



City of **Perth**

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# Agenda

Ordinary Council Meeting  
27 September 2022

## Notice of Meeting

To the Lord Mayor and Councillors

The next Ordinary Council Meeting will be held on Tuesday, 27 September 2022 in the Council Chamber, Level 9, 27 St Georges Terrace, Perth commencing at 5.00pm.

**Michelle Reynolds**  
Chief Executive Officer  
23 September 2022

## Information

This information is provided on matters which may affect members of the public. If you have any queries on procedural matters, please contact a member of the City's Governance team via [governance@cityofperth.wa.gov.au](mailto:governance@cityofperth.wa.gov.au).

## Question Time for the Public

An opportunity is available at Council meetings for members of the public to ask a question about any issue relating to the City. This time is available only for asking questions and not for making statements. Complex questions requiring research should be submitted as early as possible to allow the City time to prepare a response.

The Presiding Person may nominate a member of staff to answer the question and may also determine that any complex question requiring research be answered in writing. No debate or discussion can take place on any question or answer.

To ask a question, please complete the Public Question Time form available on the City's website [www.perth.wa.gov.au/council/council-meetings](http://www.perth.wa.gov.au/council/council-meetings).

## Disclaimer

Members of the public should note that in any discussion during a meeting regarding any item, a statement or indication of approval by any council member, committee member or officer of the City is not intended to be, and should not be taken as, notice of approval from the City. No action should be taken on any item discussed at a meeting of a Committee prior to written advice on the Committee or Council's resolution being received.

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## Table of Contents

1.	Declaration of Opening.....	5
2.	Acknowledgement of Country/Prayer.....	5
3.	Attendance .....	5
3.1	Apologies.....	5
3.2	Leave of Absence .....	5
3.3	Applications for Leave of Absence .....	5
4.	Announcements by the Lord Mayor.....	5
5.	Public Participation.....	5
5.1	Public Questions.....	5
5.2	Deputations.....	5
6.	Disclosures of Interests.....	5
7.	Confirmation of Minutes .....	6
8.	Questions by Members which due Notice has been Given.....	6
9.	Correspondence .....	6
10.	Petitions.....	6
11.	Planning and Economic Development Alliance Reports.....	7
11.1	Initiation of Amendment No. 47 to City Planning Scheme No. 2 and Amendment No. 5 to Local Planning Scheme No. 26 (Normalised Redevelopment Areas) .....	7
11.2	Request to Rename Nelson Avenue/Crescent, East Perth to Sailani Avenue/Crescent, East Perth .....	14
11.4	No. 129 (Lot 97) Barrack Street, Perth - Proposed change of use from small bar ('Entertainment') to adult retail shop ('Restricted Premises' - 'Unlisted Use') including external and fit out works and signage .....	35
12.	Community Development Alliance Reports .....	48
12.1	Major Events and Festivals Sponsorship - Perth Festival 2023 .....	48
13.	Infrastructure and Operations Alliance Reports.....	84
	Nil.	
14.	Corporate Services Reports .....	85
14.1	Monthly Financial Statements - July 2022 .....	85
14.2	Schedule of Accounts Paid - July 2022 .....	144
14.3	Major Review of Council Policy 2.2 Purchasing and Associated Delegations.....	214
15.	Chief Executive Officer Reports .....	251

15.1	Freedom of Entry - The 10th Light Horse Regiment .....	251
15.2	2022 Culture Survey Results .....	257
16.	Committee Reports .....	270
16.1	Development Approvals Internal Audit Report.....	270
16.2	NSW Compliance Audit Report and NSW Annual Compliance Audit Certificate 2022 .....	288
16.3	VicRoads Compliance Audit Report - July 2022.....	304
16.4	Draft Strategic Audit Plan FY22/23.....	325
17.	Motions of which Previous Notice has been Given .....	335
	Nil.	
18.	Matters for which the meeting may be closed.....	336
18.1	Procurement and Contracting Internal Audit Report - August 2022 .....	336
18.2	Misconduct and Fraud Audit Report - August 2022.....	336
18.3	Review of Decisions of Council, Committee and CEO Audit Report.....	336
18.4	Expenditure, Interests and Gifts Register Audit Report .....	336
18.5	Outstanding Audit Recommendations as at 31 July 2022.....	336
19.	Urgent Business .....	336
20.	Closure.....	336

1. Declaration of Opening

2. Acknowledgement of Country/Prayer

3. Attendance

3.1 Apologies

3.2 Leave of Absence

Councillor Sandy Anghie (20 September 2022 to 27 September 2022 inclusive)

3.3 Applications for Leave of Absence

4. Announcements by the Lord Mayor

5. Public Participation

5.1 Public Questions

5.2 Deputations

6. Disclosures of Interests

Name	Councillor Catherine Lezer
Item number and title	11.1 Initiation of Amendment No. 47 to City Planning Scheme No. 2 and Amendment No. 5 to Local Planning Scheme No. 26 (Normalised Redevelopment Areas)
Nature of interest	Proximity
Interest description	<i>"My apartment is directly in the proposed flight plan."</i>

Name	Councillor Viktor Ko
Item number and title	11.1 Initiation of Amendment No. 47 to City Planning Scheme No. 2 and Amendment No. 5 to Local Planning Scheme No. 26 (Normalised Redevelopment Areas)
Nature of interest	Indirect Financial
Interest description	<i>"I was a previous employee at Royal Perth Hospital and still on the service registrar pool with WA Health/East Metropolitan Health."</i>

Name	Councillor Liam Gobbert
Item number and title	12.1 Major Events and Festivals Sponsorship - Perth Festival 2023
Nature of interest	Impartiality
Interest description	<i>"I attended the program launch for Perth International Arts Festival."</i>

Name	Councillor Catherine Lezer
Item number and title	12.1 Major Events and Festivals Sponsorship - Perth Festival 2023
Nature of interest	Proximity
Interest description	<i>"My property is directly across the road from the Perth Concert Hall, a proposed venue."</i>

## 7. Confirmation of Minutes

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### Recommendation

That Council CONFIRMS the minutes of the Ordinary Council Meeting held on 30 August 2022 as a true and correct record.

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## 8. Questions by Members which due Notice has been Given

## 9. Correspondence

## 10. Petitions

## 11. Planning and Economic Development Alliance Reports

### 11.1 Initiation of Amendment No. 47 to City Planning Scheme No. 2 and Amendment No. 5 to Local Planning Scheme No. 26 (Normalised Redevelopment Areas)

Responsible Officer	Dale Page – General Manager Planning and Economic Development
Voting Requirements	Simple Majority
Attachments	Attachment 11.1A – Initiation of Scheme Amendment No. 47 - Royal Perth Hospital Flight Path Protection Special Control Area (under separate cover)  Attachment 11.1B – Initiation of Scheme Amendment No. 5 - Local Planning Scheme No 26 - Royal Perth Hospital Flight Path Protection Special Control Area (under separate cover)  Attachment 11.1C – City Assessment of Potential Impact on Future Development (under separate cover)  Attachment 11.1D – Proposed Amended Local Planning Policies (under separate cover) 

## Purpose

For Council to:

1. consider the initiation of Amendment No. 47 to City Planning Scheme No. 2 (CPS 2) and Amendment No. 5 to Local Planning Scheme No. 26 (LPS 26) (Normalised Redevelopment Areas).
2. endorse proposed draft amendments to the related local planning policies.
3. support formal consultation of the above.

