Perth Parking Policy noting the proximity of the subject site to various public transport options and nodes. A Traffic Impact Assessment has been submitted as part of this application and states that the additional car parking bays will have a negligible impact on traffic flows in the area. It is noted that the streets surrounding Elizabeth Quay experience heavy traffic congestion, particularly at morning and evening peak times, which will be further exacerbated by traffic generated by the major developments at Elizabeth Quay. Particularly given the design of the streets within Elizabeth Quay, any additional traffic movements add to the risk of pedestrian and vehicle conflict in this area. Furthermore, the Perth Parking Policy should only be varied where exceptional circumstances can be demonstrated (no such justification has been provided), as even minor variations applied generally to developments across the city can have adverse cumulative traffic impacts in terms of congestion on the local road network. For these reasons, Council has consistently advised that developments in Elizabeth Quay should comply fully with the Perth Parking Policy.

The proposed development also seeks a significant variation to the residential car parking requirements, proposing 453 car bays for a total of 237 dwellings, in lieu of the permitted 166 residential car bays. The acceptable development criteria of the Elizabeth Quay Design Guidelines require a maximum of 0.7 bays per dwelling, however the development seeks 1.9 bays per dwelling. In support of the proposed variation, the applicant has advised that all car parking is located within the basement levels with access off Enchantress Way which is a secondary street. The dwelling sizes are larger than the prevailing market, which necessitates a greater number of car parking bays.

Residential parking within the adjoining City Planning Scheme No. 2 area (with similar locational characteristics) can be provided to a maximum of 1.5 car bays per dwelling. However, noting that Enchantress Way is a narrow street providing access to Elizabeth Quay and that this is a heavily pedestrianised precinct, it is considered that the quantum of residential parking should be reduced, and if not fully compliant with DWA standards, the amount provided should not exceed a maximum of one bay per dwelling, or a total of 237 residential bays.

Noise

The applicant has submitted an acoustic report which concludes that the proposed development is deemed capable of addressing the acoustic requirements specified in the relevant noise policies and standards. It is noted that the detailed acoustic design and final report will be developed and submitted prior to lodgement of a building permit. A final noise impact and management report will also be prepared.

Waste

The applicant has submitted a Waste Management Plan (WMP) in support of the application. The WMP confirms that the development will generally be consistent with the City's servicing requirements however there are some minor issues which will need to be addressed before the WMP can be submitted prior to lodgment of a building permit.

Staging of development

Whilst this application relates to Lots 5 and 6, a separate application has been lodged for Lot 6 only. Whilst the design intent is to create an integrated development which encompasses Lots 5 and 6, the applicant has stated that the preference is to develop Lot 5 first, however this will be dependant on market conditions. If Lot 6 is developed first, it is noted that the central pedestrian space will not be developed until Lot 5 has been constructed and instead will be landscaped in the interim. There is some concern regarding what will occur should one building be developed and not the other, given the design outcome relies on both buildings being constructed. It is recommended that a condition be imposed to ensure that should either of the lots not be developed for an extensive period of time, any vacant land shall be landscaped to a high standard until the construction of a new building commences.

Conclusion

The development of Lots 5 and 6 at Elizabeth Quay presents an opportunity to showcase world class buildings of an exemplary design quality at the central axis of the Perth waterfront. The proposed development represents a significant investment in the city centre, adding to the city's residential and hotel offerings and providing additional premium office space. However, the proposal includes significant variations to DWA's Elizabeth Quay Design Guidelines and together with the 52-storey development proposed for Lots 2 and 3 at Elizabeth Quay, the height and form of the development within this precinct will depart substantially from the City's own Urban Design Framework.

It is considered that the current design for Lots 5 and 6 will not deliver a memorable signature building design that would reflect the design intent or integrity of the original 'Plus' building concept and does not meet expectations for providing a landmark development for the city.

Therefore, the numerous variations sought by the applicant should not be supported until the architectural and civic outcomes of the design are of sufficient quality that they meet the criteria for design excellence and the proposal delivers architecture and public spaces that are exemplary in design quality at all levels of detail, as required by the Elizabeth Quay Design Guidelines.

Officer Recommendation

That Council ADVISES DevelopmentWA that:

1. it ACKNOWLEDGES the significant contribution that the development of the proposed 56-level and 21-level mixed-use development at 9 (Lot 6) and 15 (Lot 5) The Esplanade, Perth will make to the city's economy and vibrancy and welcomes such significant investment in the city;
2. it CONSIDERS that the proposed development on both Lots 5 and 6 presents an opportunity to showcase world class architecture that reflects the distinctive character and identity of Perth and that this can best be achieved by the design being further revised to address the following design and planning matters to the satisfaction of the City and DevelopmentWA, prior to the application being determined:
 - 2.1 the façade treatment/design should be reviewed to ensure that it will exhibit innovation and exemplary architectural design that acknowledges the location and context of Elizabeth Quay, in accordance with the Elizabeth Quay Design Guidelines;
 - 2.2 the adverse impact of the building height and setback variations on the amenity of the public realm, vistas through the site and on the city skyline will not be adequately off-set by the delivery of an iconic and memorable development that is relevant to its riverfront setting, and the extent of variations should not be supported until the proposal has demonstrated that the design will provide architecture and public spaces that are exemplary in design quality at all levels of detail, as required by the Elizabeth Quay Design Guidelines.
 - 2.3 the design and function of the plaza and publicly accessible spaces within the site needs to be reviewed to ensure they are, highly activated, welcoming, usable and attractive public spaces that have community benefit and enhance the amenity and movement through the precinct;
 - 2.4 the tenant car parking should be reduced to comply with the maximum requirements of the Perth Parking Policy as they relate to the development site, and the residential parking should more closely comply with the Elizabeth Quay Design Guidelines to a maximum of one bay per dwelling, to reduce the risk of pedestrian and vehicle conflict in this highly pedestrianised area and to minimise the development's contribution to growing traffic congestion in this locality; and
 - 2.5 a Staging Strategy should be required as part of any application that provides details of how the amenity of the locality and the convenience and safety of the public will be protected and maintained throughout the staged development of the two lots.
3. should DevelopmentWA grant approval to the proposed 56 level mixed-use development comprising office, retail, dining, residential and hotel uses at 15 (Lot 5) The Esplanade and

the 21-level mixed-use development comprising retail and office uses at 9 (Lot 6) The Esplanade, Perth it is recommended that the following conditions be imposed:

- 3.1 Lots 5 and 6 being either amalgamated to facilitate a fully integrated development across the sites or being re-subdivided to realign the lot boundary between Lots 5 and 6 to reflect the approved position and alignment of the proposed buildings prior to the completion of any of the buildings on the site, with all necessary access, building protection and service easements being shown on the Certificates of Title for the re-subdivided Lots;
- 3.2 a Staging Strategy for the proposed development that provides details of how the amenity of the locality and the convenience and safety of the public will be protected and maintained throughout the staged development of the sites being prepared in consultation with the City and being submitted for approval by the planning authority prior to applying for the relevant building permit;
- 3.3 final details of the design and treatment of the public plaza and pedestrian link, including the soft and hard landscaping elements, reticulation, furniture, way-finding, CPTED principles and lighting with a sample board of the high quality materials, colours and finishes of the plaza and pedestrian link being prepared in consultation with the City and being submitted for approval by DevelopmentWA prior to applying for the relevant building permit;
- 3.4 final details of all landscaped areas including soil depths, plant species, use of substantial/mature plant stock where appropriate, irrigation and a management plan, ensuring appropriate levels of surveillance being maintained between the development and the adjacent streets, being prepared in consultation with the City and being submitted for approval by DevelopmentWA, prior to applying for the relevant building permit, with all approved landscaping being installed prior to the occupation of the building(s) and thereafter maintained to a high standard;
- 3.5 a security management plan, ensuring appropriate levels of surveillance and safety being maintained between the development the public plaza and pedestrian walkways and the adjacent streets, being submitted for approval by the DevelopmentWA, in consultation with the City, prior to its installation and thereafter maintained to a high standard;
- 3.6 a Construction Management Plan for each stage of the proposed development, prepared in consultation with the City and in accordance with the City's guidelines, being submitted for approval by DevelopmentWA prior to applying for a building permit;
- 3.7 the design being amended to relocate the fire control room on the eastern elevation and to improve the active interface and entries to both buildings from the pedestrian walkway to ensure that the development will provide a highly activated ground level, with final details of the ground level design being submitted for

approval by the DevelopmentWA, in consultation with the City, prior to applying for a building permit;

- 3.8 the final façade treatment/design being subject to further review by the City of Perth and DevelopmentWA to address the perceived building bulk and uniformity of the façade treatment across both buildings, with final details and a sample board of the high-quality and durable materials, colours and finishes for the proposed development being submitted for approval by the DevelopmentWA, in consultation with the City, prior to applying for a building permit;
- 3.9 any proposed external building plant, lift overruns, piping, ducting, water tanks, transformers, air condensers and fire booster cabinets being located so as to minimise any visual and noise impact on the adjacent developments and being screened from any location external to the site, including any such plant or services located within the vehicle entrance of the development, with details of the location and screening of such plant and services being submitted for approval by the DevelopmentWA, in consultation with the City, prior to applying for a building permit;
- 3.10 the floor levels of the pedestrian and vehicle entrances to the building being designed to match the current levels of the immediately adjacent footpaths, to the satisfaction of DevelopmentWA;
- 3.11 a noise impact and management report that meets the City’s noise impact and management report guidance note being submitted to and approved by DevelopmentWA, prior to applying for a building permit with any recommendations in the report being complied with once approved;
- 3.12 any signage for the development being designed as an integral component of the development with details of any signage being subject to a separate application for approval by the DevelopmentWA;
- 3.13 a public art strategy being submitted for approval by DevelopmentWA in consultation with the City with the public art being made of quality materials and being durable and easy to maintain, with the final design and curation of any public art being undertaken in consultation with the City;
- 3.14 a maximum of 108 tenant car parking bays being provided on the combined Lot 5 and Lot 6 in accordance with the current provisions of the Perth Parking Policy, noting the increased traffic that will be generated by development of the Inlet Precinct and the high accessibility of the site to alternative means of transport, with all tenant car parking bays being for the exclusive use of the tenants or occupants of the development and not being leased or otherwise reserved for use of the tenants or occupants of other buildings or sites;

- 3.15 the dimensions of all car parking bays, aisle widths and circulation areas complying with the Australian Standard AS2890.1, ensuring that vehicles can enter and exit the building in forward gear;
- 3.16 a Parking Management Plan, identifying the allocation, management, maintenance and security strategies for access to tenant, residential, ACROD and other Special Purpose bays and bicycle parking facilities, being submitted for approval by the DevelopmentWA prior to applying for a building permit;
- 3.17 a detailed Service and Delivery Plan being submitted to and approved by DevelopmentWA, in consultation with the City, prior to applying for the relevant building permit;
- 3.18 a final Waste Management Plan, identifying a permanent storage and wash down facility for bins for both recyclables and general waste and including a waste disposal/collection strategy demonstrating how these facilities will be serviced by the City, being submitted for approval by DevelopmentWA in consultation with the City prior to applying for the relevant building permit;
- 3.19 on-site stormwater disposal/management being to the City's specifications with details being submitted for approval by the Development WA in consultation with the City prior to applying for the relevant building permit;
- 3.20 an acid sulphate soils self-assessment form and, if required as a result of the self-assessment, an acid sulphate soils report and an acid sulphate soils management plan shall be submitted to the Department of Water and Environment Regulation, prior to any applying for a building permit. Where an acid sulphate soils management plan is required to be submitted, all development works shall be carried out in accordance with the approved management plan; and
- 3.21 all development and works shown outside of the Lot boundaries, with the exception of awnings, not forming part of this approval and being the subject of separate applications for approval approved by DevelopmentWA and/or the City, noting the City does not support any removal or substantial pruning of existing street trees.

Alternate Motion and Council Resolution

Moved: Commissioner Hammond

Seconded: Commissioner Kosova

That Council ADVISES DevelopmentWA that it supports the proposed 21-Level and 56-Level Mixed-Use Development on 15 (Lot 5) and 9 (Lot 6) The Esplanade, Perth subject to the City being provided the opportunity to continue to engage, collaborate and negotiate with the proponent and DevelopmentWA with the objective of achieving exemplary architectural design and further considering the planning merit of the proposal prior to the development application being determined by DevelopmentWA.

CARRIED 3 / 0

For:

Commissioner Hammond

Commissioner McMath

Commissioner Kosova,

Against:

Nil

Reason:

Commissioner Hammond advised he respects the planning officer’s advice and recommendation based on their professional interpretation of the planning framework. However, in this instance, the argument that the design element of the building requires improvement, does not carry enough gravitas to justify the refusal. Given the City is not the ultimate determinant, current economic development imperatives as a result of the emerging COVID-19 crisis makes support of projects like this essential.

Item 13.2 – 9 (Lot 6) The Esplanade, Perth – Proposed 21-Level Mixed-Use Development – Advice to DevelopmentWA

File reference	2020/5027
Report author	Chris Bien, Statutory Planner
Other contributors	Craig Smith, City Architect
Reporting Service Unit and Alliance	Development Approvals, Planning and Economic Development
Report author disclosure of interest	Nil
Date of report	9 March 2020
Nature of Council’s role	Advocacy
Voting requirement	Simple Majority
Attachment/s	Attachment 13.2A – Map Attachment 13.2B – Perspectives Attachment 13.2C – Development Plans
Landowner	Brookfield EQ 6 Landowner Pty Ltd
Applicant	PTS Town Planning
Zoning	(MRS Zone) Redevelopment Scheme/Act Area (MRS Central Perth Redevelopment Scheme Precinct) Elizabeth Quay – Inlet (P39) (City Planning Scheme Use Area) N/A
Approximate Cost	\$122 million

Purpose

In accordance with subsection 42(1) of the *Metropolitan Redevelopment Authority Act 2011* (MRA Act), DevelopmentWA (DWA) has referred an application to the City for comment for the construction of a 21-level mixed-use development on Lot 6 within the Elizabeth Quay Project Area.

In accordance with the provisions of the MRA Act, no decision shall be made on a development application until comment from the City has been received, or until after the expiration of 42 days.

DWA is to have due regard for the matters raised in any submission made by the City in determining an application. The purpose of this report is to seek Council’s endorsement of the recommended advice to DWA in regard to the subject development application.

Background

Lot 6 is a 3,594m² site and has frontages to The Esplanade to the north, the Duchess Way to the east, Geoffrey Bolton Avenue to the south and abuts the boundaries of Lot 5 to the west. The site is currently vacant, grassed and used as a temporary event space for DevelopmentWA.