The purpose of the proposed amendments is to introduce a Special Control Area (SCA) to protect the Royal Perth Hospital Emergency Helicopter Flight Path.

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## Recommendation

That Council:

1. RESOLVES to initiate Amendment No. 47 to City Planning Scheme No. 2 and Amendment No. 5 to Local Planning Scheme No. 26 (Normalised Redevelopment Areas).
  2. RESOLVES that Amendment No. 47 to City Planning Scheme No. 2 and Amendment No. 5 to Local Planning Scheme No. 26 (Normalised Redevelopment Areas) are Complex amendments for the following reason:
    - a. it is an amendment relating to development that is of a scale, or will have an impact, that is significant relative to development in the locality.
  3. RESOLVES to proceed to advertise the draft amended local planning policies.
-

## Background

1. The City has received a request from Element Advisory on behalf of the Eastern Metropolitan Health Service (EMHS) to initiate scheme amendments to establish a Special Control Area to protect the Emergency Helicopter Flight Path to Royal Perth Hospital (RPH).
2. The scheme amendment reports are provided in Attachments 11.1A and 11.1B.
3. The gazettal of the *Royal Perth Hospital Protection Act 2016* secured and reiterated the importance of RPH with clause 6 of the Act stating “Royal Perth Hospital is to continue to operate as a public hospital unless a resolution approving the closure of the hospital has been passed by each House of Parliament.”
4. RPH is the designated State Major Trauma Unit (SMTU) for adults in Western Australia.
5. The SMTU is serviced by users of the RPH helicopter landing site, including the state emergency rescue helicopter service. Helicopter transport provides the quickest means of transferring critically injured patients to a major trauma service, increasing a patient’s chance of survival and recovery.
6. The Australian Civil Aviation Safety Authority (CASA) is responsible for the safety regulation of civil air operations and the safety of air navigation in Australia, including helicopters in flight.
7. CASA regulatory changes require an emergency flight path be designated and protected for situations where, due to mechanical failure, a helicopter only has one engine, and needs to approach, set down or fly away from a helicopter landing site without obstacles in the flight path.
8. The regulatory changes also resulted in the need for emergency helicopters to be upgraded to larger models requiring a new helicopter landing site at RPH.
9. The RPH helicopter landing site is a strategically important helicopter landing site as defined under Guideline H of the *National Airports Safeguarding Framework* (Department of Infrastructure, Transport, Regional and Development and Communities).
10. Emergency flight path options were considered as part of the planning for the new helicopter landing site. Various routes have been assessed to determine a flight path that minimises the impact on development of the city and also meet the needs of helicopter pilots.
11. In 2019, the Western Australian Planning Commission (WAPC) approved a development application for a new helicopter landing site.
12. The protection of emergency flight paths did not form part of the development approval.
13. Advice from the Department of Planning, Lands and Heritage is that the creation of a Special Control Area in City Planning Scheme No. 2 (CPS 2) is the most appropriate planning mechanism to protect the emergency flight path.

## Discussion

### CPS 2 Amendment

14. The proposed CPS 2 amendment seeks to:
  - a. create a special control area comprised of a “core flight path area” and a “frame flight path area” that make up the emergency flight path protection area.
  - b. limit maximum building heights within the “core flight path area”.
  - c. manage works and temporary structures (such as cranes) within the core and frame areas so they are not an obstruction risk within the emergency flight path corridor.



- d. create a consultation process with the EMHS so they can provide advice on development applications located within the emergency helicopter flight path protection area.
15. Permanent development and temporary works and equipment have the potential to encroach into the emergency flight paths associated with the RPH helicopter landing site, presenting a hazard to helicopters.
16. Development within the core flight path area will be controlled by limiting the height of permanent development (including parts of a building which are ordinarily excluded from building height calculations) so that it does not encroach above the flight path obstacle limitation surface (OLS).
  - a. The OLS has been determined in accordance with the International Civil Aviation Organisation's *Annex 14 Aerodromes – Volume II: Heliports, Chapter 4 – Obstacle Environment* (4<sup>th</sup> edition, 2013) which are industry best practice standards and recommendations.
  - b. The OLS is defined by the technical flight path geometry (4.5% design slope) along the length of the proposed SCA, in relation to the RPH helicopter landing site.
  - c. The OLS limits are expressed as maximum Australian Height Datum (AHD) heights within the proposed SCA (see Attachment 11.1A – Figures 33.1 to 33.8).
17. Development will not be limited within the frame flight path area. The purpose of the frame flight path area is to ensure that temporary works and equipment, such as cranes, do not present a hazard to helicopters using the core flight path area.
  - a. Works which typically do not need approval under CPS 2 and the *Planning and Development (Local Planning Schemes) Regulations 2015* will require development approval where they are situated above or within 30 metres of the maximum AHD heights specified in the Core and Frame Flight Path Areas. This to ensure that permanent and temporary development and equipment will not present a hazard to helicopters using the emergency flight path protection area.
  - b. Where development approval is required, the EMHS will be consulted using the process established under Clause 66 of the deemed provisions in the Planning and Development (Local Planning Schemes) Regulations.

#### **LPS 26 Amendment**

- 18 The proposed amendments to LPS 26 are administrative changes to update the scheme text and map so they align with the proposed planning provisions in the SCA created under CPS 2 (see Attachment 11.1B).

#### **Policy Amendments**

19. Minor administrative changes are required to local planning policies to ensure consistency with the proposed planning provisions in the SCA (see Attachment 11.1D).
20. The Application Policy is also proposed to be updated to state the additional information to be submitted as part of a Development Application with the Special Control Area.

#### **Impact on Development**

21. Development impacts have been limited by taking advantage of major road and rail reservations, avoiding existing buildings, where possible, and using the Swan River for a large proportion of the flight path length.
22. Privately owned landholdings represent approximately 5.7% of the flight path protection area with the majority of these landholdings in the south western portion of the emergency flight path.

23. Publicly owned landholdings represent approximately 94.3% of the total flight path protection area. The majority of these landholdings fall in the north eastern portion of the emergency flight path with the south western public landholdings associated with RPH.
24. It is difficult to fully quantify development impacts because different variables determine the scale and bulk of a development including site area, plot ratios, bonus plot ratio, building height and setbacks.
25. The prescribed maximum building heights under the current planning framework will not be impacted by the north-eastern flight path but will be impacted by the south-western flight path.
26. Between Terrace Road and St Georges Terrace, and between St Georges Terrace and Hay Street, the flight path obstacle limitation surface is between 10-15m and 15-20m lower than the prescribed maximum building heights respectively. Notwithstanding this, there is discretion to vary the prescribed maximum building heights and the City's modelling has demonstrated that the maximum plot ratio and bonus plot ratio can still be achieved within the constraints of the flight path.
27. Between Hay Street and Murray Street, there are no prescribed maximum building heights, with building height constrained by plot ratio. Building heights will vary depending on how a developer chooses to configure their development. Buildings with larger floor plates/areas will have greater horizontal spread, resulting in lower building heights than buildings with smaller floor plates/areas, with greater vertical spread resulting in higher building heights.
28. The City has modelled one of a number of possible development scenarios for the sites between Hay Street and Murray Street. The modelling shows that whilst maximum plot ratios can be achieved below the flight path obstacle limitation surface, the use of bonus plot ratio on two sites under a residential development scenario would not be possible (see Attachment 11.1C).
29. The modelling is indicative only and cannot include all possible development scenarios, the circumstances, or the development ambitions of a private landholder wanting to develop or redevelop their land.
30. Some of the properties affected by the south-western flight path are heritage listed which limits development potential or are strata titled impacting the likelihood of redevelopment.
31. Amendment No. 47 to CPS 2, in conjunction with Amendment No. 5 to LPS 26 and the amendments to the associated local planning policies will ensure that RPH can continue to function as the SMTC, serviced by the EHRS.

## Consultation

32. The City has worked closely with the EMHS's planning consultant (Element) along with the Department of Fire and Emergency Services (key user of RPH HLS) to refine the Scheme Amendment request to ensure that sufficient supporting information is provided and that it is practical and implementable so as to achieve its purpose.

## Decision Implications

33. If Council supports the recommendations:
  - a. the proposed scheme amendments will be forwarded to the WAPC for assessment prior to advertising; and
  - b. the amended local planning policies will be advertised with the proposed scheme amendments.

34. If Council does not support the recommendations the Minister may, under the *Planning and Development Act 2005*, order the City to initiate the proposed amendment.

## Strategic, Legislative and Policy Implications

Strategic Community Plan	
Strategic Pillar (Objective)	Sustainable
Related Documents (Issue Specific Strategies and Plans):	S1: A well-planned, designed and managed city Draft Local Planning Strategy The draft Local Planning Strategy sets out the City's strategic objectives for future land use and development within city.

Legislation, Delegation of Authority and Policy	
Legislation:	<p><b><i>Planning and Development Act 2005</i></b></p> <ul style="list-style-type: none"> <li>Section 75 provides legislative power to the Council to initiate changes to its local planning scheme.</li> <li>Section 81 requires referral of scheme amendments to the Environmental Protection Authority prior to advertising.</li> <li>Section 84 sets out advertising requirements.</li> </ul> <p><b><i>Planning and Development (Local Planning Schemes) Regulations 2015</i></b></p> <ul style="list-style-type: none"> <li>Regulations 34 and 35(2) require amendment to be classified as basic, standard or complex.</li> <li>Regulation 37(2) requires complex scheme amendments to be referred to WAPC for advice prior to advertising.</li> <li>Regulation 38 specifies requirements for advertising a complex amendment.</li> <li>Regulation 76A specifies requirements for making documents available to public.</li> </ul> <p><b>City Planning Scheme No. 2</b> City Planning Scheme No. 2 sets out planning provisions for all of the land within the City's local government boundary (except Crawley-Nedlands).</p> <p><b>Local Planning Scheme No. 26 (Normalised Redevelopment Areas)</b> Sets out the planning provisions for all normalised redevelopment areas within the City's local government boundary (except Crawley-Nedlands).</p>
Authority of Council/CEO:	The <i>Planning and Development Act 2005</i> gives local governments powers in relation to Local Planning Schemes and Local Planning Policies. The above provisions of the <i>Planning and Development Act 2005</i> requires a decision to amend by Council resolution.
Policy:	<p><b>Planning Policy Manual - Part 1</b></p> <p>4.4 Building Heights and Setbacks Policy</p> <p>6.3 Goderich Design Policy</p>

	<p>6.4 Terrace Road Design Policy</p> <p><b>Planning Policy Manual – Part 2</b></p> <p>2.3 Area 3 – Belvidere</p> <p>2.4 Area 4 – Victory Terrace</p> <p>2.5 Area 5 – Jewell Lane</p> <p>2.14 Area 14 - Lord and Norbert Streets</p> <p>2.15 Area 15 – Norbert and Clotilde Streets</p> <p>The local planning policies outline design requirements within areas that fall within the proposed SCA.</p>
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## Financial Implications

The financial implications of the recommendations are accommodated within the existing budget.



<b>Account Number</b>	1079-100-10-10568	Operating
<b>Account Description</b>	Scheme and Policy Amendments	
<b>Total Budget</b>	\$28,000	
<b>Budget – This report</b>	\$5,000	
<b>Remaining Budget</b>	\$23,000	
<b>Budget Impact</b>	Public notices and advertising.	

## Further Information

35. Questions and responses received and responded to prior to the Agenda Briefing Session held 20 September 2022 are as follows:

	Question	Response
1.	Is the City confident this recommendation is the least intrusive option when it comes to limiting the future development options of the least number of ratepayers?	Through an extensive technical feasibility process starting dating back to 2017, a preferred option was identified (contained within Amendment No. 47), which is considered to best balance impacts to development options with the clinical needs, building and structural limitations at Royal Perth Hospital, and the operational requirements of the helicopters under the National Airports Safeguarding Framework.

## 11.2 Request to Rename Nelson Avenue/Crescent, East Perth to Sailani Avenue/Crescent, East Perth

<b>Responsible Officer</b>	Dale Page – General Manager Planning and Economic Development
<b>Voting Requirements</b>	Simple Majority
<b>Attachments</b>	Attachment 11.2A – Letter Consulate General of India <a href="#">↓</a>  Attachment 11.2B – Location Map <a href="#">↓</a> 

### Purpose

To seek Council's support to proceed to community and stakeholder consultation in relation to a request to rename Nelson Crescent or Nelson Avenue to Sailani Crescent or Avenue.

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### Recommendation

That Council SUPPORTS proceeding to community and stakeholder consultation in relation to a request to rename Nelson Avenue to Sailani Avenue, East Perth, in accordance with Policies and Standards for Geographical Naming in Western Australia.

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## Background

1. A request was received from the Consulate General of India requesting the City to name a road in the vicinity of Kings Park after the late Private Nain Singh Sailani, in honour of the sacrifices made by Indian soldiers while serving with the ANZACs.
2. The City responded to this request, advising that there were currently no new roads within the vicinity of Kings Park that require a new road name; however, the City may be able to consider the request at a later date, should a road require naming in the future.
3. The Consulate General of India also contacted the Department of Premier and Cabinet regarding the request.
4. The City received a subsequent request from the Department of Foreign Affairs and Trade to consider renaming either Nelson Crescent or Nelson Avenue, located near the Western Australian Cricket Associated Ground (WACA), after the late Private Nain Singh Sailani.
5. Landgate is responsible for approving road names and has established the '[Policies and Standards for Geographical Naming in Western Australia](#)' (the standards). These standards set out the relevant criteria. All road naming requests must be supported by the Local Government of the area that the road is located within before they can be considered by Landgate.
6. As road names are intended to be enduring, and renaming existing roads is generally discouraged in accordance with the Standards, Council's preliminary approval of the request is sought, prior to community and stakeholder consultation being undertaken and final approval being sought.