The former Metropolitan Redevelopment Authority (MRA), now DevelopmentWA, granted 'in principle' approval for a 19 and 54 storey mixed-use development on Lots 5 and 6 at Elizabeth Quay (the 'Plus' development) on 13 October 2017. Clause 5.32 of the MRA Central Perth Redevelopment Scheme allows an applicant to obtain 'in principle' development approval on a proposal prior to lodging a formal development application. Rex Architecture, an architecture and design firm based in New York, is the lead project architect for this new proposal and was previously appointed for the 'Plus' design. This current proposal is of a similar scale and size to the 'in-principle' approval that has now lapsed.

It is noted that there is another separate development application for both Lot 5 and Lot 6 that has been referred to the City for comment. The proposal for Lot 5 consists of a 56-level mixed-use development and includes the proposal for Lot 6 for a 21-level mixed-use development. The applicant has advised that both applications propose the same identical building on Lot 6 and the reason for the two applications was that the development application for Lot 6 may be processed by DWA sooner, enabling the owners to commence earlier marketing for the smaller of the two buildings.

Details

The City's comments are sought in relation to an application for development approval for the construction of a 21-level development including two basement levels at 9 (Lot 6) The Esplanade at Elizabeth Quay. The proposed building on Lot 6 will be used mainly for offices and will contain:

- Two basement levels containing 83 tenant car bays; 9 motorcycle bays and 317 bicycle bays;
- 757m² of retail/restaurant space at ground level, service areas and the office lobby fronting The Esplanade;
- 33,903m² of office space over 19 levels; and
- one level of plant.

Access to the basement car parking and service vehicle access will be from Duchess Way.

The building will incorporate high quality materials and finishes, using locally sourced and sustainable products where possible. The glazing will be an insulated glass unit with a high performance low-E coating.

The development on Lot 6 will be setback 10 metres from the western side boundary to provide a public space to improve pedestrian permeability between Lot 6 and the adjoining Lot 5. The building will be setback approximately 14 metres from Geoffrey Bolton Avenue to provide a

southern plaza, which, when combined with ‘The Landing’, will provide additional public space for events.

Compliance with Planning Scheme

DevelopmentWA is responsible for planning and development control within the Central Perth Redevelopment Area (CPRA). The Elizabeth Quay project area is subject to the provisions of DWA’s Central Perth Redevelopment Scheme No. 2 (CPRS2). The general land use intent of the CPRS is to create diverse mixed land use urban environments, including creating high quality spaces for people through an activated and interesting public realm.

The form and function of development within Elizabeth Quay is guided by DWA’s Elizabeth Quay Design Guidelines. The vision for the Elizabeth Quay Project is to transform the relationship between the city and the river and enhance the identity of central Perth.

Land Use

Under the provisions of the *Metropolitan Redevelopment Authority Act 2011*, DWA is responsible for planning and development control within the CPRA. The Elizabeth Quay project area is subject to the provisions of DWA’s Central Perth Redevelopment Scheme (CPRS). The site is located within DWA’s Inlet Precinct (Precinct 39) of the Elizabeth Quay Project Area under the CPRS. The land uses in the Inlet Precinct will include a mix of permanent and transient residential, commercial, retail, dining and entertainment land uses. ‘Commercial’, ‘Retail’ and ‘Dining and Entertainment’ land uses are preferred uses within the Inlet Precinct under the CPRS.

Development Requirements

The Elizabeth Quay Design Guidelines recognise the potential for Lots 5 and 6 to be amalgamated should a developer wish to propose an integrated development solution for the combined site.

The applicant has advised that Lots 5 and 6 are proposed to remain as two green titled lots with the boundary between the lots to be moved east to align with the western facade of the proposed office building on Lot 6.

In respect to Lot 6 specifically, the guidelines note that the lower levels should be highly activated with opportunity for integrated pedestrian connections in the form of retail arcades. The tower element above will be of international quality architectural design and positioned to maintain view lines to and from the Inlet and the city skyline, respond to the site context and adjacent buildings and minimise overshadowing of the adjacent public realm.

The development’s compliance with DWA’s building requirements for Lots 6 is summarised below:

Development standard	Requirement	Proposed
Podium Height	Minimum: 2 storeys up to 8 metres Maximum: 6 storeys up to 24 metres	No podium proposed

Development standard	Requirement	Proposed
Tower Height	Minimum: 20 storeys Maximum: 30 storeys	21 storeys
Lot Setbacks	Nil to lot boundary at ground level	1 metre eastern boundary 10.23 to western boundary 1.12 metres to northern boundary 13.9 metres to southern boundary
Setbacks Above Podium		
Northern Boundary	Minimum: 5 metres	0.44 metres
Eastern Boundary	Minimum: 5 metres	0.76 metres
Southern Boundary	Minimum: 5 metres	13.88 metres
Western Boundary	Minimum: 5 metres	10.47 metres
Green Building Policy Specification	Minimum Tier 2	Classified as Tier 2
Vehicle and Service Access	Single access point only from Duchess Way	The building is serviced by one crossover from Duchess Way
Car Parking	36 tenant bays (as stipulated under the Perth Parking Policy)	83 tenant bays
Active Edges:		
Primary Frontage	Min 80% activation at street level	100% (Geoffrey Bolton Ave)
Secondary Frontage	Min 50% activation at street level	74.5% (Duchess Way)
Solar Access	Maintain 80% minimum solar access to the landing at 12pm on 1 September	Generally complies for Lot 6 but will be reduced to 28.6% solar access is provided at 'The Landing' at 12pm on 1 September if integrated with development on Lot 5

Stakeholder engagement

No advertising or stakeholder engagement in relation to the application has occurred noting the site is not subject to the advertising provisions of City Planning Scheme No. 2 and that DWA is the authority responsible for consulting with any agencies or stakeholders as required.

Strategic alignment

Strategic Community Plan

This item addresses the community’s vision for the future and specifically the following Aspiration and Strategic Objective(s) contained in the Strategic Community Plan 2019 – 2029:

Aspiration:	Place
Strategic Objective:	Stimulating, functional and attractive design outcomes across all developments.

The proposal relates to several Strategic Objectives including Aspirations which encompass People, Place and Prosperity. However, the Strategic Objective that has been designated is the one which endorses places that are stimulating, functional and have attractive design outcomes. The proposal is one which will have the opportunity to become a landmark building within Elizabeth Quay and so should be an example of stimulating, functional and attractive design.

Legal and statutory implications

- *Metropolitan Redevelopment Authority Act 2011*
- *Metropolitan Redevelopment Regulations 2011*
- Central Perth Redevelopment Scheme No. 2

Connection with mandates in the *City of Perth Act 2016*

8(1)(j) - to strike an appropriate balance among civic, economic, social, cultural and environmental considerations

Risk implications

Impact of decision	
Organisation	Low
Community	Low

Risk domain	Consequence	Likelihood	Risk rating
People	Minor	Possible	Low
Reputation and External Stakeholders	Minor	Possible	Low
Legal and Regulatory/Ethical	Minor	Unlikely	Low

As identified in the table above, the proposal has low risk implications.

Approval implications

DWA is the responsible planning authority for granting development approval for this development. Should approval be granted it will be enable further development within the Inlet Precinct, bringing with it the investment, activation and vibrancy resulting from an office and retail development of this nature. However, it will involve additional tenant car parking, contrary to the provisions of the Perth Parking Policy and the CPRS2, which would have implications for traffic congestion on the local road network and traffic/pedestrian conflict within the 'shared zones' of Elizabeth Quay.

Financial implications

There are no financial implications related to this report. However, should the applicant seek a review of the determination by the State Administrative Tribunal, there may be financial implications for the City should the City be involved in the appeal process.

Policy references

- Metropolitan Redevelopment Authority's Elizabeth Quay Design Guidelines
- Perth Parking Policy

Comments**Architectural Expression and Building Design**

Elizabeth Quay represents the opportunity to create an iconic urban destination which will signify Perth in the 21st century and set the benchmark for future developments. The intent for Elizabeth Quay under the respective design guidelines refers to the delivery of an iconic place and world class destination through unique and inspiration urban environments which are fostered through innovative and exemplary architectural design.

Lot 6 is situated within the central axis of the Elizabeth Quay waterfront and is a highly prominent landmark site. As a stand-alone development, the 21-level building is designed as a simple rectilinear glass and aluminium clad building that aims to achieve quality through the use of high-end materials and finishes. It is simple in its massing and does not represent sophisticated architectural expression, being neither innovative or exemplary architectural design, as required by the Elizabeth Quay Design Guidelines.

The frontages along the eastern elevation and the pedestrian walkway on the western elevation should be reconfigured to foster a more active interface with the street at pedestrian level. The fire control room and fire booster along the Duchess Way frontage could be relocated or reconfigured to minimise the extent of blank walls fronting the street. There are limited openings onto the pedestrian space along the western elevation of Lot 6 limiting access, safety and activation of the space.

Without the Lot 5 development, major features of the overall scheme are lost including the visual tension of the cantilevered tower and the Galleria, which would be reduced to a narrow (3.5m) veranda-like structure with a landscaped site to the west.

The application for Lot 6 as a stand-alone building should not be supported as the design does not adhere to important aspects of the Design Guidelines or the general aspirations for the precinct. Moreover, there is no guarantee that the development of Lot 5 will take the form presented in the joint Development Applications and there is no guarantee that the juxtaposition between the buildings would ever happen. As this application is only for the development of Lot 6, it is considered that it does not present the level of design excellence expected for the site within Elizabeth Quay.

Building Heights and Setbacks

The proposed development is compliant with respect to the minimum 20-storey and maximum 30-storey building height requirements of DWA's Elizabeth Quay Design Guidelines. The height of the building is 82.95 metres, a reduction from 86.5 metres that was previously supported through the 'in-principle' approval, to maximise solar access to 'The Landing' and the eastern promenade.

It does not have a podium and tower form as required by the Guidelines and, as a consequence, there are setback variations. The absence of a podium significantly reduces the building bulk at ground level and the applicant considers that a podium with nil setbacks to the lot boundaries would 'enclose' Elizabeth Quay when viewed from the Swan River. They also note that the location has been based on improving visual permeability and view corridors through the subject site.

By not providing a podium, the visual connectivity between the Swan River through Elizabeth Quay and the rest of the city is strengthened. Furthermore, it allows for the opportunity to provide a significant amount of space for pedestrian interaction and activation at ground level, which is considered to be a favourable outcome for the Elizabeth Quay site if designed appropriately. To this end, the design needs to be reviewed to ensure that it activates the street and other frontages to create a vibrant, diverse, interactive and safe urban environment.

Parking and Traffic

Under the Perth Parking Policy Lot 6 is permitted a maximum of 36 tenant car parking bays. A total of 83 tenant car parking bays are proposed over two levels of basement car parking with access from Duchess Way.

The proposed variation to the Perth Parking Policy is not supported as the policy should only be varied where exceptional circumstances can be demonstrated, as even minor variations applied generally to developments across the city can have adverse cumulative traffic impacts in terms of congestion on the local road network. The applicant has not provided any justification for a variation of this extent and particularly given the design of the streets within Elizabeth Quay, noting that Duchess Way is a narrow street providing access to Elizabeth Quay and that Elizabeth Quay has been designed to be a highly pedestrianised precinct, any additional traffic movements will add to the risk of pedestrian and vehicle conflict in this area and will increase the existing traffic congestion on surrounding streets during morning and evening peaks. For these reasons Council has

consistently advised that developments in Elizabeth Quay should comply fully with the Perth Parking Policy.

The acceptable design criteria from DevelopmentWA requires bicycle parking for 10% of the commercial building staff based on a ratio of 1 person per 15 square metres of net lettable area. As the floor area is 34,611m², this requires 231 bicycle bays. The proposal exceeds this requirement and provides 317 bicycle bays, which is supported.

Noise

The applicant has submitted an acoustic report which concludes that the proposed development is deemed capable of addressing the acoustic requirements specified in the relevant noise policies and standards. It is noted that the detailed acoustic design and final report will be developed and submitted prior to lodgement of a building permit. A final noise impact and management report will also be prepared.

Waste

The applicant has submitted a Waste Management Plan (WMP) in support of the application. The WMP confirms that the development will generally be consistent with the City's servicing requirements however there are some minor issues which will need to be addressed before the WMP can be submitted prior to lodgment of a building permit.

Wind Impact

The design intent of the Elizabeth Quay Design Guidelines is to ensure pedestrian comfort and safety are maintained and that buildings are designed to mitigate the impact of wind on the public. The building design includes awnings and canopies to protect the pedestrian environment and landscaping is proposed within the southern forecourt to control the horizontal wind impacts. The assessment concludes that the wind mitigation measures will significantly improve the pedestrian environment from the prevailing east and south west winds.

Conclusion

The application for the development of a 21-level office building on Lot 6 presents a proposal that reflects the intended scale and height of development at Elizabeth Quay but, when considered in isolation from the proposed building on Lot 5, fails to satisfy the Elizabeth Quay Design Guidelines in terms of providing highly activated lower levels and tower elements that exhibit international quality architectural design. It is considered that the proposed building lacks the sophisticated architectural expression, innovation or exemplary architectural design that is expected at Elizabeth Quay. The building's interface with the public realm at ground level could be improved so that it makes a more positive contribution to the character and experience of the precinct.

Therefore, it is considered that the design should be reviewed to improve the quality of the building and its contribution to Elizabeth Quay, addressing the matters raised in this report and that it should be able to be enjoyed and used regardless of the development outcomes for the adjacent Lot 5.

Officer Recommendation

That Council ADVISES DevelopmentWA that:

1. it considers that the proposed development of a 21-level mixed-use development containing retail and office uses and 83 tenant car parking bays at 9 (Lot 6) The Esplanade, Perth presents an opportunity to showcase world class architecture that reflects the distinctive character and identity of Perth and that this can best be achieved by the design being further revised to address the following design and planning matters to the satisfaction of the City and DevelopmentWA, prior to the application being determined:
 - 1.1 the design of the building should be revised to better optimise the site's prominent riverfront setting and to ensure that it will exhibit innovative and exemplary architectural design that is expected at Elizabeth Quay, in accordance with the Elizabeth Quay Design Guidelines;
 - 1.2 the design and function of the plaza and publicly accessible spaces within the site needs to be reviewed to ensure they are highly activated, usable and attractive spaces, particularly if the development on Lot 6 will not be integrated with any proposed development on the adjoining Lot 5; and
 - 1.3 the tenant car parking should be reduced to a maximum of 36 car bays on Lot 6 to comply with the requirements of the Perth Parking Policy.
2. should Development WA grant approval to the proposed 21-level mixed-use development comprising retail and office uses at 9 (Lot 6) The Esplanade, Perth it is recommended that the following conditions be imposed:
 - 2.1 the design being amended to relocate the fire control room on the eastern elevation to ensure that the development will provide a highly activated ground level, with final details of the ground level design being submitted for approval by the DevelopmentWA, in consultation with the City, prior to applying for a building permit;
 - 2.2 final details and a sample board of the high quality and durable materials, colours and finishes for the proposed development being submitted for approval by the DevelopmentWA, in consultation with the City, prior to applying for a building permit;
 - 2.3 any proposed external building plant, lift overruns, piping, ducting, water tanks, transformers, air condensers and fire booster cabinets being located so as to minimise any visual and noise impact on the adjacent developments and being screened from any location external to the site, including any such plant or services located within the vehicle entrance of the development, with details of the location and screening of such plant and services being submitted for approval by the

- DevelopmentWA, in consultation with the City, prior to applying for a building permit;
- 2.4 the floor levels of the pedestrian and vehicle entrances to the building being designed to match the current levels of the immediately adjacent footpaths, to the satisfaction of DevelopmentWA;
 - 2.5 final details of the design and treatment of the public plaza areas, including the soft and hard landscaping elements, reticulation, furniture, way-finding, CPTED principles and lighting with a sample board of the high-quality materials, colours and finishes of the plaza and pedestrian link being prepared in consultation with the City and being submitted for approval by DevelopmentWA prior to applying for the relevant building permit;
 - 2.6 final details of all landscaped areas including soil depths, plant species, use of substantial/mature plant stock where appropriate, irrigation and a management plan, ensuring appropriate levels of surveillance being maintained between the development and the adjacent streets, being prepared in consultation with the City and being submitted for approval by DevelopmentWA, prior to applying for the relevant building permit, with all approved landscaping being installed prior to the occupation of the building(s) and thereafter maintained to a high standard;
 - 2.7 any signage for the development being designed as an integral component of the development with details of any signage being subject to a separate application for approval by the DevelopmentWA;
 - 2.8 a public art strategy being submitted for approval by DevelopmentWA in consultation with the City with the public art being made of quality materials and being durable and easy to maintain, with the final design and curation of any public art being undertaken in consultation with the City;
 - 2.9 a maximum of 36 tenant car parking bays being provided on Lot 6 in accordance with the current provisions of the Perth Parking Policy, noting the increased traffic that will be generated by development of the Inlet Precinct and the high accessibility of the site to alternative means of transport, with all tenant car parking bays being for the exclusive use of the tenants or occupants of the development and not being leased or otherwise reserved for use of the tenants or occupants of other buildings or sites;
 - 2.10 the dimensions of all car parking bays, aisle widths and circulation areas complying with the Australian Standard AS2890.1, ensuring that vehicles can enter and exit the building in forward gear;
 - 2.11 a detailed Service and Delivery Plan being submitted to and approved by DevelopmentWA, in consultation with the City, prior to applying for the relevant building permit;

- 2.12 a final Waste Management Plan, identifying a permanent storage and wash down facility for bins for both recyclables and general waste and including a waste disposal/collection strategy demonstrating how these facilities will be serviced by the City, being submitted for approval by DevelopmentWA in consultation with the City prior to applying for the relevant building permit;
- 2.13 on-site stormwater disposal/management being to the City’s specifications with details being submitted for approval by the Development WA in consultation with the City prior to applying for the relevant building permit;
- 2.14 an acid sulphate soils self-assessment form and, if required because of the self-assessment, an acid sulphate soils report and an acid sulphate soils management plan shall be submitted to the Department of Water and Environment Regulation, prior to any applying for a building permit. Where an acid sulphate soils management plan is required to be submitted, all development works shall be carried out in accordance with the approved management plan; and
- 2.15 all development and works shown outside of the Lot boundaries, with the exception of awnings, not forming part of this approval and being the subject of separate applications for approval approved by DevelopmentWA and/or the City, noting the City does not support any removal or substantial pruning of existing street trees.

Alternate Motion and Council Resolution

Moved: Commissioner Hammond

Seconded: Commissioner Kosova

That Council ADVISES DevelopmentWA that it supports the proposed 21-Level Mixed-Use Development on 9 (Lot 6) The Esplanade, Perth subject to the City being provided the opportunity to continue to engage, collaborate and negotiate with the proponent and DevelopmentWA with the objective of achieving exemplary architectural design and dealing with planning merit of the proposal, prior to the development application being determined by DevelopmentWA.

CARRIED 3 / 0

For:

Commissioner Hammond

Commissioner McMath

Commissioner Kosova

Against:

Nil

Reason:

Commissioner Hammond advised he respects the planning officer's advice and recommendation. However, given the City is not the ultimate determinant, current economic development imperatives as a result of the emerging COVID-19 crisis makes support of projects like this essential.

5.43pm Commissioner McMath declared a direct financial interest in relation to item 13.3 (as detailed in Item 8) and departed the meeting.

Item 13.3 – Strategic Arts Sponsorship – West Australian Symphony Orchestra

File reference	P1037135#05#03
Report author	Virginia Withers, Senior Sponsorship Officer
Other contributors	Nil
Reporting Service Unit and Alliance	Activation and Cultural Experience, Community Development
Report author disclosure of interest	Nil
Date of report	15 January 2020
Nature of Council’s role	Executive
Voting requirement	Simple Majority
Attachment/s	Nil

Purpose

To provide a recommendation in relation to a sponsorship application received by the City of Perth (City).

Background

Applicant details

Entity name	West Australian Symphony Orchestra Pty Ltd
ABN	26 081 230 284
Entity type	Australian Private Company
ABN status	Active
ATO endorsed charity type	Charity

The West Australian Symphony Orchestra (WASO) is the state's largest performing arts company. Established in 1928, WASO is based at the Perth Concert Hall.

WASO delivers an annual calendar of concert performances, regional tours, innovative education and community programs, and enjoys artistic partnerships with West Australian Opera and West Australian Ballet. In 2018, WASO presented 989 performances, workshops and artist development activities to more than 208,000 people.

Details

Sponsorship category	Strategic Arts Sponsorship
Project title	Symphony in the City
Project start date	01/04/20
Project end date	31/12/21
Venue	Langley Park
Estimated attendance	32,000
Ticket cost	Free-to-the-public
Total project cost	\$726,025
Total amount requested	\$195,000 a year for two years
Recommendation	Approval for a two-year Strategic Arts Sponsorship
Recommended amount	\$150,000 (excluding GST) for 2020 \$120,000 (excluding GST) for 2021
Assessment score	45.51 out of 70 (65%)

Background

Held annually in December, ‘Symphony in the City’ is a free, outdoor classical musical concert for the community that is traditionally the final WASO performance of the year. The City of Perth has sponsored this event since its inception in 2007.

For the previous two years (2018 and 2019), the City has provided supplementary funding to WASO to facilitate the inclusion of carols in the program, due to the discontinuation of the traditional ‘Carols by Candlelight’ event. This expanded event, re-named as Lotterywest Christmas Symphony, has been very popular, with more than 30,000 attendees in each year.

Sponsorship Options

WASO has presented two sponsorship options to the City:

Option 1 – Sponsorship request of \$195,000 (ex GST)

A \$180,000 sponsorship would support the full Christmas Symphony concert, including a mix of sing-along Christmas carols and popular symphonic classics. The staging and infrastructure required to present the combined events and service larger audience numbers results in a higher cost event.

WASO also proposed an additional \$15,000 to produce city-based activations, themed around WASO events and promotions (\$195,000 sponsorship request in total).

Option 2 – Sponsorship request of \$165,000 (ex GST)

A \$150,000 sponsorship would support the return to the traditional 'Symphony in the City' format.

The concert staging and infrastructure would be reduced, and would exclude the carols component as well as the WASO Chorus in order to manage expenses within budget and funding.

WASO also proposed an additional \$15,000 to produce city-based activations, themed around WASO events and promotions (\$165,000 sponsorship request in total).

Christmas Symphony / Symphony in the City 2020

Date:	Saturday, 12 December 2020
Venue:	Langley Park
Anticipated attendance:	30,000 attendees
Ticket price:	Free-to-the-public

Symphony in the City aims to bring the community together to share a live cultural experience. Organisers state that the event supports WASO's strategic goal to make classical music a vibrant, accessible and relevant art form for all West Australians and demonstrates the Orchestra's mission to 'touch souls and enrich lives through music'.

The 90-minute program of symphonic music includes well-known classics, film scores and highlights from the upcoming WASO season. The event traditionally culminates with Tchaikovsky's 1812 Overture and fireworks display. While the concert commences at 7pm, family friendly activities and entertainment begin from 5pm.

Under the 'Christmas Symphony' format, the event also integrates Christmas carols and artists that engage audiences in a festive sing-along. The orchestra is supported by soloists, guest artists and volunteers that make up the WASO Chorus.

The concert is presented free-to-the-public and out of the confines of a traditional venue to maximise engagement. Organisers note a key aim of the event is to introduce WASO to new audiences and inspire them to attend other WASO concerts. To date the City has not received any statistics to validate the success, or otherwise, of this goal.

WASO City-based Activations

Date:	1 January – 31 December 2020
Venue:	Various Perth CBD locations
Anticipated attendance:	2,000 attendees
Ticket price:	Free-to-the-public

WASO has proposed they will work with retailers and restaurants to produce city-based activations and collaborations which leverage WASO's 2020 Season campaign focus, celebrating the 250th anniversary of Beethoven's birth. The purpose of the activations is to support local businesses and stimulate the local economy while increasing the public's engagement with WASO, raise awareness of upcoming WASO performances and events and surprise and delight residents, visitors and workers.

WASO will work with other Perth businesses to create activations ranging from promotions, social media content, pop-up performances and theming in retail precincts that leverage WASO's contemporary concert programming.

Event Impact Analysis

In 2019, the City worked with Culture Counts to produce an impact report on the Christmas Symphony event.

Key findings included:

- The event had an estimated total economic impact of \$3.252M, including a direct expenditure of \$1.072M;
- A diversity of people attended the event, with a relatively even spread across different age groups, demonstrating the broad appeal of the event. Event attendees also came from a wide range of postcodes and 10% of attendees identified as having a culturally or linguistically diverse background;
- 95% of respondents agree with statement “It is important that it’s happening here”;
- 92% of respondents agree with the statement “It provides an important addition to the cultural life of the area”;
- 70% of the audience had previously attended Christmas Symphony / Symphony in the City;
- 90% of attendees rated their experience as Excellent or Good; and
- In 2018, 72% of respondents came to visit the City of Perth specifically for Christmas Symphony. Survey results indicated that 40% respondents had visited somewhere else in the CBD on the same day as the event.

Previous five years of City of Perth support and acquittals

Year	Amount	Project
2015	\$195,000	Symphony in the City
2016	\$195,000	Symphony in the City
2017	\$150,000	Symphony in the City
2018	\$210,000	\$150,000 - Symphony in the City \$60,000 - Additional funding to include Carols
2019	\$180,000	\$150,000 - Symphony in the City \$30,000 - Additional funding to include Carols
TOTAL	\$930,000	

The City has received an acquittal for the previous support and the City can confirm that all previous funding has been satisfactorily acquitted.

Sponsorship benefits

For the requested sponsorship of \$195,000, the City would be recognised as a:

- Supporting Sponsor of Christmas Symphony;
- Major Partner of the City Activations; and
- Platinum Partner of WASO.

For the requested sponsorship of \$195,000, the City would receive the following benefits:

- An invitation to include a welcome message in the sponsored concert program;
- One half-page advertisement in the sponsored concert program (artwork provided by the City);
- Opportunity for a nominated City representative to speak at the sponsor function of the free community event;

- A dedicated WASO resource to work with the City to develop event leveraging and activation opportunities which may include supply of City branded merchandise such as apparel for volunteers, or promotional packs for distribution at event volunteers - 60 front of house volunteers work at event;
- Opportunity to provide a 30 second television commercial for live broadcast on the large screens at Langley Park as well as the regional broadcasts;
- Opportunity for City to engage its Business Support Officers in commercial opportunities to support the sponsored concert and all city-based activations; and
- Social media joint planning with WASO Digital team for collaborative posts and tags on WASO social media channels that acknowledge the City for its support.

WASO Platinum Partnership benefits:

- Access to WASO audio, still photography and/or footage for City marketing purposes (subject to copyright and artist approvals);
- Access to WASO during a rehearsal to record audio, still photography and/or footage for City marketing purposes (subject to availability, copyright, venue and artist approvals);
- Opportunity to access a WASO ensemble comprising up to four musicians at hire cost, for a City function, event or campaign activity throughout the partnership term, subject to availability;
- Two full-page mono adverts, or four half-page mono adverts, to be placed in a WASO Masters or Classics Series program; and
- 20 regular corporate tickets per annum to be used for promotional marketing purposes only (competitions for the public on City social media channels). Regular corporate tickets comprising A-reserve or standard reserve seating to select Masters, Classics, Morning Symphony and Family Series concerts. Regular corporate tickets do not include corporate hospitality and are subject to availability. (These tickets are not for the use of City of Perth staff, Councillors or Commissioners).

Strategic Arts Sponsorship Assessment Score Card

The application was assessed by a four-person assessment panel and scoring has been averaged for each outcome.

<u>ESSENTIAL ASSESSMENT CRITERIA</u>	<u>SCORE out of 5</u>
Does the project reflect or add value to the City of Perth's strategic objectives, as outlined in the Strategic Community Plan?	2.75
Does the project demonstrate arts and cultural activity of a high calibre, with suitably experienced personnel?	4.38
Does the project deliver arts activity that represents Perth's unique cultural identity?	1.63
Does the project increase opportunities for the community to participate in cultural life and/or identify strategies to widen audience engagement?	3.88
Does the project foster meaningful collaborations across the local arts industry and/or community?	2.38

Does the project contribute to a positive sense of place within the city?	3.25
Does the project raise the profile and reputation of the City of Perth as a premier Capital City and arts industry leader?	2.38
Does the project provide professional development opportunities for local artists and/or cultural workers?	1.88
Does the project attract a broad audience, stimulate the local economy and provide opportunities for engagement with local businesses?	2.38
Does the project support the ongoing development, viability and sustainability of the organisation and the local arts industry?	1.63
Has the applicant demonstrated capacity to manage all aspects of the project?	4.38
Does the project contribute to a unique cultural tourism offering for local, national and international audiences?	2.25
Are the project plan and budget realistic and value for money?	2.63
Does the project demonstrate financial viability through evidence of support from other government agencies, businesses or community organisations?	2.50
<u>Sub total 38.30 out of 70</u>	
<u>OPTIONAL ASSESSMENT CRITERIA</u>	
<i>The below are non-essential criteria (optional) based on goals identified in the City of Perth Strategic Community Plan. Applicants who can demonstrate their project achieves any of these outcomes can receive additional assessment points for each of these criteria.</i>	
Does the project activate underutilised locations or locations prioritised for activation by the City in interesting and engaging ways?	3.25
Does the project celebrate Indigenous culture?	1.63
Does the project activate places along the riverfront?	2.33
<u>7.21 Bonus Points</u>	
<u>TOTAL ASSESSMENT SCORE 45.5 out of 70 (65%)</u>	

Stakeholder engagement

No stakeholder engagement has been undertaken in relation to this report.