## Discussion

### Location

7. Nelson Crescent runs in an easterly direction from Plain Street, turning into Nelson Avenue at a point just to the north of the WACA. There is no documentation to explain why there is a change of road type between Nelson Crescent and Nelson Avenue.
8. No existing property, located on Nelson Avenue, formally uses Nelson Avenue as a formal street address.
9. The following properties currently use Nelson Crescent as their formal street address:
  - a. Gloucester Park – 40 Nelson Crescent, East Perth. It is noted that this property abuts both Nelson Crescent and Nelson Avenue.
  - b. City of Perth Carpark – Queens Gardens – 42-62 Nelson Crescent, East Perth
  - c. Western Australia Cricket Association Ground (WACA) – 39 Nelson Crescent, East Perth. It is noted that this property abuts both Nelson Crescent and Nelson Avenue.
10. The following properties have an alternative address; however, they abut Nelson Crescent or Nelson Avenue:
  - a. Queens Gardens – 70 Hay Street, East Perth. It is noted that the rear of property abuts Nelson Crescent.
  - b. Trinity College – 2 Trinity Avenue. It is noted that the rear of the property abuts Nelson Avenue.
11. It is not known if any of the above-mentioned properties use Nelson Avenue in an informal way, as an alternative address.

12. The existing surrounding street names are consistent with themes of the 'Battle of Waterloo' and the Battle of Trafalgar'.

### **History of Nelson and Sailani**

13. Nelson Crescent and Avenue were named after Admiral Horatio Nelson, a British Naval Commander, who is regarded as the greatest officer in the history of the Royal Navy. His reputation is based on a series of remarkable victories, culminating in the Battle of Trafalgar where he was killed in his moment of triumph.
14. The first occurrence of the name Nelson was 1845. The name was officially approved as a street name on 11 July 1986 as part of a City-wide mass approval (back capture exercise) done by Landgate.
15. It is unknown when Private Sailani arrived in Perth; however, he worked as a labourer before he enlisted in Perth on 7 February 1916. He completed training in the UK and was then deployed in many theatres of war in Europe, being important military events. A theatre can include the entirety of the airspace, land and sea area that is or that may potentially become involved in war operations.
16. Private Sailani was one of 12 known Indian ANZACs who enlisted into the Australian Imperial Force during WW1 and one of two Indian ANZACs, who were killed in the Belgian campaign. Private Sailani is buried in Belgium, alongside fellow Australian soldiers who were killed in action.
17. Private Sailani was the recipient of three medals including the British War Medal, the Victory Medal and the 1914/15 Star.
18. A ceremony was held in June 2017 at Perth's War Memorial in Kings Park to mark the centenary of the passing of Private Sailani.
19. On Saturday 18 November 2017 an honour plaque dedication service was held at Kings Park, Perth for Private Sailani, along with the other 11 other servicemen who lost their lives in the line of duty during WW1.

### **Process**

20. Landgate is responsible for approving road names; however, all requests must be supported by the Local Government of the area that the road is located within before they can be considered by Landgate.
21. Proposed road names must satisfy relevant criteria as detailed in the standard. Preliminary feedback has been provided by Landgate, advising that 'Sailani' satisfies the relevant criteria for a road name in this location.
22. Should the renaming request receive preliminary support from Council, the City will commence community and stakeholder consultation on the proposed name before seeking final approval of Council.
23. On final approval by Council, the City will forward the request, along with Council's approval to Landgate for approval by the Minister for Lands.

### **Officer Comment**

24. As per the standard, the renaming of any road is discouraged unless there are good reasons for a change of name including (but not limited to), the redesign of a road layout, changes to traffic flow, mail delivery or street address problems.
25. If Council does not support the request to rename Nelson Avenue or Nelson Crescent, it is recommended that the current names remain as they currently are.



26. As discussed it is not known why Nelson Crescent turns into Nelson Avenue; however, given the duplication of the name Nelson, there is an opportunity to rename one of the streets to Sailani in recognition of Private Sailani and the Indian ANZACs who enlisted into the Australian Imperial Forces during WW1.
27. It is recommended that Nelson Avenue be considered for renaming, given the existing properties/business in the locality are known as having a Nelson Crescent address.

## Consultation

28. If Council endorses the proposed name, the City will carry out community and stakeholder consultation in accordance with the Standards. At the conclusion of the advertising period, the City will report back to Council on the outcome of the advertising with a recommendation on the final endorsement of the proposal.

## Decision Implications

29. If Council does not endorse the proposed name, the City will notify the Consulate General of India and the Department of Foreign Affairs and Trade of its resolution.

## Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Liveable
Related Documents (Issue Specific Strategies and Plans):	Strategic Community Plan 2022-2032 L.2.1 – Diversity in the community is acknowledge, catered for and celebrated. Diversity is recognised in the design, planning and delivery of services.

Legislation, Delegation of Authority and Policy	
Legislation:	Section 26 of the <i>Land Administration Act 1997</i> .
Authority of Council/CEO:	The Minister of Lands is the final authority on all road naming matters; however, Council is requested to indicate its support of the proposed name.
Policy:	Nil.

## Financial Implications

30. Ordinarily, the party that makes the request may be responsible for the cost of any necessary rebranding, including the production of new street name plates.

## Further Information

### 31. Questions and responses received and responded to prior to the Agenda Briefing Session held 20 September 2022 are as follows:

	Question	Response
1.	There are no residential or business addresses on this stretch of road (meaning the impact of changing the name is minimised), it also services access to Trinity College, Gloucester Park, and Matagarup Bridge. Will there be any impact related to these destinations?	Should Council support the officer's recommendation, the City will undertake community and stakeholder consultation on the proposed road name change. This will draw out any potential concerns or perceived impacts on any affected property or destination. A subsequent report will be presented to Council for final approval where Council will be able to consider any implications on adjoining properties and landmarks that may currently be unknown.
2.	This location has no connection to Kings Park – however the request identified a street in its vicinity (page 16/305). Why has the City administration recommended this street?	The Department of Foreign Affairs and Trade recommended that the City consider renaming either Nelson Crescent or Nelson Avenue, located near the Western Australian Cricket Associated Ground (WACA). In addition to their recommendation, it is noted that the theme of road names in the immediate area is associated with battle of war.
3.	Is the City required to respond in a set timeframe or could we look at other options?	There is no statutory timeframe for road naming requests.  The City considered the Consulate General of India's original request for a road name in the vicinity of Kings Park; however, there are no new roads in this area that require naming.  Alternative options are considered limited, noting there are currently no new roads that require a name, nor any instances, like Nelson Crescent/Avenue where the renaming of an existing road is unlikely to cause significant disruption.
4.	Is the City proposing to do anything outside of re-naming a street, i.e providing a footpath marker/plaque to explain the history?	The proposed road name is currently the only response being considered in response to the request from Consulate General of India.  As noted in the report, a plaque in Private Sailani's honour already exists in Kings Park.