Strategic alignment

Strategic Community Plan

This item addresses the community’s vision for the future and specifically the following Aspiration and Strategic Objective(s) contained in the Strategic Community Plan 2019 – 2029:

Aspiration:	People
Strategic Objective:	1.6 Thriving and sustainable cultural, artistic and heritage industries, activities and events that encourage locals and visitors to come back for more; and

	4.8 Iconic signature events positioned strategically to create a vibrancy that attracts intrastate, interstate and international visitors.
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Legal and statutory implications

There are no legal or statutory implications related to this report.

Connection with mandates in the City of Perth Act 2016

8(1)(g) - to strengthen Perth's reputation as an innovative, sustainable and vibrant city that attracts and welcomes all

Risk implications

Impact of decision	
Organisation	Low
Community	Low

Risk domain	Consequence	Likelihood	Risk rating
Service Delivery/Strategic Objectives	Minor	Unlikely	Low
Reputation and External Stakeholders	Minor	Possible	Low
Financial	Minor	Unlikely	Low

Approval implications

If Council approve the recommendation, Council are committing to supporting the event in financial years 2020/21 and 2021/22.

If Council do not approve this sponsorship there is a high probability the event would not proceed.

Financial implications

Within existing budget

There are no financial implications on the existing 2019/20 budget.

The recommended sponsorship is a multi-year agreement with impacts on future operational budgets as detailed below.

2020/21 Financial Year

Account number:	PJ 1395 80050 0000 7901
Description:	Arts Annual Sponsorship
Account type (Operating/Capital/Reserve):	Operating

Draft budgeted amount:	\$690,500*
Amount committed to date:	\$305,000**
Proposed cost:	\$150,000
Balance remaining:	\$235,500

*Draft budget amount for financial year 2020/21

** Amount already committed by Council in multi-year sponsorship agreements

2021/22 Financial Year

Account number:	PJ 1395 80050 0000 7901
Description:	Arts Annual Sponsorship
Account type (Operating/Capital/Reserve):	Operating
Draft budgeted amount:	\$690,500*
Amount committed to date:	\$100,000**
Proposed cost:	\$120,000
Balance remaining:	\$470,500

*Draft budget amount for financial year 2021/22

** Amount already committed by Council in multi-year sponsorship agreements

Policy references

18.13 – Sponsorship and Grants.

The policy outlines a consistent and transparent assessment process and criteria which guides the recommendation to Council.

Comments

Symphony in the City is a high-quality and well-attended event with a history in Perth city. The concert is delivered free-of-charge to the community and is programmed in a manner that is appealing to people of all ages. Forming part of the City’s Christmas calendar, the concert aims to increase accessibility to orchestral music for a broad community audience. The event has traditionally been positioned as a *“gift to the people of Perth”*. The event is consistently well attended and a popular feature on Perth's event calendar.

In recent years, changes to the City’s sponsorship programs have reflected the increasing expectation that a high level of social, cultural and economic outcomes be demonstrated by sponsored events. This reflects the City’s strategic position that events sponsored by the City provide a multi-faceted return to the community.

The Assessment Panel do not believe the full potential of the cultural, economic and social outcomes of Symphony in the City are currently being realised. The event does not provide additional development for artists outside of WASO’s employment, and is not contributing to broader industry development and sustainability.

As a one-night event there is minimal impact in activating the wider city beyond Langley Park, stimulating the local economy, benefitting local businesses, or building the local arts ecology through meaningful professional development and collaboration, or the sustainability of WASO as an organisation.

Better data around the conversion of new attendees to the event to new WASO audience members needs to be presented. The key strength of the event is in providing opportunities for the community to access classical music in a free public, outdoor format and its popularity with a broad range of demographics.

A refreshed approach to programming is encouraged. It would be good to see WASO programming elements that are more deeply connected or reflective of Perth's heritage and cultural identity.

The Panel noted that the event's current funding model is not financially sustainable, with the request of \$195,000 representing 30% of the City's total Arts Sponsorship budget. The cost to produce the event is very high, and the event's funding contributors are limited to Lotterywest and the City. It is strongly recommended that WASO looks to secure additional supporters to increase the financial sustainability of the event.

The Panel also considered the sponsorship request to be a very high amount for the City to invest in a one-night event, and the City aims to support event programs that have extended or ongoing outcomes for City stakeholders.

The recent 2019 Christmas Symphony was presented to a very high standard and international calibre. There most likely would be ways to bring down the costs of the event, such as rethinking the investment in fireworks or staging, without impacting on the overall attendee experience.

WASO City-based Activations

The City has an expectation that WASO will provide City-based activations and promotions as part of the \$150,000 sponsorship (WASO had proposed an additional amount of \$15,000 to support this activity). This is considered to be a core component of the City's support, recognising the City's objective to provide year-round activation in the central city and facilitate economic benefits to our local businesses. This investment would also be of significant benefit to WASO, in exposure, promotion and audience development.

Multi-year Funding

WASO have requested a two-year commitment to facilitate better planning. The recommendation is that a two-year sponsorship is awarded, however with a decrease in the second year. This allows WASO certainty with its planning and time to secure additional funding and increase the financial sustainability of the event gradually over time.

The Panel noted that a reduced sponsorship investment is commensurate with the overall outcomes the event delivers, in comparison with the wider arts sponsorship portfolio, and is a responsible amount based on the City's budgetary position for financial year 2020/21.

Officer Recommendation and Council Resolution

Moved: Commissioner Kosova
Seconded: Commissioner Hammond

That Council:

1. APPROVES a two-year Strategic Arts Sponsorship of \$270,000 (excluding GST) to the West Australian Symphony Orchestra Pty Ltd, as follows:
 - 1.1 \$150,000 (excluding GST) for the 2020 Symphony in the City event;
 - 1.2 \$120,000 (excluding GST) for the 2021 Symphony in the City event; and
2. AUTHORISES the Chief Executive Officer to negotiate with the applicant the final list of sponsorship benefits according to the Council approved funding amount.

CARRIED 2 / 0

For:
 Commissioner Hammond
 Commissioner Kosova

Against:
 Nil

5.45pm Commissioner McMath re-joined the meeting. The Chair Commissioner advised Commissioner McMath of the resolution made in relation to this item.

Item 13.4 – Key Sector Development Sponsorship – 2020 REMIX Academy Perth

File reference	P1038987#02#05
Report author	Virginia Withers, Senior Sponsorship Officer
Other contributors	Nil
Reporting Service Unit and Alliance	Activation and Cultural Experience, Community Development Alliance
Report author disclosure of interest	Nil
Date of report	21 February 2020
Nature of Council’s role	Executive
Voting requirement	Simple Majority
Attachment/s	Nil

Purpose

To provide a recommendation in relation to a sponsorship application received by the City of Perth (City).

Background

Applicant details

Entity name	Chamber of Arts and Culture WA
ABN	83 149 126 786
Entity type	Other Incorporated Entity
ABN status	Active
ATO endorsed charity type	Charity

The Chamber of Arts and Culture WA (the Chamber) is the State's peak body for arts and culture with a membership of approximately 750 organisations and individuals. REMIX is an internationally renowned conference-style ‘academy’ for the creative industries. It has been delivered in partnership with the Chamber, the City of Perth and the Department of Local Government, Sport and Cultural Industries as a signature professional development program aimed at developing skills and building capacity across the sector for the past three years.

Details

Project title	REMIX Academy Perth 2020
Project start date	17/09/2020
Project end date	18/09/2020
Venue	State Theatre Centre

Estimated attendance	300 attendees
Ticket cost	Full Price: \$545 (both days); \$295 (day one only); \$295 (day two only) Concession: \$275 (both days); \$150 (day one only); \$150 (day two only)
Total project cost	\$191,050
Total amount requested	\$75,000
Recommendation	Approval
Recommended amount	\$75,000
Assessment score	38.5 out of 55 (70%)

REMIX is an international event series held in various cities throughout the world that explore the intersection between technology, creativity and entrepreneurship. Since 2017, the City of Perth and the Chamber of Arts and Culture WA have partnered to present REMIX Academy in Perth as an annual event.

The purpose of REMIX Academy Perth is to present key ideas, trends and innovations of relevance to the arts and creative industries sector, foster collaboration and the sharing of ideas and new ways of working across the sector.

The Perth Academy is a one-day event which presents a mix of international, national and local speakers. The applicant notes that the previous three REMIX Academies have been successful with the two most recent events selling out. In addition to the plenary sessions, the event includes facilitated workshops, meetings and discussions with government departments, universities and corporate partners.

The aims of the event are to:

- grow WA’s creative economy by increasing the understanding of developments and opportunities within the cultural and creative industries through the presentation of best practice work from around the world;
- expose attendees to ideas and trends and stimulate a discussion about the role of creativity and innovation in Perth and the opportunities that new technologies, digital economies, social trends and business models bring to the sector;
- engage with ideas about how a creative economy can contribute to broader social and economic outcomes and reflect on key issues facing Perth and the local creative economy;
- provide ideas for cultural planning and policies in state and local government that could facilitate better outcomes for the creative sector, particularly in the context of placemaking, and creative economies; and
- attract leading thinkers from a range of sectors primarily focussed on technology or creative industries, entrepreneurship and new business models.

The City funding covers the REMIX contract fee, who secure all of the speakers, make all travel and accommodation arrangements, and oversee the event production. The event is also supported by the Department of Local Government, Sport and Cultural Industries and Wesfarmers.

Change to two-day format

In 2020, following feedback from attendees, the City, and the Chamber, REMIX have been asked to develop a two-day version of the event, incorporating a second day that will feature a series of workshops.

The second day program will offer more practical insights and an interactive learning experience for delegates who wish to delve deeper or engage in more participatory learning styles and will translate the learnings of the Academy into actionable outcomes for the local sector.

The two-day format is unconfirmed pending the confirmation of Department of Local Government, Sport and Cultural Industries funding, with an anticipated notification date of 1 April 2020.

Move to a larger capacity venue

In 2020, the event will move to the larger capacity venue of the Heath Ledger Theatre (rather than the Studio Underground) at the State Theatre Centre to increase capacity of the event (the event has quickly sold out previously).

Alignment with Sydney REMIX dates

Aligning with the Sydney REMIX dates will allow organisers to attract higher profile international speakers to Perth.

Previous five years of City of Perth support and acquittals for the Chamber

Year	Amount	Project
2015	Nil	
2016	Nil	
2017	\$75,000	REMIX
2018	\$75,000	REMIX
2019	\$75,000	REMIX
	\$20,000	Keystone Partnership
TOTAL	\$245,000	

The City has received an acquittal for the previous support and the City can confirm that all previous funding has been satisfactorily acquitted.

Sponsorship recognition

Organisers will provide the following recognition for the requested sponsorship:

- The City would be recognised as the ‘Presenting Partner’ of the event;
- The City would be involved at all stages of planning. This will include consideration of key strategic issue for the City and how the event might reflect these;
- City sign off on final programme. The City will be involved in the selection of speakers;

- Joint media and communications strategy. As done previously, the communications plan will be jointly developed and executed with sign off for all media releases and major communications pieces;
- Opportunity for the City to host the Premix function prior to the event;
- City logo on all marketing collateral including event website and print;
- Acknowledgement of City in social media and e-news;
- City logos and banners displayed at the event venue.
- Acknowledgement of the City in all speeches or opinion pieces generated by the Chamber; and
- Opportunity for the City to include questions in the post-event attendee survey.

The greater benefits to the Perth community are outlined in the body of this report.

Assessment Score Card

The application was assessed by a three-person assessment panel and the scoring has been averaged for each outcome.

Essential Project Criteria	Score (5)
<i>All applications are assessed on the following criteria:</i>	
Alignment with a Key Sector	
To what extent does the project support the growth and development of an established or emerging key sector that represents importance to the City of Perth's economy?	4.0
To what extent does the project assist the City of Perth in developing a compelling narrative on our unique selling points and raise the profile and reputation of the City of Perth as a premier Capital City to do business within the relevant sector?	3.3
+3.5Prestige and Significance	
To what extent does the applicant demonstrate prestige and significance?	3.7
Project Plan and Other Funding Sources	
Has the applicant provided evidence of a robust project plan?	3.2
Has the applicant included a budget detailing investment through a variety of funding sources?	3.0
Has the applicant demonstrated what specific elements the City of Perth funding is supporting and what extra capacity the funding will enable	3.3
Sponsorship Benefits	
Please rate the level of benefits and recognition provided to the City	3.7
Sub total 24.2 out of 35	
Additional Project Outcomes	
<i>Applicants must address at least two of the following six outcome areas. Applicants can address as many outcome areas as are relevant to the project or initiative.</i>	
Outcome 1. Investment Attraction	N/A

Outcome 2. International Business Development	2.5
Outcome 3. Short term Direct Economic Benefits	N/A
Outcome 4. Long term Economic Development	3.8
Outcome 5. Professional Development, Training and Skill Development	3.5
Outcome 6. Linkages and Knowledge Exchange	4.5
Project Outcomes addressed: 4	
Sub total 14.3 out of 20	
<u>TOTAL ASSESSMENT SCORE 38.5 out of 55 (70%)</u>	

Stakeholder engagement

No stakeholder engagement has been undertaken in relation to this report.

Strategic alignment

Strategic Community Plan

This item addresses the community’s vision for the future and specifically the following Aspiration and Strategic Objective(s) contained in the Strategic Community Plan 2019 – 2029:

Aspiration:	People
Strategic Objective:	1.6 Thriving and sustainable cultural, artistic and heritage industries, activities and events that encourage locals and visitors to come back for more; 4.7 Strategic investment and development driven by key opportunities such as direct international flights, student education, higher education and technology research and development.

Legal and statutory implications

There are no legal or statutory implications related to this report.

Connection with mandates in the *City of Perth Act 2016*

8(1)(g) - to strengthen Perth's reputation as an innovative, sustainable and vibrant city that attracts and welcomes all

Risk implications

Impact of decision	
Organisation	Low
Community	Low

Risk domain	Consequence	Likelihood	Risk rating
Reputation and External Stakeholders	Insignificant	Rare	Low
Financial	Insignificant	Rare	Low
Service Delivery/Strategic Objectives	Insignificant	Rare	Low

Approval implications

If Council do not approve this sponsorship it is almost certain the project would not proceed. While this year’s investment from the Department of Local Government, Sport and Cultural Industries is not yet formally confirmed, as an equally contributing partner, the Department has a strong expectation that the City will confirm its investment and support of the partnership.

Financial implications

Within existing budget

There are no financial implications on the existing 2019/20 budget.

The recommended sponsorship has an impact on future operational budgets as detailed below.

2020/21 Financial Year

Account number:	1430-82125-0000-7268
Description:	Cultural Industry Development Partnership
Account type (Operating/Capital/Reserve):	Operating
Current budget:	\$105,000*
Amount spent to date:	\$0
Proposed cost:	\$75,000
Balance remaining:	\$30,000

*Draft budget amount for financial year 2020/21

Policy references

18.13 – Sponsorship and Grants.

The policy outlines a consistent and transparent assessment process and criteria which guides the recommendation to Council.

Comments

REMIX is an internationally branded event that attracts significant attention in the cities where it is held. Hosting the event in Perth aligns the city with thought leadership from significant international organisations and speakers.

This is a significant and evolving partnership with the Chamber of Arts and Culture WA, the Department of Local Government, Sport, and Cultural Industries and REMIX. It is the City's signature and primary investment in the development of a local and sustainable cultural industries sector. It is a true strategic project that sees all parties work year-round to leverage, develop and measure the impact of the event. The move to a two-day event comes with no additional investment from the City, which demonstrates sustainable growth of the event.

The event is a key opportunity to highlight Perth's unique creative ecology and position the City as a leader in the development of the cultural sector and the creative industries.

Through the programming a mix of international, national and local speakers the event facilitates an exchange of ideas, presentation of case studies and informal discussion. Satellite events such as delegate reception, workshops and corporate partner events allow for more in-depth discussions.

Adding a workshop element to the event will translate the ideas presented into working outcomes for the local sector.

The event contributes to building a sustainable sector by emphasising entrepreneurship and new business models. The idea of clusters and a more collaborative approach has been one of the key themes addressed within REMIX, particularly in the context of placemaking, and creative economies.

Remix offers a major professional development opportunity and aims to stimulate innovation and transition within the Perth cultural sector by exposing them to leading ideas and trends. Most arts and creative industries practitioners are unable to afford the travel costs related to accessing such high calibre professional development opportunities elsewhere, so it is important to be able offer these in Perth.

The event is an opportunity to situate Perth's creative sector to recognise our own cultural capital in a wider context. International relationships have been built through this event for institutions and individuals working in Perth such as the museums sector, enhancing our reputation worldwide.

Specific examples of outcomes from previous events include:

- local organisation Symbiotica have been commissioned by 2019 REMIX guest speaker, Honor Hager to produce a work for the Art Science Museum in Singapore; and
- WASO Virtual concerts project – Venue West's virtual-reality concerts for people in their own homes to experience high-calibre music concerts was established through connections at REMIX.

Officer Recommendation and Council Resolution

Moved: Commissioner Kosova

Seconded: Commissioner McMath

That Council:

1. APPROVES a Key Sector Development Sponsorship of \$75,000 (excluding GST) to the Chamber of Arts and Culture WA for the 2020 REMIX Academy Perth; and
2. AUTHORISES the Chief Executive Officer to negotiate with the applicant the final list of sponsorship benefits according to the Council approved funding amount.

CARRIED 3 / 0

For:

Commissioner Hammond

Commissioner McMath

Commissioner Kosova

Against:

Nil

Item 13.5 – Financial Activity Statement for the Period Ended 31 January 2020

File reference	P1014149-25
Report author	Neil Jackson, Acting Senior Management Accountant
Other contributors	Reshma Jahmeerbacus, Acting Manager Finance
Reporting service unit and alliance	Finance, Corporate Services Alliance
Report author disclosure of interest	Nil
Date of report	25 February 2020
Nature of Council’s role	Executive
Voting requirement	Simple Majority
Attachment/s	Attachment 13.5A – Financial Statements and Financial Activity Statement for the Period Ended 31 January 2020

Purpose

For Council to receive the Financial Activity Statement for the period ended 31 January 2020.

Background

The Financial Activity Statement is submitted to Council as per the requirements of Section 6.4(1) and (2) of the *Local Government Act 1995 Regulation 34(1) of the Local Government (Financial Management) Regulations*.

Details

The Financial Activity Statement commentary compares the actual results for the seven months to 31 January 2020 with the budget approved by Council on 23 July 2019 and subsequent amendments on 24 September, 3 October 2019 and 26 November 2019.

Stakeholder engagement

There is no stakeholder engagement related to this report.

Strategic alignment

Strategic Community Plan

This item addresses the community’s vision for the future and specifically the following Aspiration and Strategic Objective(s) contained in the Strategic Community Plan 2019 – 2029:

Aspiration:	Performance
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Strategic Objective:	A financial business model underpinned by a culture of cost management, best value and strategic financial analysis that is subject to ongoing oversight, transparency and accountability.
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Legal and statutory implications

Section 6.4(1) and (2) of the *Local Government Act 1995 Regulation 34(1) of the Local Government (Financial Management) Regulations*

Connection with mandates in the *City of Perth Act 2016*

8(1)(d) - to continuously improve the services and facilities provided to the community, visitors and tourists

Risk implications

Impact of decision	
Organisation	Low
Community	Low

Risk domain	Consequence	Likelihood	Risk rating
Financial	Minor	Unlikely	Low

The report has minimal risk implications on the City as it is a statutory reporting requirement for the period to January 2020.

Approval implications

There are no approval implications to this report.

Financial implications

There are no financial implications related to this report

Policy references

There are no policy references related to this report.

Comments

Nil

Officer Recommendation and Council Resolution

Moved: Commissioner Kosova
Seconded: Commissioner McMath

That Council RECEIVES the Financial Activity Statement for the period ended 31 January 2020 detailed in Attachment 13.5A.

CARRIED 3 / 0

For:
Commissioner Hammond
Commissioner McMath
Commissioner Kosova

Against:
Nil

Item 13.6 – Statutory Budget Review to December 2019

File Reference	P1037120
Report Author	Neil Jackson, Acting Senior Management Accountant
Other Contributors	Reshma Jahmeerbacus, Acting Manager Finance Michael Kent, Project Director Strategic Finance Nivi Saddi, Acting Budget and Capital Accountant
Reporting Service Unit and Alliance	Finance, Corporate Services Alliance
Report Author Disclosure of Interest	Nil
Date of Report	5 March 2020
Nature of Council's Role	Legislative
Voting Requirement	Absolute Majority
Attachment/s	Attachment 13.6A - Headline Performance Review 19/20 Attachment 13.6B - Summary Capital Budget Review 2019-20 Attachment 13.6C - December 2019 Budget Review - 2019-20 Capital Budget Attachment 13.6D - Revised Rate Setting Statement following Budget Review Dec 19

Purpose

The purpose of this report is to present to Council the results of the statutory half yearly budget review for endorsement. Following the adoption of the budget review by Council, the review is to be forwarded to the Department of Local Government, Sport and Cultural Industries.

Background

Local Government Financial Management Regulation 33A requires a local government to carry out a review of its Annual Budget between December and March each year. The review should consider:

- Operating performance from July to December;
- Capital program performance to date of the review; and
- Expected outcomes to the end of the financial year versus budget forecasts.

In conducting its statutory half yearly budget review, the City has also considered, the comprehensive review of operating costs undertaken through the Targeted Cost Savings Initiative and the results of that exercise adopted by Council in November 2019. That review yielded operational cost savings of \$ 6.84M (approximately 4% of cash operating expenses).

Accordingly, the statutory half yearly budget review focusses primarily on capital expenditure budget items and only those operational items that require adjustment because of changes to organisational structure and/or processes. The half yearly budget review also adjusts the Budget Closing Position from the projected balance used to facilitate the adoption of the budget to now reflect a revised closing position as shown in Attachment 13.6D.

Details

The closing funds position for the City will increase by \$0.3 million to \$5.5 million. Operating Revenue is projected to increase by \$109,000 to \$208.1 million, and operating expenditure increased by \$1.3 million to \$209.2 million. Non-operating grants and contributions are projected to increase by \$758,000 to \$1.95 million.

Attachment 13.6A - Operating Revenue

- Operating grants, and contributions forecast to the end of the year is \$109,000 higher than anticipated due mainly to the receipt of funding for the Better Bins initiative of \$169,000 offset by a reclassification to non-operating grants of \$50,000 relating to the development of online record keeping and applications for the Lord Mayors Distress Relief Fund.
- Non-operating grants and contributions increased by \$758,000 due mainly to the recognition of the MRA grant for the Ozone irrigation project of \$584,000.

Attachment 13.6A - Operating Expenditure

- Employee costs have increased due to lower than originally anticipated capitalisation costs as part of the IPMS project.
- Materials and contracts have increased by a net \$131,000. The major changes in this category have resulted from transfers between Operating expenditure and Capital Expenditure. Transfers from Capital to Operating total \$754,000 and \$600,000 from Operating to Capital. \$100,000 has also been included in the forecast to initiate a project to review accommodation arrangements within Council House, and \$132,000 anticipated operating costs associated with the new Container Deposit scheme project.
- Other expenditure has increased by \$328,000. This relates to a contribution to ISPT for Forrest Place Mall originally budgeted for in property maintenance.

Attachment 13.6B - Capital Expenditure

A thorough review of the Capital projects budget has resulted in a reduction of \$4.9 million to \$49.3 million. At this stage in the financial year, an initial estimate of carry forward amounts has been made totalling \$9.5 million, which brings the total capital expenditure to be delivered by 30 June 2020 to \$39.8 million.

	\$m
Actual Expenditure YTD December 2019	13.6
Expected spend to June 2020	26.2
Estimated Carry Forward into 20/21	9.5
Total Revised Budget 19/20	49.3

Attachment 13.6C provides details of the adjustments required to projects by Alliance and Service Unit. The table below summarises the adjustments:

Description	Revised Budget \$m	Forecast \$m	Adjustment \$m
New projects requiring funding	-	2.6	2.6
Ongoing projects with surplus funds	22.4	12.8	(9.6)
Ongoing projects requiring additional funds	9.3	11.5	2.2
Projects that remain unchanged	21.8	21.8	-
Projects reclassified as Capital	-	0.6	0.6
Projects reclassified as Operating	0.7	-	(0.7)
Total	54.2	49.3	(4.9)

The significant new projects requiring funding are:

Container Deposit Scheme	\$1.3 million
Branding for Perth	\$0.5 million
Technology Infrastructure uplift – ERP solution	\$0.4 million
Wellington Street Stage 2B	\$0.25 million

The funding impact of the adjustments arising from the review is:

Funding Source	\$m
Municipal Funds	(0.8)
Reserve Funds	(4.2)
Grants and contributions	0.1
Total	(4.9)

Strategic alignment

Strategic Community Plan

This item addresses the Community’s Vision for the future and specifically the following Aspiration and Strategic Objective(s) contained in the Strategic Community Plan 2019 – 2029:

Aspiration:	Performance
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Strategic Objective:	A financial business model underpinned by a culture of cost management, best value and strategic financial analysis that is subject to ongoing oversight, transparency and accountability.
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Responsible and sustainable financial management practices with an emphasis on best value outcomes from the use of the City’s financial resources is one of the key responsibilities of Council. The content of this report and the associated attachments demonstrate such a sound financial management approach and demonstrate accountability to the community for use of our financial resources.

Legal and Statutory Implications

Regulation 33A of the *Local Government (Financial Management) Regulations 1996* requires a local government to carry out a review of its Annual Budget between December and March each year. The review should consider:

- Operating performance from July to December;
- Capital program performance to date of the review;
- Expected outcomes to the end of the financial year versus budget forecasts; and
- The local government’s financial position as at the date of the review.

Connection with mandates in the *City of Perth Act 2016*

8(1)(d) - to continuously improve the services and facilities provided to the community, visitors and tourists

Risk Implications

Impact of Decision	
Organisation	Low
Community	Low

Risk Domain	Consequence	Likelihood	Risk Rating
Financial	Minor	Unlikely	Insignificant

The report has minimal risk implications on the City as it is a statutory reporting requirement

Approval Implications

In accordance with Regulation 33A (4) of the *Local Government (Financial Management) Regulations 1996*, if adopted, a copy of the review and Council determination will be forwarded to the Department of Local Government, Sport and Cultural Industries within 30 days.

Financial Implications

The financial implications are contained in the Details section of the report and the attachments.

Policy References

There are no policy references related to this report.

Comments

Nil

Officer Recommendation and Council Resolution

Moved: Commissioner McMath
Seconded: Commissioner Kosova

That Council APPROVES the review of the 2019/20 Budget as contained in Attachment 13.6A, Attachment 13.6B, Attachment 13.6C, and Attachment 13.6D.

CARRIED 3 / 0

For:
Commissioner Hammond
Commissioner McMath
Commissioner Kosova

Against:
Nil

Item 13.7 – Appointment of the Western Australian Electoral Commissioner to conduct the 2020 Election

File reference	P1035560
Report author	Siobhan Rippington, Governance Coordinator
Other contributors	Nil
Reporting Service Unit and Alliance	Governance, Corporate Services
Report author disclosure of interest	Nil
Date of report	27 February 2020
Nature of Council’s role	Executive
Voting requirement	Absolute Majority
Attachment/s	Nil

Purpose

The purpose of this report is for Council to consider appointing the Western Australian Electoral Commissioner to conduct the next City of Perth election and confirm the election will be a postal election.

Background

The ‘Local Government (City of Perth – Declaration of Vacancies and Appointment of Commissioners) Order 2020’ published on 30 January 2020, declared that with more than half the offices of members of the City of Perth Council being vacant, all the remaining offices are declared vacant under section 2.37(1) of the *Local Government Act 1995* (Act). The Order also set the date for an election to fill the vacancies as Saturday, 17 October 2020.

Section 4.20 of the Act enables a local government to declare the WA Electoral Commissioner responsible for the conduct of an election. The Act stipulates that the election can be either conducted as a postal election or a voting in person election. The City has traditionally held postal elections conducted by the WA Electoral Commissioner.

Details

The Acting WA Electoral Commissioner has written to the City to advise that the estimated cost to conduct the election is \$66,000 including GST. The estimate is based on the following assumptions:

- 15,000 electors;
- 18 candidates;

- Use of Australia Post’s priority mail service;
- A response rate of approximately 40%;
- Appointment of a local Returning Officer; and
- The count to be conducted at City of Perth premises.

The cost does not include:

- Non-statutory advertising; and
- Any legal expenses other than those that are determined to be borne by the WA Electoral Commission in a Court of Disputed Returns.

In accordance with the Act, the WA Electoral Commission is required to conduct local government elections on a full cost recovery, therefore the cost to the City may change.

Key Dates

Candidate nominations open on Thursday, 3 September 2020 and close eight days later at close of business on Thursday, 10 September 2020.

Applications for enrolment of the City’s owners and occupiers electoral roll close at 5pm on Friday, 28 August 2020. The City is required to provide a final version of the electoral roll to the WA Electoral Commissioner by close of business on Friday, 11 September 2020.