**Consulate General of India**  
Level 6, 12 St. Georges Terrace,  
Perth 6000. WA Australia  
Tel: 61 - 8 - 9221 4205  
Email: consl.perth@mea.gov.in

**No. Pert/NV/515/1/2022**

**April 19, 2022**

The Consulate General of India in Perth presents its compliments to the Office of Lord Mayor, City of Perth and has the honour to inform that Pte Nain Singh Sailani, Regimental number 658, 44<sup>th</sup> Battalion, Australian Infantry, AIF, is one of the 12 known Indian ANZAC who enlisted into the Australian Military Forces during WW1, sacrificed his life in the Belgian campaign in June 1917 and remained buried in Belgium along with his fellow Australian soldiers who were killed in action.

2 In recognition of the sacrifice, an Honour Plaque Dedication service was conducted by the Kings Park Honour Avenues Group of Highgate RSL in May Circle Kings Park, Perth, on November 18, 2017 (Saturday).

3. In this background, the Consulate General of India in Perth, on the advice of Ministry of External Affairs, New Delhi, requests naming of a street (in the vicinity of Kings Park) after Late Pte Nain Singh Sailani to honour the sacrifices made by Indian soldiers while serving the ANZAC.

4. The Consulate General of India in Perth avails itself of this opportunity to renew to the Office of Lord Mayor, City of Perth, the assurances of its highest consideration.



Western Australia

*[Handwritten signature]*

✓ **O/o Lord Mayor**  
**Council House**  
**27 St Georges Tce**  
**Perth WA 6000**


**Copy to:**

**Ms Sally Dawkins, Director**  
**DFAT Western Australia**  
**Level 25, Exchange Tower**  
**Sherwood Court (off St Georges Terrace)**  
**Perth WA 6000**

**LOCATION MAP**



11.3 Retail Core Refresh - Phase Two - Murray Street Mall

<b>Responsible Officer</b>	Dale Page – General Manager Planning and Economic Development
<b>Voting Requirements</b>	Simple Majority
<b>Attachments</b>	Attachment 11.3A – Retail Core Refresh - Phase Two - Murray Street Mall - Concept Design <a href="#">↓</a> 

**Purpose**

To seek Council’s approval of the concept design for the Retail Core Refresh – Murray Street Mall.

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**Recommendation**

That Council APPROVES the concept design for the Retail Core Refresh – Murray Street Mall, with works scheduled to commence in early 2023.

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## Background

1. At its meeting held on 27 April 2021, Council approved the design for the Retail Core Refresh – Hay Street Mall.
2. The April 2021 Council report also noted that the refresh design for the Murray Street Mall would be presented to a future Council meeting for approval.
3. Murray Street Mall will undergo a refresh in line with recently completed works in Hay Street Mall including new street furniture, wayfinding signage and additional murals and event infrastructure.

## Discussion

4. The refresh of Hay Street Mall (completed in April 2022) has breathed new life into the space by renewing existing street furniture, creating murals, and providing new seating choices for people to enjoy.
5. The Murray Street Mall is proposed to undergo a refresh in line with recently completed works in the Hay Street Mall, including new street furniture, wayfinding signage and additional murals and event infrastructure.
6. The Murray Street Mall underwent a significant upgrade in 2005 to coincide with the new Mandurah trainline and the opening of the Perth Underground Station. This station located at the William Street end of the mall provides some of the highest daily numbers of pedestrians in the city.
7. Whilst the previous upgrade of Murray Street Mall has served the city well, the existing infrastructure and the choice of seating is now in need of an overall refresh.
8. While the Murray Street Mall is wider than the Hay Street Mall, it is constrained by the allocation of space for small events and busking, as well needing to accommodate comfortable pedestrian movement and circulation from the station and into the adjacent streets and arcades.
9. The refresh of Murray Street Mall will see the creation of welcoming and inviting spaces to encourage visitors to socialise in the mall and support local businesses through the purchase of food and beverage as well as providing much needed extra seating options for events such as the Twilight Hawkers Markets.
10. The 'refresh' works proposed for Murray Street Mall include:
  - a. Painting of existing infrastructure such as light poles and planter boxes.
  - b. Decluttering by consolidating regulative signage.
  - c. Commissioning additional murals that showcase the diversity of local artists and tell stories of place.
  - d. New way-finding signage throughout.
  - e. Installation of a range of seating types to encourage more people to enjoy the mall.
  - f. Integration of lighting in communal tables.
  - g. Refreshing the existing stairs in front of the Old Commonwealth Bank.
  - h. Highlighting the gateways at either end of the mall with enhancement lighting to the trees.
  - i. Providing enhancement lighting to the soffit of the David Jones bridge.
11. The new street furniture proposed for the refresh is of a high quality - befitting of the mall's status as the City's premier shopping area. The street furniture has the following overall qualities:

- a. Timber slats are cool in summer and do not retain heat like alternative materials such as stainless steel and plastic.
  - b. Timber is a renewable resource – it is recyclable, waste efficient, biodegradable, carbon positive and sourced from Australian grown plantations.
  - c. In line with biophilic design principles, timber connects people with nature and its use makes spaces feel more appealing.
  - d. The materials are robust and easy to maintain.
  - e. Graffiti, scratching and gauging can be easily removed and repaired with limited down time.
12. Noting that the street furniture in the mall is subject to a high level of use, the City is currently reviewing the type of treatment used on all timber in the public realm to ensure it aligns with best practice and looks well presented at all times.
13. The existing sculptural concrete seats created by Perth artist David Walker in 2008 will be refurbished and relocated to new locations. David Walker has an extensive career in the visual arts as a practitioner, academic and advocate in the areas of design, crafts and contemporary jewellery and objects. The pieces he created for Murray Street Mall were influenced by granite formations found along the Western Australian South West Coast. These seats have been very popular over the years and have become synonymous with Murray Street Mall.

## Consultation

14. The following stakeholder engagement was undertaken on the proposed concept design for Retail Core Refresh Murray Street Mall:
- a. Engage Perth platform – from 22 August 2022. By 8 September 2022, there were 74 visits to the Murray Street Mall Refresh page and 18 downloads of the concept plan.
  - b. Stakeholder letters were emailed to all property owners and managing agents on 26 August 2022.
  - c. Face to face engagement – project postcards with a QR code link to the Engage Perth website were hand delivered to all the businesses along Murray Street Mall on 26 August 2022. Overall feedback was positive with some minor concerns raised about smoking in the mall and queries about the amount of disruption the refresh works would have to businesses.
  - d. One property owner wrote to the City outlining their support for the refresh. They also highlighted that the proposed new street furniture, in particular the high tables and stools, provide a setting which is more family friendly.
  - e. The project postcards were also made available at the iCity Kiosk in Forrest Place.
15. Clear, ongoing communication with business owners before and during the works will be undertaken. The Engage Perth website will also be used for the duration of the project with updates posted on a regular basis.

## Decision Implications

16. If Council adopts the recommendation, all works will be completed by the end of June 2023.
17. If Council does not support the recommendation, the refresh of Murray Street Mall will not be delivered by the end of June 2023.

## Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Liveable
Related Documents (Issue Specific Strategies and Plans):	Economic Development Strategy – Theme 2. A City Reimagined: the works to refresh Murray Street Mall will improve the overall presentation and amenity to encourage more visitation and spend in the area.  Public Lighting Framework – the refresh will include an element of enhancement lighting which aligns with the objectives of the Framework.
Legislation, Delegation of Authority and Policy	
Legislation:	Nil.
Authority of Council/CEO:	Council approval is sought for the Retail Core Refresh – Murray Street Mall concept design so works can commence.
Policy:	Nil.

## Financial Implications

18. The financial implications of the recommendation(s) are accommodated within the existing budget.

Account Number	10617	Capital
Account Description	Malls Refresh	
Total Budget	\$800,000	

19. To date, investigative works have been undertaken to ensure the current electrical network can accommodate the additional load anticipated with the refresh works. The City will commence the preparation of minor works in late 2022 to allow the main refresh to occur in early 2023. These minor works will not cause any disruption to the day to day functioning of the mall and, where possible, they will occur after hours.
20. To mitigate current global supply chain issues, the City has built additional timeframes into the construction program and is utilising the Christmas period to procure long lead items and minimise disruption within the mall over peak periods.



## Further Information

21. Questions and responses received and responded to prior to the Agenda Briefing Session held 20 September 2022 are as follows:

	Question	Response
1.	13 - states relocation of existing sculptural seats and attachment 11.3 shows them at 3.  Is it intended all or only some of the current sculptural seats are refurbished and relocated?	All the sculptural seats are being refurbished and relocated.

# Retail Core Refresh 2022/23

## Phase Two - Murray Street Mall



# Context

## Introduction

The City recently completed the refresh of Hay Street Mall. Following the success of this project, a similar program of works is proposed for Murray Street Mall. The refresh of both malls is an interim measure to extend the life of the retail core with minimal disruption until major key developments such as Carillon City, and the Connor Quinlan Buildings are completed.

Murray Street Mall had a significant upgrade in 2005 to coincide with the opening of the new Perth Underground Station. Murray Street Mall's proximity to Forrest Place combined with high footfall generated by the train stations has attracted some of the world's largest retail brands. While the original upgrade has served the city well, an accumulation of clutter over the years and aging street furniture has had a visual and physical effect on the mall's aesthetic and function.

The aim of the concept is to reinvigorate Murray Street Mall through the introduction of new street furniture and way-finding signage, murals, and other minor work to encourage people to stay and spend time in the mall.

This will be achieved through the introduction of more structure to the mall and the removal of redundant items while balancing the spatial and infrastructure requirements for small event spaces.

***“Good cities know that streets move people, not just cars. Great cities know that streets are also places to linger and enjoy.”***

- Brent Toderian

Noted Urbanist, former Vancouver Chief Planner



Location plan

Red shaded areas indicate key new developments



















11.4 No. 129 (Lot 97) Barrack Street, Perth - Proposed change of use from small bar ('Entertainment') to adult retail shop ('Restricted Premises' - 'Unlisted Use') including external and fit out works and signage

Responsible Officer	Dale Page – General Manager Planning and Economic Development
Voting Requirements	Simple Majority
Attachments	Attachment 11.4A – Location Plan <a href="#">↓</a>  Attachment 11.4B – Development Plans <a href="#">↓</a> 

## Purpose

For Council to determine a development application for the change of use from small bar ('Entertainment') to adult retail shop ('Restricted Premises' - 'Unlisted Use') including external and fit out works and signage for 'Pink Rabbit Adult Boutique' at 129 Barrack Street, Perth.

## Recommendation

That Council, in accordance with the provisions of City Planning Scheme No. 2, the *Metropolitan Region Scheme and the Planning and Development (Local Planning Schemes) Regulations 2015 – Deemed Provisions for Local Planning Schemes*, APPROVES, the application for the change of use from small bar ('Entertainment') to adult retail shop ('Restricted Premises' - 'Unlisted Use') including external and fit out works and signage at 129 (Lot 97) Barrack Street, Perth as indicated on the Metropolitan Region Scheme Form One dated 6 May 2022 and as shown on the revised plans and details received on 27 July 2022 subject to:

1. prior to occupation of the tenancy, a Shopfront Display Management Plan, limiting any shopfront display to dressed mannequins only with any adult toys or items/products of an explicit sexual nature and classified as restricted publications under the *Censorship Act 1996* being prohibited from within the display, being submitted and approved, to the satisfaction of the City;
2. final details of the external shopfront including materials, colours and finishes being submitted for approval by the City prior to applying for a building permit;
3. the use of the premises being limited to display and sale of retail products only with the offering of non-retail or personal services not being permitted, to the satisfaction of the City;
4. a low level of illumination being used and no part of the approved signs shall flash, pulsate or flicker, to the satisfaction of the City; and
5. any additional signage for the tenancy (that are not exempt from approval under the City's Planning Policy 4.6 – Signs) being subject to a separate application for approval.

## Background

1. The subject site is located on the western side of Barrack Street, approximately mid-block between Wellington Street and Murray Street Mall and comprises a total area of 122m<sup>2</sup>. The site contains an existing two storey building which is currently vacant and was previously used as a small bar ('Entertainment'). The building is included on the City Planning Scheme No. 2 (CPS2) Heritage List and is within the CPS2 Barrack Street Heritage Area.
2. The site is bound by Grand Lane to the west, a single storey building occupied by a café to the north, and a two storey building occupied by a restaurant to the south. There is a mix of occupied and vacant retail, dining, hotel and related commercial uses in the vicinity of the site.

## Discussion

### Details

Landowner	Spring Properties Aust Pty Ltd
Applicant	Gape Pty Ltd
Zoning	(MRS Zone) Central City Area (City Planning Scheme Precinct) Citiplace (P5) (City Planning Scheme Use Area) City Centre
Approximate Cost	\$50,000

3. Approval is sought to change the use of the building on the subject site from small bar ('Entertainment') to an adult retail shop ('Restricted Premises' - 'Unlisted Use') including shopfront alterations an internal fit out and signage for 'Pink Rabbit Adult Boutique'.
4. The applicant has confirmed that the premises will retail clothing and products only, with no related services being offered on site or as part of this business.
5. External works include removal of the existing shopfront and replacement with a new glazed display area and access door, and painting of the remainder of the ground floor façade. No works are proposed to the existing awning and upper floor external area.
6. Internal works involve removing the current fixtures and elements related to the previous small bar use across both levels, and replacement with partition and other items to accommodate the new use.
7. Replacement of the existing wall sign and under awning sign is also proposed.
8. With regards to the proposed use the applicant advises:
  - *“the retail ‘adult’ store will primarily target young professional singles and couples working in the CBD purchasing adult lifestyle products;*
  - *it is a retail store selling clothing and adult lifestyle products only;*
  - *shop front displays will be of elegant and tasteful clothing with no adult toys;*
  - *the goal is to create a beautiful, clean and luxurious space where customers feel safe and unintimidated to enter;*
  - *the facade will consist of a single glass doorway with an internal view through to the counter area with no products visible, and a single enclosed window display containing tastefully dressed mannequins; and*
  - *the window display will not allow internal visibility in line with restricted use/privacy requirements.”*