Stakeholder engagement

In 2015 and 2017, the City received an influx of applications for enrolment on the owners and occupiers electoral roll in the final days before the statutory deadline for applications. As a result, considerable stress was placed on the City’s resources. The Administration is currently developing a stakeholder engagement plan to encourage both early enrolment and participation in the election.

Strategic alignment

Strategic Community Plan

This item addresses the community’s vision for the future and specifically the following Aspiration and Strategic Objective(s) contained in the Strategic Community Plan 2019 – 2029:

Aspiration:	Performance
Strategic Objective:	5.6 Decision-making that is ethical, informed and inclusive

Legal and statutory implications

Section 4.20 of the Act ‘CEO to be returning officer unless other arrangements made’ enables a local government, having first obtained the written agreement on the Electoral Commissioner, to appoint a person other than the CEO to be the returning officer for the local government for an election.

Section 4.61 of the Act ‘Choice of methods of conducting election’ states that an election can be conducted as a postal election or a voting in person election and the local government may decide to conduct the election as a postal election.

Connection with mandates in the *City of Perth Act 2016*

8(1)(a) - to provide for the good government of persons in the City of Perth, including residents, ratepayers and visitors

Risk implications

Impact of decision	
Organisation	Low
Community	Low

Risk domain	Consequence	Likelihood	Risk rating
Reputation and External Stakeholders	Moderate	Unlikely	Medium
Legal and Regulatory/Ethical	Moderate	Unlikely	Medium

Approval implications

If Council does not approve officer recommendation, the City will be required to conduct the election as a voting in person election, with the Chief Executive Officer as the Returning Officer. This would require a significant resource allocation.

Financial implications

The WA Electoral Commissioner has advised the estimated cost to conduct the election is \$66,000 including GST.

In 2017, the City received 629 enrolment eligibility claims for the owners and occupiers electoral roll two days before the deadline for the close of enrolment. This gave the City 10 working days to process the claims to meet the statutory deadline to provide the electoral roll to the WA Electoral Commissioner. In the previous month, only 177 enrolment eligibility claims were received. Seven staff members worked a total of 752 hours over two weeks to ensure the statutory deadline was met. The City is currently developing a strategy to encourage early enrolment and to ensure an appropriate resource allocation is in place for the 2020 election.

Policy references

There are no policy references related to this report.

Comments

The City notes the 2019 ‘Put yourself forward campaign’ ran by the Department of Local Government, Sport and Cultural Industries in partnership with Western Australian Local Government Association (WALGA), the WA Electoral Commission and the Office of Multicultural Interests. The campaign aimed to encourage people from all walks of life - including people from culturally and linguistically diverse backgrounds, Aboriginal people, women, young people and people with a disability - who might not normally be involved in local government to nominate as candidates. In recent years, Council has comprised of elected members from linguistically diverse backgrounds and the last Council consisted of five women and four men. The City will endeavour to continue to encourage people from all walks of life to participate in the election process.

The WA Electoral Commissioner is best placed to conduct the election and conducts the majority of local government elections in the metropolitan area. The City has conducted postal elections since 1995 and it is anticipated that there would be a drop in voter participation if an in person election was held.

Officer Recommendation and Council Resolution

Moved: Commissioner McMath
Seconded: Commissioner Kosova

That Council:

1. DECLARE, in accordance with section 4.20(4) of the *Local Government Act 1995*, the Electoral Commissioner to be responsible for conduct of the next City of Perth election; and
2. DECIDE, in accordance with section 4.61(2) of the *Local Government Act 1995*, that the method of conducting the next City of Perth election will be as a postal election.

CARRIED 3 / 0

For:
 Commissioner Hammond
 Commissioner McMath
 Commissioner Kosova

Against:
 Nil

Item 13.8 – COVID-19 Fiscal Stimulus Package

File reference	P1028787-5
Report author	Bill Parker, General Manager Corporate Services
Other contributors	Michael Kent, Project Director Strategic Finance Daniel High, Alliance Manager Economic Development
Reporting Service Unit and Alliance	Corporate Services
Report author disclosure of interest	Nil
Date of report	29 March 2020
Nature of Council’s role	Executive
Voting requirement	Absolute Majority
Attachment/s	Nil

Purpose

The purpose of this report is for Council to consider a fiscal stimulus package in response to COVID-19.

Background

At its Special Council Meeting held on Tuesday, 17 March 2020, Council resolved:

That in response to the COVID-19 fiscal stimulus measures implemented by the Federal and State Governments, the Chief Executive Officer:

1. *INVESTIGATES the implications of extending the free parking trial during April, May and June 2020;*
2. *INVESTIGATES the implications associated with developing a destination tourism marketing campaign that targets regional populations visiting/holidaying in the Perth CBD;*
3. *In consultation with affected stakeholders, INVESTIGATES other measures that could be implemented by the City of Perth to protect public health and safety and support in managing the impacts of COVID-19 on our residents, businesses and visitors; and*
4. *PREPARES a report for Council consideration at the March Ordinary Council Meeting.*

In response to Council’s decision, the Administration has investigated an extension to the free parking trial and tourism campaign, plus a range of other options available to the City of Perth.

Details

The City of Perth has acknowledged the significant public health and economic implications associated with COVID-19. Economically, this issue represents the greatest challenge to the economy since the Global Financial Crisis in 2008.

At a local level, the City is already experiencing the impacts of COVID-19. Data collected within the CBD suggests a decline in footfall, road traffic and parking patronage because of:

- events being cancelled;
- restrictions on large gatherings;
- forced closure of pubs, licensed clubs and hotels, places of worship, gyms, indoor sporting venues, cinemas and casinos;
- restricted trading conditions for restaurants and cafes; and
- people working from home.

The Federal Government and State Government have both already announced packages to provide relief in response to COVID-19.

The City has acknowledged that it also has an important role to play at a local level, with Council resolving to investigate the implications of extending the free parking trial and developing a destination tourism marketing campaign that targets regional populations visiting/holidaying in the Perth CBD.

At the Special Council Meeting held on Tuesday, 17 March 2020, Commissioners requested that the Administration prepare a report for consideration at the March Ordinary Council Meeting that investigated:

1. Extending the free parking trial during April, May and June 2020;
2. Developing a destination tourism marketing campaign; and
3. Any other measures.

This report is in response to the Council decision.

Extension of free parking trial

At its meeting held on 30 July 2019, Council approved the implementation of a 12-month trial of up to three-hour free parking on weekends and public holidays in strategically located, City-controlled parking facilities (both on and off-street) that service patrons of the core CBD retail precinct. The trial has been in place since November 2019.

The latest proposal seeks to extend this trial from weekends and public holidays to every day of the week across the months of April, May and June 2020.

Although the original intent of extending the trial was to encourage workers to continue commuting to the City, recent public health announcements by both the Federal and State

Governments is now encouraging people to work from home. This has resulted in many workers opting to work remotely as opposed to commuting to the City.

Given the limited number of people currently commuting to the City, it is recommended that the existing parking trial is maintained (weekends and public holidays), however extending the parking trial (every day of the week) is not implemented given the conflict with the broader public health message.

Destination marketing

In addition to the parking trial extension, the Administration also considered the implications associated with developing a destination tourism marketing campaign that targets regional populations visiting/holidaying in the Perth CBD. It was envisaged that the campaign would support the State Government's 'Do it in WA' campaign.

Since the suggestion was put forward, the State Government has advised that the 'Do it in WA' campaign has been suspended as the campaign contradicts the broader message in relation to restricted intrastate travel. It is therefore recommended that this initiative is not pursued any further.

Other options

In addition to the initiatives previously identified and in recognising how quickly the landscape is changing, the Commissioners and staff also investigated a range of initiatives in response to customer requests and other Capital City responses. Examples of the initiatives investigated include;

- Free up to one hour on-street parking across the CBD for the next three months to support local business;
- A freeze in increases in municipal rates and charges, including sanitation and waste charges;
- No fees and charges relating to inspection services for small business for the next three months;
- Suspension of lease and rental payments for three months to all City of Perth tenants leasing city owned property, including the relinquishment of bank guarantees;
- An express planning service for change of land use and development applications for small businesses with no application fee;
- Accelerated capital works projects and major city maintenance programs;
- A full refund on all cancelled bookings at City properties or facilities;
- Shorter payment terms for creditors; and
- Debtors experiencing hardship will receive a range of options to assist in payment.

In recognising the range of options available to the City, preference has been given to initiatives that:

1. Support businesses as they transition to a new form of service/product delivery;
2. Provide financial relief/payments to businesses to improve cash flow; and

3. Stimulate new spending and new jobs into the economy.

The prioritised options available to the City have been assessed by the Strategic Finance Team to ensure that the implications are fully understood both immediately and longer term.

Stakeholder engagement

The initiatives developed have been in response to industry consultation or customer feedback/requests.

Strategic alignment

Strategic Community Plan

This item addresses the community’s vision for the future and specifically the following Aspiration and Strategic Objective(s) contained in the Strategic Community Plan 2019 – 2029:

Aspiration:	Prosperity
Strategic Objective:	A “can do” reputation that delivers investment and assists small businesses and development generally, through a willingness to assist and encourage.

The range of measures proposed best align to the strategic aspiration associated with prosperity. In addition to the measures proposed by the Federal and State Governments, the City’s initiatives demonstrate our ‘can do’ attitude in supporting the local business community.

Legal and statutory implications

Section 6.12 (1)(b) of the *Local Government Act 1995* applies to this item.

6.12. Power to defer, grant discounts, waive or write off debts

- 1) Subject to subsection (2) and any other written law, a local government may —
 - a. when adopting the annual budget, grant* a discount or other incentive for the early payment of any amount of money; or
 - b. waive or grant concessions in relation to any amount of money; or
 - c. write off any amount of money, which is owed to the local government.

* Absolute majority required.

Connection with mandates in the *City of Perth Act 2016*

8(1)(a) - to provide for the good government of persons in the City of Perth, including residents, ratepayers and visitors

Risk implications

Impact of decision	
Organisation	Low
Community	Medium

Risk domain	Consequence	Likelihood	Risk rating
Reputation and External Stakeholders	Moderate	Likely	High

Given the support that has been applied across all tiers of Government and in other Capital Cities, the community is expecting the City of Perth to provide some form of relief to assist with the impacts of COVID-19. Failing to respond appropriately will pose a risk to the City’s reputation.

Approval implications

If Commissioners support the response package, the implications are forecast to cost the City \$6,446,900 over the next three months. The balance of the stimulus package will be considered as part of the 2020/21 budget process.

Financial implications

The financial implications associated with the City of Perth’s proposed COVID-19 stimulus package will span two financial years (2019/20 and 2020/21).

The immediate response will apply to the balance of the 2019/20 financial year and will cost the City of Perth \$6,446,900. The remaining components will apply next financial year and will need to be considered as part of the 2020/21 budget process.

In considering the 2020/21 component of the stimulus package, the City’s broader financial position will need to be considered as the City of Perth is not immune to the financial impacts of COVID-19. The City is very reliant on parking revenue with recent data suggesting that patronage is down 42% when compared to the corresponding period from the previous year.

The City’s Strategic Finance Team is currently undertaking sensitivity testing to forecast the short and longer term financial implications associated with this downturn. The implications will be presented to Commissioners over the coming weeks.

Within existing budget

The financial implications associated with this stimulus package will cost the City of Perth \$6,446,900 this financial year. The details are outlined below:

Ref	TABLE A: Proposed Initiative for April - June 2019/20	2019/20
		\$
1	Rates	
	Waive interest on current year rates debts	(3,000)
2	Fees and Charges	
	Waive Food Premise Licence Fees	(55,000)
	Waive Other Inspectorial Licence Fees	(11,000)
	Waive Change of Land Use Fees	(5,000)
	Waive Small Business DA Fees *	(65,000)
3	Lease Rental Initiatives	
	Suspend Lease Rental for City Buildings	(697,500)
4	Parking Initiatives - Scenario 2 Medium Downturn Impact	
	Free 1 Hr On-Street Parking in CBD	(2,398,400)
	Continuation of 3 Hr Free Parking Trial	(900,000)
	Discontinuation of issuing Infringements	(2,172,000)
5	Event Initiatives	
	Full Refund - all cancelled and postponed event booking fees	(140,000)
	Projected Impact of Stimulus Initiatives	(6,446,900)
Ref	Proposed Initiatives with Cashflow Impact Only	2019/20 and 2020/21
		\$
6	Economic Stimulus	
	Shorter Creditor Payment Terms	0
	Appropriate response to financial hardship cases	0

Not within existing budget

The initiatives identified below are indicative and will be considered as part of the 2020/21 budget process. The forecast implications associated with these initiatives could cost the City up to \$10,622,700 and are outlined below;

Ref	Proposed Initiative for consideration in 2020/21 Budget	2020/21
		\$
1	Rates	
	Zero percent increase in Rates yield	(1,900,000)
	Reduce penalty interest on overdue rates debts	(177,500)

2	Fees and Charges - Impact for up to 6 months	
	Waive Change of Land Use Fees	(10,000)
	Waive Small Business DA Fees *	(100,000)
3	Parking Initiatives - Scenario 2 Medium Downturn Impact	
	Free 1 Hr On Street Parking in CBD	(3,855,200)
	Continuation of 3 Hr Free Parking Trial	(1,800,000)
	Discontinuation of issuing Infringements	(2,640,000)
4	Event Initiatives	
	Full Refund - all cancelled and postponed event booking fees	(140,000)
	Projected Impact of Stimulus Initiatives	(10,622,700)

*when the estimated cost of development is under \$500,000

Although the combined financial implications for 2019/20 and 2020/21 could be up to \$17,069,600, Commissioners are only being asked to consider the immediate response that applies to the current financial year. Consideration will be given to the remaining components during the 2020/21 budget process.

Policy references

There are no policy implications associated with this report.

Comments

The details below provide further explanation in relation to each of the proposed initiatives:

1. *Free up to one hour on-street parking across the CBD for the next three months to support local business (2019/20 and possible extension into 2020/21)*

In addition to the existing 3-hour parking trial (weekends and public holidays), this initiative will allow free one hour on-street parking across the CBD every day for the next three months. The intent of this initiative is to support businesses that have been impacted by restrictions on trading conditions including restaurants and cafes that can now only provide take away service. The initiative aims to encourage customers to support these businesses and ensure a high turnover of parking bays.

This initiative is also supported by the relaxation of on-street parking infringements.

2. *A freeze in increases in municipal rates and charges, including sanitation and waste charges (2020/21)*

In preparing the 2020/21 budget, Commissioners will consider a 0% rate yield increase. This essentially means that the amount collected in 2019/20 will be the same amount that the City will budget to collect in 2020/21.

It is worth emphasising that the 2020/21 budget will be informed by new valuations. Although under this proposal the total amount collected by the City won't change, the underlying calculation to arrive at individual billing amounts will change. As a result, some customers will receive a lower bill than last year, others may receive the same or a slightly higher bill.

The full implications can only be assessed once the rate modelling process has commenced. This will occur over the coming months.

3. *No fees and charges relating to inspection services for small business for the next three months (2019/20 and possible extension into 2020/21)*

Under this initiative, the City will waive fees and charges associated with:

- Food Premise Licence Fees;
- Other Inspectorial Licence Fees;
- Change of Land Use Fees; and
- Small Business Development/Planning Fees (when the estimated cost of development is under \$500,000).

4. *Suspension of lease and rental payments for three months to all City of Perth tenants leasing city owned property, including the relinquishment of bank guarantees (2019/20)*

The City owns a number of retail properties in the CBD. This initiative will see the City vary individual retail lease agreements to provide a suspension of lease repayments for 3 months (April, May and June).

In addition to this, the City will relinquish any bank guarantees associated with these retail leases. This will hopefully free up working capital for customers.

5. *An express planning service for change of land use and development applications for small businesses with no application fee (2019/20)*

In response to the trading restrictions imposed on businesses, the City will prioritise applications made by businesses that have been impacted by these changes.

6. *Accelerated capital works projects and major city maintenance programs (2020/21)*

In response to the economic uncertainty, the City of Perth will continue to plan to deliver an extensive capital works program in 2020/21. Over the past few weeks, this has included

compressing construction programs and shortening delivery timeframes. The City’s investment will support contractors and suppliers.

7. *A full refund on all cancelled bookings at City properties or facilities (2019/20)*

The City has received many bookings for community facilities, parks and reserves that customers will not be able to utilise given the restrictions on public gatherings and social distancing measures. All fees collected that can’t be utilised, will be returned.

8. *Shorter payment terms for creditors, reduced from 30 days to 15 days (2019/20)*

To assist businesses so that they can meet their own cash flow requirements and outside of established agreements, the City will reduce standard payment terms to 15 days from the receipt of invoice.

9. *Debtors experiencing hardship will receive a range of options to assist in payment (2019/20 and 2020/21)*

The City has existing policies and procedures with regard to alternative payment arrangements when people are experiencing hardship. In response to the current crisis, the City will actively promote these arrangements and;

- Waive the \$49 administration fee to establish a payment plan;
- Not charge penalty interest on overdue rates accounts for balance of the 2019/20 year. The City has appropriate delegations in place for this to occur at an operational level; and
- Consider changing the Late Payment Penalty Rate from 11% during the 2020/21 budget process.

Officer Recommendation and Council Resolution

Moved: Commissioner McMath

Seconded: Commissioner Kosova

That Council:

1. ENDORSE the \$6,446,900 COVID-19 Fiscal Stimulus Package as outlined in Table A that applies to the 2019/20 financial year;
2. CONSIDERS the balance of the COVID-19 Fiscal Stimulus Package as outlined in Table B applicable to the 2020/21 financial year during the forthcoming budget process;

3. AUTHORISES the Chief Executive Officer to execute agreements which vary the terms of the City of Perth's retail leases to the extent required to implement a three-month rent free period and relinquishment of associated bank guarantees; and
4. until 30 June 2020, WAIVE the Food Premise Licence Fee, other Inspectorial Licence Fees, Rates Payment Plan Establishment Fee, Change of Land Use Fee and Planning/Development Fee (when the estimated cost of development is under \$500,000).

CARRIED 3 / 0

For:

Commissioner Hammond
Commissioner McMath
Commissioner Kosova

Against:

Nil

Item 13.9 – COVID-19 Quick Response Grants

This report was withdrawn by the Administration.

Motion to close the meeting to the public

Council Resolution
<p>Moved: Commissioner Kosova Seconded: Commissioner McMath</p> <p>That Council <u>RESOLVES</u> to close the meeting to the public to consider Confidential Attachments 13.10A, 13.10B and 13.11A in accordance with Section 5.23(2) of the <i>Local Government Act 1995</i>.</p> <p>CARRIED 3 / 0</p> <p>For: Commissioner Hammond Commissioner McMath Commissioner Kosova</p> <p>Against: Nil</p>

6.00pm The livestream of the meeting was closed to the public to discuss confidential attachments in relation to Items 13.10 and 13.11.

Motion to reopen the meeting to the public

Council Resolution
<p>Moved: Commissioner McMath Seconded: Commissioner Kosova</p> <p>That Council <u>OPEN</u> the meeting to the public.</p> <p>CARRIED 3 / 0</p> <p>For: Commissioner Hammond Commissioner McMath Commissioner Kosova</p> <p>Against: Nil</p>

6.22pm The livestream of the meeting was reopened to the public.

The Chair Commissioner advised no decisions were made during the closure of the meeting to discuss confidential matters and continued the meeting to resolve Items 13.10 and 13.11.

Item 13.10 – Tender 115-18/19 – Wellington Square Stolen Generation Acknowledgement

File reference	P1038013#4
Report author	Beverley Iles, Arts Collections Officer
Other contributors	Tabitha McMullan, Alliance Manager Activation and Cultural Experience Emma Landers, Alliance Manager Community Services
Reporting service unit and alliance	Activation and Cultural Experience, Community Development
Report author disclosure of interest	Nil
Date of report	26 February 2020
Nature of Council’s role	Executive
Voting requirement	Simple Majority
Attachment/s	Confidential Attachment 13.9A – WSSGA Selection Panel Meeting Minutes Confidential Attachment 13.9B – WSSGA Tender Evaluation Matrix <i>Confidential attachments are distributed to Commissioners under separate cover</i>

Purpose

The purpose of this report is twofold: to approve the recommended successful tenderer and to approve draw down of funds from the Public Art Reserve to significantly fund the artwork selected via Request for Tender 115-18/19 – Wellington Square Stolen Generation Acknowledgement. The tender was advertised to acceptable tenderers via Tenderlink, closing Tuesday, 14 January 2020 with responses from the following tenderers received:

- Peter Farmer and team;
- Lance Chadd and team; and
- Sandra Hill and team.

As per the City’s procurement processes, the responses were assessed against compliance and qualitative selection criteria.

Background

As part of the Wellington Square Masterplan, adopted by Council on 25 September 2018, and in line with the Reconciliation Action Plan action 6.1 which states: “*Research and plan to commission a public artwork to signify the City’s journey towards reconciliation,*” a tender process was undertaken to commission an artwork to *create an experience of shared cultural*

heritage through the acknowledgement of the harms committed to Aboriginal people across Australia; [and] provide a space for reflection, healing and education (Tender 115-18/19 page 16).

Details

Compliance Assessment Summary

All submissions were assessed for compliance with the tender requirements. There were no significant issues that prevented all submissions from proceeding to the qualitative criteria assessment.

The tenders were assessed against the following qualitative selection criteria:

Criteria	Weighting
1. Concept	35%
2. Artistic Excellence	35%
3. Project Management	30%

Qualitative Assessment Summary

All submissions were assessed based on the above qualitative criteria. In no particular order, summaries of the qualitative assessment are outlined below.

The panel’s deliberations, comments and scores are detailed in Confidential Attachment 13.9A and Confidential Attachment 13.9B.

In summary:

Peter Farmer and team presented a concept based on an aerial view of a hibiscus flower. The design was elegant and allowed for finer decorative work on the base of each “petal” which also functioned as a broad, flat seating area. The inclusion of lighting as an integral component of the artwork, in contradiction to requirements of the tender and without a clear idea of how the lighting might be effectively programmed for use, was detrimental to the concept and a potential maintenance liability.

Overall, the respondents provided an adequate response to the qualitative selection criteria.

Lance Chadd and team presented a concept based on a painting of his representing the concept of *nyoorn* (sorrow or heartbreak). Whilst the work was emotionally moving, stakeholder group Yokai’s representative felt that it could alienate stolen generation survivors. The panel were concerned about the spatial and material considerations of the artwork plus complex project management required to use fabricators not based in Western Australia.

Overall, the respondents provided an adequate response to the qualitative selection criteria.

Sandra Hill and team presented a concept based on the idea of *mias* or home/hearth with incomplete *mias* representing regions of Western Australia around a central Whadjuk Nyoongar centrepiece of red-tailed black cockatoo feathers. The restorative and performative aspect of making the *mias* whole again with appropriate vegetation and other cladding as an educational and ceremonial function enhanced the Wellington Square site as a significant gathering space for Nyoongar people at events such as Sorry Day. The use of experienced public art project manager/fabricator to manage the project was a strength in terms of both quality and timeliness.

Overall, the respondents submitted a high-quality response to the qualitative selection criteria.

The panel recommended Sandra Hill and team with a tender price of \$483,800 (ex GST).

Stakeholder engagement

Extensive community consultation and stakeholder engagement has been conducted, with stakeholder engagement representation a key part of the project team and artwork selection panel. The Stakeholder Engagement Plan – Wellington Square Stolen Generation Acknowledgement and the results of consultation detailed in the tender document 115-18/19 are available upon request. The artwork commission has received endorsement from City of Perth’s Elders Advisory Group.

Strategic alignment

Strategic Community Plan

This item addresses the community’s vision for the future and specifically the following Aspiration and Strategic Objective(s) contained in the Strategic Community Plan 2019 – 2029:

Aspiration:	People
Strategic Objective:	1.7 Ongoing acknowledgement, recognition and continuing engagement with the traditional owners of city lands, the Whadjuk Nyoongar people.

Legal and statutory implications

- Compliance with regulatory obligations re procurement: *Local Government Act 1995, Local Government (Functions and General) Regulations 1996, and Competition and Consumer Act 2010; and*
- Compliance with legal obligations re public art: *Copyright Act 1968 and Copyright Amendment (Moral Rights) Act 2000.*

Connection with mandates in the City of Perth Act 2016

8(1)(g) - to strengthen Perth's reputation as an innovative, sustainable and vibrant city that attracts and welcomes all

Risk implications

Impact of decision	
Organisation	Low
Community	Low

Risk domain	Consequence	Likelihood	Risk rating
People	Minor	Unlikely	Low
Reputation and External Stakeholders	Moderate	Unlikely	Low
Financial	Moderate	Unlikely	Low

There is a risk that the artwork will not be acceptable to the Stolen Generation survivors and their families. This risk has been mitigated through extensive stakeholder engagement and key stakeholder organisation Yokai being part of the project team throughout tender development process and part of the panel for the decision-making process for the artwork.

Approval implications

Should Council choose not to adopt officer recommendation on this matter, the project team will have to go back out to tender to elicit new submissions. Due to the close stakeholder engagement in the tender process, there is significant risk that this would disengage the community from the project, it would also put time pressure on the delivery of what is already a complex and lengthy consultation, design and construct process, which needs to fit into an overall redevelopment timeframe for Wellington Square.

Financial implications

According to the pricing analysis listed in the table below, Sandra Hill presented a consistent price offer compared to the other submissions:

Tenderer	Price excluding GST
Peter Farmer and team	\$452,000.00
Lance Chad and team	\$433,495.00
Sandra Hill and team	\$483,800.00

Based on the recommendation, the total financial allocation for this artwork would be \$532,180 (the recommended tender price, plus 10% contingency).

The project budget will be spent across two financial years, \$145,140 in 2019/20 (which can be accommodated within the existing Wellington Square Enhancement Project budget) with the balance of expenditure occurring in 2020/21. This financial allocation has been included in the planning for the 2020/21 capital works budget as part of the Wellington Square Enhancement Project and could be offset by a contribution from the Public Art Reserve. The detailed cashflow breakdown is as follows:

Type	Financial Year	Estimated Phasing	Amount (ex GST)	Workings
Design documentation	2019/20		\$ 145,140	30% of Tender Price
50% Fabrication (50%)	2020/21	November 2020	\$ 241,900	50% of Tender Price
Installation (10%)	2020/21	March 2021	\$ 48,380	10% of Tender Price
Maintenance Manual (10%)	2020/21	April 2021	\$ 48,380	10% of Tender Price
Contingency (10%)			\$48,380	
TOTAL			\$ 532,180	

Financial Year 2019/20

Account number:	1345-11967-1000-7230
Description:	Wellington Square Enhancement Project
Account type (Operating/Capital/Reserve):	Capital
Current Budget:	\$5,916,345
Amount Spent to Date: Actual Year To Date and Commitment	\$5,720,211
Proposed cost:	\$145,140
Balance Remaining:	\$50,994

At an operation level, the installation of this artwork will require approximately \$20,000 in ongoing maintenance each year. Provision for this expenditure will be included in the operating budget for Wellington Square from 2020/21 onwards.

Policy references

9.7 Purchasing

This policy provides a framework for purchasing activities, recognising that efficient, transparent and sustainable purchasing decision contribute to the City's economic and social prosperity. This policy ensures compliance with relevant legislation. The City's purchasing policy stipulates that purchases over \$150,000 must be undertaken by either a public tender process or an except tender process. This public artwork commission has been undertaken through the former, via a public expression of interest process followed by an invited tender.

1.5 Public Art

The policy supports the delivery of high quality public art projects, programs and services for City community members, stakeholders and visitors. The City's Public Art policy guides all aspects of the

management of the City of Perth’s public art projects, programs and services, and has informed the tender process in a number of ways, including shaping the assessment criteria; the guiding principles informing the social, cultural, civic, and economic ethos of the project; the definition of what constitutes a public artwork and an artist; and the procurement methodology.

Comments

As a Stolen Generation survivor herself, Sandra Hill proposed an artwork concept that the panel felt would be acceptable to the Stolen Generation community as well as meeting defined qualitative selection criteria and ranking higher than the other tenderers. Based on the qualitative assessment and pricing analysis, representing best value for money, it is recommended to appoint Sandra Hill for Tender 115-18/19 and approve the expenditure of funds to meet the costs of the tender.

Officer Recommendation

That Council ACCEPTS the tender from Sandra Hill – Visual Artist for Tender 115-18/19 - Wellington Square Stolen Generation Acknowledgement at a lump sum price of \$483,800 (ex GST).

Amended Motion and Council Resolution

Moved: Commissioner Kosova
Seconded: Commissioner McMath

That Council ACCEPTS the tender from Sandra Hill – Visual Artist for Tender 115-18/19 - Wellington Square Stolen Generation Acknowledgement at a lump sum price of \$483,800 (ex GST) and this amount be funded from the public art reserve.

CARRIED 3 / 0

For:
 Commissioner Hammond
 Commissioner McMath
 Commissioner Kosova

Against:
 Nil

Reason:
 Commissioners consider that public art works of this nature should be funded by the reserve set up for that purpose.