## Land Use

9. The subject site is located within the City Centre Use Area of the Citiplace Precinct (P5) under CPS2.
10. Although the proposed use is essentially a shop, given the nature of the items for retail, the proposed use is classified as a 'Restricted Premises' under CPS2 which is defined as:  
*"any premises used or designed primarily for the sale by retail or wholesale, or the offer for hire, loan or exchange or the exhibition, display or delivery of –*
  - (a) publications that are classified as restricted publications under the Censorship Act 1996; or*
  - (b) materials, compounds, preparations or articles which are used or intended to be used primarily in or in connection with any form of sexual behaviour or activity;"*
11. A 'Restricted Premises' does not readily fall within any of the Land Use Categories contained within CPS2. As such, in accordance with Clause 15(4) of CPS2, the proposed is taken to be an 'Unlisted Use'.
12. Clause 34 of CPS2 outlines the process for the determination of an application for an unlisted use as follows:  
*"(1) The local government cannot grant development approval for a development which involves an unlisted use unless –*
  - (a) the advertising procedure set out in clause 64 of the Deemed Provisions has been followed; and*
  - (b) it is satisfied, by an absolute majority, that the proposed development is consistent with the matters listed in clause 67 of the Deemed Provisions."*
13. With regards to the overall proposal, it is considered that the following matters outlined within Clause 67 of the Deemed Provisions are appropriate, noting the existing site conditions and context:  
*"(a) the aims and provisions of this Scheme and any other local planning scheme operating within the Scheme area;*
  - (g) any local planning policy for the Scheme area;*
  - (n) the amenity of the locality including the following –*
    - (i) environmental impacts of the development;*
    - (ii) the character of the locality;*
    - (iii) social impacts of the development;*
  - (x) the impact of the development on the community as a whole notwithstanding the impact of the development on particular individuals;*
  - (y) any submissions received on the application."*

## Development Requirements

14. There are no specific criteria or requirements for development of a 'Restricted Premises' that relate to the Citiplace Precinct (P5) under CPS2. All development is required to be generally consistent with the Statement of Intent for the Precinct in which it takes place.
15. The Citiplace Precinct will be enhanced as the retail focus of the State providing a range of retail and related services more extensive than elsewhere in the metropolitan region. It will provide for a metropolitan and state wide market as well as for the convenience of the city's residents, as well as the city centre work force. The Precinct will offer a wide range of general and specialised retail uses as well

as a mix of other uses such as residential and visitor accommodation, entertainment, commercial, medical, service industry and office. Uses at street and pedestrian level will mainly be shops, restaurants (including cafes), taverns and other uses, that have attractive shop fronts and provide activity, interest and direct customer service. Other uses will be established above or below street level and major pedestrian levels.

16. In considering the appropriateness of the proposed use, the Precinct Plan states that consideration should be given to uses which strengthen the retail and entertainment focus and increase the attractiveness of the Precinct as a highly specialised, integrated and pedestrianised shopping space are appropriate. Such uses include a wide range of speciality shops and boutiques, department, chain and variety stores, restaurants (including cafes), recreational facilities, cinemas and other similar uses which provide services and add pedestrian interest to the Malls, arcades and shopping streets, as well as day to day shopping and business services.
17. An assessment of the proposed use and works against the Statement of Intent for the Citiplace Precinct is detailed in the Comments section below.

### Consultation

18. In accordance with clause 34 of CPS2 and clause 64 of the Deemed Provisions, the proposal was advertised to the owners of the adjacent and surrounding properties for a period of 14 days, closing on 29 June 2022. This included the owners of the properties directly adjacent at 127 and 131 Barrack Street and those in the near vicinity at 125, 126-128, 133 and 138 Barrack Street, Perth.
19. One submission was received during the advertising period, raising objections in relation to the proposal as follows:
  - *“We object to the change from small bar to adult boutique.*
  - *This end of Barrack Street has constantly been the rougher side of town.*
  - *With Grand Lane having constant disturbances from people drinking and urinating all over the lane and street.*
  - *It took a great deal of effort for our tenant to bring good crowds of locals and tourists to this end of the street.*
  - *What we need is for the Council to help bring in more businesses that helps to boost the tourist and foreign students to come into the city and not a different crowd of people.”*

### Comments

20. As outlined previously, the Citiplace Precinct plan provides guidance in relation to the appropriateness of the proposed land use in accordance with cl. 67 (a) and (g) above.
21. The northern end of Barrack Street, between Murray Street Mall and Wellington Street is typically characterised by retail, dining, entertainment and other ‘Restricted Premises’ tenancies, with a concentration of narrow tenancies along the north-western side of Barrack Street, accommodating a range of offerings including a hair dresser, a fashion and costume shop, a specialised market, a café and a restaurant. A number of tenancies, including the subject tenancy are currently vacant.
22. As noted above, the proposed use is essentially a shop, which on its own, is considered to be compatible with the existing surrounding uses and consistent with the Statement of Intent for the Citiplace Precinct as it would contribute to retail focus of the precinct. As the business proposes to sell, by retail, materials which are used or intended to be used in connection with sexual behaviour or activity (as per the definition of a ‘Restricted Premises’) the potential impact of such a retail offering on the amenity, of the locality must be considered, in accordance with cl. 67 (n) above.

23. The proposed floor plan for the use, illustrates a central pedestrian entry, a customer counter, setback from the shopfront and an enclosed shopfront display. The fitout has been designed so that, with the exception of the display window and customer counter, views into the tenancy are obstructed from the footpath. As such, the proposed use is considered to present as a retail shop to Barrack Street, which is considered to be consistent with the Statement of Intent of the Citiplace Precinct.
24. In regard to the shopfront display itself, the applicant has confirmed that the display will comprise of tastefully dressed mannequins only. As such, noting that the display will not contain materials or items of an explicit sexual nature, the proposed shopfront display is considered comparable with a retail shop and therefore consistent with the Statement of Intent for the Citiplace Precinct. It is recommended that any approval be conditioned to require the submission of a Management Plan, detailing the ongoing use of the display window, to be submitted and implemented on an ongoing basis to the City's satisfaction.
25. It is noted that there are existing 'Restricted Premises' tenancies located in the vicinity of the subject site. These businesses have been operating for a long period of time and provide different services/offering than the subject proposal.
26. It is also noted that the subject tenancy is not located near any large public space nor is it located immediately adjacent to the intersection of Wellington and Barrack Street and the Murray Street Mall and Barrack Street, where people may linger as they wait to cross the street. As such, the proposed use is not considered to adversely distract from the existing and future mix of commercial uses at pedestrian level which can be considered to cater for various groups of the population already.
27. It is considered that the proposal will add to the diversity of commercial business activity within the area while providing an additional retail offering to workers, residents and visitors. The appearance of the existing building will also be upgraded from its current condition and will provide an overall improvement to the streetscape.
28. The proposed replacement wall and under awning signs comply with the relevant objectives and provisions of the City's Signs Policy 4.6 in relation to scale, safety, content and design.
29. There are also no impacts on the heritage value of the place noting the shopfront and internal areas of the building have been subject to modification and modern interventions over time. No alterations or additions are proposed to the upper level external areas, which have the highest level of heritage integrity and authenticity and will not be impacted by the proposal.
30. It is noted that a neighbouring landowner has raised concerns in relation to potential impacts associated with amenity as outlined above. The applicant has considered the contents of the objection, and has provided the following additional details and response to the matters raised: -