13.11 - Tender 008-19/20 – East End Revitalisation – Civil, Landscape and Electrical Works

File reference	P1038607
Report author	Kerry White, Senior Design Engineer
Other contributors	Nil
Reporting service unit and alliance	Infrastructure and Assets, Infrastructure and Operations Alliance
Report author disclosure of interest	Nil
Date of report	9 March 2020
Nature of Council’s role	Executive
Voting requirement	Absolute Majority
Attachment/s	Confidential Attachment 13.10A – Tender Evaluation Report <i>Confidential attachments are distributed to Commissioners under separate cover</i>

Purpose

This report presents the outcome of Tender 008-19/20 – East End Revitalisation – Civil, Electrical and Landscape Works, and seeks Council approval to award the contract for the construction works.

Background

The East End Revitalisation Program: 2018 Masterplan was endorsed by Council at the Ordinary Council Meeting held on 29 May 2018, and involves a major streetscape upgrade of Hay Street, Irwin Street, and Pier Street in the City’s East End.

A central tenet of the masterplan is the development of a Pedestrian Priority Zone (PPZ) on Hay Street, which extends between the Pier Street and Irwin Street intersections. The PPZ has been designed in consultation with Main Roads Western Australia (MRWA) to facilitate the removal of the existing traffic signals at both intersections. Pedestrians will have right-of-way over vehicles in this space, and the speed limit will be reduced to 20km/h. The PPZ also includes the creation of a new public plaza space at the intersection of Hay and Irwin Streets, and the installation of a new public artwork at the intersection of Hay and Pier Streets.

The masterplan will also implement parts of the Urban Forest Plan and the Two-Way Streets Program, through the planting of new street trees and the conversion of Hay Street (west of Victoria Avenue) and Irwin Street (south of Hay Street) to two-way traffic conditions.

A proposed staging plan, Stakeholder Engagement Strategy, and cost estimates were presented to Council at the Ordinary Council Meeting held on 30 April 2019, and a call for expressions of interest for the civil, electrical and landscape construction works was publicly advertised in October 2019. There are a range of stakeholders in the masterplan area, comprising residents, commercial businesses, street-level retailers, cafés bars and restaurants, hotels, carparking businesses, and the District Court and Magistrates Court.

From the expressions of interest received, six contractors were shortlisted and subsequently invited to tender for the construction works.

The tender was invited on 7 January 2020 and closed on 13 February 2020, with submissions received from the following tenderers:

- Civcon Civil and Project Management Pty Ltd
- Densford Civil Pty Ltd
- Georgiou Group Pty Ltd
- Menchetti Consolidated Pty Ltd

Of the four tenderers, Georgiou Group was assessed as providing the best value for money to the City and has been recommended as the preferred tenderer for the works.

Details

Overview of proposed works

The East End Revitalisation project is a major streetscape upgrade of Hay Street, Pier Street, and Irwin Street in the City's East End, including construction of the Hay Street PPZ which extends from Pier Street to Irwin Street.

Compliance criteria

A compliance assessment was completed on all tenderers and all submissions were deemed conforming tenders.

Qualitative selection criteria

The submitted tenders were evaluated against four qualitative selection criteria:

- Construction methodology
- Traffic and pedestrian management
- Construction program
- Subcontractors and nominated personnel

Civcon Civil and Project Management

Civcon provided a marginal response overall, with shortcomings in how the proposed construction methodology would minimise disruption to businesses in the works area. The construction methodology proposed to close long sections of footpath, leaving a 1.2m wide pedestrian accessway, and did not address how the impact to street-level businesses (particularly those with outdoor dining or alfresco areas) would be minimised. Some general

information was provided on management of noise and vibration around the heritage buildings in the project area, and high-level information provided on proposed stakeholder communications, but the detail was proposed to be deferred until after contract award. Traffic and pedestrian management typically focused on vehicle management, with pedestrian access through the works areas being heavily restricted during the works. The proposed construction program showed completion within the City's required timeframes, however there was some concern that durations for some key items were insufficient.

Densford Civil

Densford provided a limited response, with shortcomings in noise and vibration management around heritage buildings and detailed staging plans omitted from the submitted tender document. Traffic and pedestrian management was focused on vehicles, while noting that works in verges would be completed in discrete sections to reduce disruption to pedestrians. A very detailed construction program was provided which showed completion within the City's required timeframes, however limited time had been allowed for approval of construction and traffic management plans prior to construction.

Georgiou Group

Georgiou provided a very good response, which clearly demonstrated how the construction works would be sequenced to minimise disruption to pedestrians and businesses within the works area. The submission demonstrated a strong understanding of the stakeholder management and communications requirements, and included a detailed stakeholder management plan. Detailed staging plans were provided to demonstrate how traffic and pedestrian management would be implemented, with a focus on maintaining pedestrian access throughout the works areas and working with businesses to schedule disruptive works outside of peak times (eg after the lunch rush for cafés etc). Noise and vibration management around heritage structures was clearly addressed and detailed mitigation measures proposed. The proposed construction program showed the works for Stages 1-3 being completed slightly outside of the City's required timeframes, however the program was comprehensive and realistic.

Georgiou also provided an alternate tender, with a proposal to work into the City's typical 'Restricted Period' for construction works in the CBD over the busy Christmas period. This alternate tender would bring forward completion of the final stages of the project and provide a \$180,000 cost saving to the City. The areas in which Georgiou propose to work during the 'Restricted Period' have low traffic flows and are typically quiet over that period, patronised by office workers rather than Christmas shoppers. Extending construction works through this period would minimise the overall disruption from the construction works by reducing the construction period by two months.

Menchetti Consolidated

Menchetti Consolidated (MG Group) provided a limited response, with shortcomings in how disruption to businesses would be managed, limited understanding of the requirements of working around heritage buildings, and minimal detail provided around stakeholder

communications and management. Traffic and pedestrian management showed a clear understanding of MRWA requirements, however included limited information on how pedestrian access to local businesses would be maintained. The proposed construction program did not meet the City's required timeframes and omitted some aspects of the works.

A detailed analysis of each tender submission is included in Confidential Attachment 13.10A.

Price offer

Civcon provided the lowest lump sum fee, followed by Georgiou's alternate tender, Georgiou's conforming tender, Menchetti Consolidated and Densford Civil.

All tenders received were more expensive than the pre-tender construction cost estimate, and there was a significant price difference between the tender prices. The highest priced tender was 36% higher than the lowest-priced tender.

Value for money

When the qualitative criteria and risk were assessed against the tender prices, the evaluation panel deemed Georgiou Group's submission as providing the best value-for-money. Georgiou's lump sum fee for their alternate tender (accelerated program) was 5% higher than the lowest-priced tenderer, and their response to the qualitative selection criteria presented the lowest risk to the City.

The tender evaluation panel recommends that Georgiou Group's alternate tender be accepted for the works, and the City's project steering group endorsed that recommendation at its meeting on 5 March 2020.

Stakeholder engagement

Extensive community consultation and stakeholder engagement has been undertaken throughout the development of the masterplan, which showed strong support for the project. Letters have been sent to all residents and businesses in the East End masterplan area, and face-to-face meetings have been held with key stakeholders and street-level businesses to keep the community informed of the upcoming works.

The City has also been working with local businesses to support them during the construction works. Key activities include preparation of a Business Continuity Guide (a quick-guide to preparing businesses for upcoming construction works), a voucher scheme designed to maintain pedestrian activity in the area during the works, ongoing face-to-face meetings with affected businesses, and a social media campaign.

A construction reference group has been established to support businesses and the community during the construction works, with the first meeting being held on Monday, 23 March 2020. The group comprises representatives from the City, the successful contractor, and members of the community in the east end (residents, business owners and community groups), and will typically meet monthly in the lead-up to, and during, construction.

Strategic alignment

Strategic Community Plan

This item addresses the community’s vision for the future and specifically the following Aspiration and Strategic Objective(s) contained in the Strategic Community Plan 2019 – 2029:

Aspiration:	Place
Strategic Objective:	A connected and accessible city with well utilised and sustainable non-car transport options.

Streets make up the majority of public space in our city. Streets play an important role as arteries to get around, as destinations, as well as offering the opportunity to socialise, conduct business, dine or sit and relax.

The East End Revitalisation Project aims to enhance the environment, character and quality of the precinct through revitalisation of the streetscape in Hay, Pier and Irwin Streets. Hay Street is a key east-west avenue that links the CBD to East Perth with its ultimate connection to the river. The Hay Street PPZ will change the character of the street, providing more space and amenity for pedestrians, and less space for vehicles, and includes the construction of a significant new public plaza space at the intersection of Hay and Irwin Streets, and new public artwork at the intersection of Hay and Irwin Streets.

Legal and statutory implications

This tender has complied with all requirements of Section 3.57 of the *Local Government Act 1995* and Part 4 of the *Local Government (Functions and General) Regulations 1996*.

Connection with mandates in the *City of Perth Act 2016*

8(1)(f) - to promote environmentally sustainable development, while ensuring Perth's role as a thriving business, cultural and entertainment centre, considering the flow-on impact to the Perth metropolitan area

Risk implications

Impact of decision	
Organisation	Medium
Community	Low

Risk domain	Consequence	Likelihood	Risk rating
Reputation and External Stakeholders	Moderate	Possible	Medium
Financial	Minor	Possible	Medium

The key risks associated with the appointment of the contractor are reputational and financial risks from a large-scale, high-profile construction project. Minimising disruption to businesses during the

construction works – particularly street-level retailers and cafés – was a key aspect of the tender evaluations, along with ensuring that construction methodology is managed to ensure that noise and vibration from the works does not affect the heritage buildings in the project area. The recommended tenderer provided a thorough response to mitigate these risks as part of their submission.

Approval is also required from MRWA, for the removal and modifications to traffic signals through the project area. Approval has been granted for the traffic signal modifications at the intersections on Hay Street and St George’s Terrace, however MRWA are still reviewing the signal designs for the Pier Street intersections with Murray Street and Wellington Street. This final approval is expected to be received by 18 March 2020.

Approval implications

Should Council choose not to adopt recommendation point 1, the construction works will be delayed, and implementation of the Hay Street PPZ will likely be delayed to a less opportune time of year. An opening day event is planned for the PPZ in early December 2020, to ensure that members of the community and all road users are aware of the change in road conditions, the reduced speed limit, and that pedestrians have priority over vehicles in the space. If contract award is delayed and the Pedestrian Priority Zone is not completed by the end of November, the opening event will need to be deferred until February 2021 and the PPZ will potentially be in place for up to two months before the public opening event. This may result in confusion for road users who may not be as aware of the regulatory changes.

Should Council choose not to adopt recommendation point 2, the proposed accelerated program can not be achieved (due to insufficient budget to procure long-lead items in financial year 2019/20), and the City can not take advantage of the overall cost savings to the project associated with the accelerated program.

Financial implications

The City originally estimated that the construction component of this project would cost \$9,505,000 with the project being completed over three financial years. Based upon the preferred tender and other factors, the budget forecast has increased by \$867,007 and is now proposed to be completed across two financial years to achieve greater construction efficiency and minimise disruption.

To achieve the condensed program, the City needs to increase expenditure in 2019/20 by \$361,250. This will allow for the procurement of long-lead items such as granite kerbing and mature trees. It is proposed that the additional funding is sourced from savings associated with the Council House lighting upgrade project.

Financial Year 2019/20

Account number:	PJ14087
Description:	East End Revitalisation
Account type (Operating/Capital/Reserve):	Capital

Current budget:	\$ 4,222,550
Adjustment:	\$ 361,250
Amended budget:	\$ 4,583,800
Impact on the budget position:	Neutral (Adjustment sourced from cost savings in other capital projects)

A majority of the expenditure will be completed in the 2020/21 financial year and has been included in the draft capital works program.

Financial Year 2020/21

Account number:	PJ14087
Description:	East End Revitalisation
Account type (Operating/Capital/Reserve):	Capital
Current budget:	N/A
Requested budget:	\$ 8,997,757

The original project budget over three financial years and revised project budget over 2019/20 and 2020/21 is outlined below.

ORIGINAL PROJECT BUDGET				
ITEM	FY 2019/20	FY 2020/21	FY 2021/22	TOTAL
Construction works – Tender 008-19/20	\$ 2,910,000	\$ 5,235,000	\$ 1,360,000	\$ 9,505,000
Procurement	\$ 470,000	\$ 435,000	\$ 20,000	\$ 925,000
Other (consultants, staff time, other contractors, business support etc)	\$ 507,000	\$ 536,000	\$ 146,000	\$ 1,189,000
Contingency	\$ 335,550	\$ 600,000	\$ 160,000	\$ 1,095,550
TOTAL	\$ 4,222,550	\$ 6,806,000	\$ 1,686,000	\$ 12,714,550

AMENDED PROJECT BUDGET				
ITEM	FY 2019/20	FY 2020/21	FY 2021/22	TOTAL
Construction works – Tender 008-19/20	\$ 2,910,000	\$ 7,480,757	\$ -	\$ 10,390,757
Procurement	\$ 829,000	\$ 150,000	\$ -	\$ 979,000
Other (consultants, staff time, other contractors, business support etc)	\$ 509,800	\$ 617,000	\$ -	\$ 1,126,800
Contingency	\$ 335,000	\$ 750,000	\$ -	\$ 1,085,000
TOTAL	\$ 4,583,800	\$ 8,997,757	\$ -	\$ 13,581,557

Policy references

9.6 – Budget Variations

9.7 – Purchasing

22.3 – Traffic Management within the Road Reserve

Comments

Georgiou Group was the highest scoring submission in the qualitative assessment, providing a very good response to the qualitative selection criteria which addressed the key risks to the project. The proposed construction sequencing and methodology mitigated these risks, and represented the lowest risk to the City of the four submissions received.

The alternate tender provided by Georgiou proposed to continue with construction works until mid-December and recommence works in early January. While this extends into the City’s ‘Restricted Period’ for construction works in the CBD over the busy Christmas period, this alternate tender provides a cost saving of \$180,000, and reduces the duration of the construction works by two months.

The tender evaluation panel recommends that the alternate tender from Georgiou Group for Tender 008-19/20 be accepted, as it provides the best value-for-money to the City.

Officer Recommendation and Council Resolution

Moved: Commissioner Kosova
Seconded: Commissioner McMath

That Council:

1. ACCEPTS the alternate tender from Georgiou Group, for Tender 008-19/20 (East End Revitalisation Civil, Electrical and Landscape Works) at a lump sum price of \$10,390,757.01 (ex GST); and
2. APPROVES the transfer of \$ 361,250 from PJ12311 (Lighting – Council House Upgrades) to PJ14087 (East End Revitalisation) for the pre-procurement of long-lead items.

CARRIED 3 / 0

For:
 Commissioner Hammond
 Commissioner McMath
 Commissioner Kosova

Against:
 Nil

14. Motions of which previous notice has been given

Nil

15. Urgent business

Nil

16. Closure

The Chair Commissioner declared the meeting closed at 6.27pm.