*"I am a professional businesswoman, with over 20 years in various industries in Australia and the UK. I am also a Disability, Welfare and Equal Opportunity Advocate. Running a successful business is not foreign to me. I have the same interests as the objector, that is "attracting good crowds" to the surrounding area and businesses in order for us all to make a living.*

*There appears to be some genuine misunderstanding regarding the nature of the shop. It is a retail store selling clothing and adult lifestyle products only. There will be no sale or consumption of alcohol on the premises.*

*It will always be classy and well maintained, both at the front of the store and in the alleyway. I will have direct involvement in the day to day running of the store, to ensure it always meets my high standards and expectations. It will be bright, well-lit and inviting, while of course ensuring compliance with Council*

*display requirements. The inside of the shop will not be visible from the street. Shop front displays will be of elegant and tasteful clothing with no adult toys.*

*As a disability and equal opportunity advocate, I understand how this industry can be very confronting to people for many reasons including age, gender, culture, and values. As a result, these people shop online and therefore do not receive the valuable support and education they require. My vision is to change this by creating a safe, inclusive and accessible space for everyone."*

31. Whilst the premise of the objection is noted, as discussed above, the proposed use is not considered to be dissimilar to a shop, and subject to the ongoing management of the shopfront display, the use will not have a detrimental impact on the existing physical or social character of the locality. It is noted that the proposed use would not permit the offering of non-retail services, as they would not be deemed to be publications, materials or articles as per the definition of a 'Restricted Premises'.

### Conclusion

32. The proposed change of use is considered to be consistent with the relevant planning framework and considerations for the subject area. The proposal is considered to contribute to the mixed commercial character of the Citiplace Precinct (cl. 67 (a) and (g)) nor will it not detrimentally impact on the amenity of the locality or City as a whole (cl. 67 (n)) for the reasons outlined above.
33. Whilst the proposed development was subject to an objection raised by a neighbouring landowner, it is considered that the applicant has satisfactorily addressed the concerns through the submission of additional details and plans. It is therefore recommended that the application be approved, subject to appropriate conditions as identified within this report in accordance with clause 34 of CPS2 and clause 67 of the Deemed Provisions.

### Consultation

34. The application was advertised for comment in accordance with clause 34 of CPS2, the CPS2 Notifications/Advertising Policy 2.2 and clause 64 of the Deemed Provisions. The details of the outcomes of public consultation were discussed in the preceding section.

### Decision Implications

35. Should Council resolve to refuse the application, the applicant has the right to apply to the State Administrative Tribunal for a review of Council's decision.

### Strategic, Legislative and Policy Implications

Strategic Community Plan	
Strategic Pillar (Objective)	Prosperous
Related Documents (Issue Specific Strategies and Plans):	Economic Development Strategy 2022-2032 <i>Deliver a range of initiatives that attract, retain and support the development of small to medium enterprise in the city</i>

Legislation, Delegation of Authority and Policy	
Legislation:	<i>Planning and Development Act 2005</i>



	<p><i>Planning and Development (Local Planning Schemes) Regulations 2015</i></p> <p><i>City Planning Scheme No.2</i></p> <p><i>Metropolitan Region Scheme</i></p> <p><i>City of Perth Act 2016.</i></p>
<b>Authority of Council/CEO:</b>	<p>The authority to determine this development application has been delegated by Council to the CEO, the General Manager Planning and Economic Development and the Alliance Manager Development Approvals under the <i>Planning and Development Act 2005</i>.</p> <p>However, in accordance with delegation 9.2(2).(b.) the application is now required to be determined by Council, noting the nature of the objection received as a result of public consultation.</p>
<b>Policy:</b>	<p>Nil.</p>

## Financial Implications

Nil.

## Further Information

36. Questions and responses received and responded to prior to the Agenda Briefing Session held 20 September 2022 are as follows:

	Question	Response
1.	Part 3 of the recommendation, is the final “to the satisfaction of the City” meant to be there?	Yes - ‘to the satisfaction of the City’ has been included as part of Condition 3 to enable the City to be the determining party as to whether the use of the premises complies with the City’s approval. The use of this wording is common in planning conditions.
2.	There was a consultation period with local business owners and property owners, what was the length of the consultation process?	The proposal was advertised for a period of 14 days.
3.	How many people did the City write to too?	The City sent letters to 56 parties.












## 12. Community Development Alliance Reports

### 12.1 Major Events and Festivals Sponsorship - Perth Festival 2023

<b>Responsible Officer</b>	Kylie Johnson – General Manager Community Development
<b>Voting Requirements</b>	Simple Majority
<b>Attachments</b>	Confidential Attachment 12.1A – Summary of Application and Recommendation Rationale - Perth Festival 2023 Attachment 12.1B – Festival Impact Report <a href="#">↓</a> 

### Purpose

To provide a sponsorship recommendation to Council, under the Major Events and Festivals Sponsorship program.

### Recommendation

That Council APPROVES\* the following Major Events and Festivals Sponsorship totalling \$400,000 excluding GST for a one-year term:

Ref	Applicant / Project	Recommendation Amount
a.	Perth International Arts Festival Ltd. / <b>Perth Festival 2023</b>	<b>\$400,000</b> (ex GST) cash contribution (FY 2022/23)

*\*Approval subject to a suitable sponsorship agreement being entered into by the City and Perth International Arts Festival Ltd. on terms acceptable to the City within three months.*



## Background

1. The City has a vision for Perth to be ‘the events heart of WA’ (2025 Events Strategy). The City will facilitate and support a portfolio of events that provide enriching experiences throughout the year.
2. Through the Major Events and Festivals sponsorship program, the City supports events of national and international significance which enhance Perth’s reputation and generate significant return on investment, economic impact, and visitation outcomes. Events will also provide significant sponsorship benefits in recognition of the City's support.
3. Under this program, the City can provide a maximum contribution of 60% of the total project cost. The funding levels recommended are based on the scale, impact and significance of the event and can include cash and/or in-kind support for the City’s fees and charges.
4. To apply for Major Events and Festivals Sponsorship, events need to demonstrate they will achieve the following outcomes:
  - a. **Visitation:** Attract visitors to the city and encourage people to increase dwell time in city neighbourhoods.
  - b. **Vibrancy:** Enliven the city with prestigious and significant events and festivals, attracting high-profile personalities, partners and sponsors.
  - c. **Engaging a Diverse Community:** Celebrate the diversity of Perth and support the City’s Events Plan delivering a year-round calendar of events with broad appeal.
  - d. **Sustainability:** Support the City's vision of being a sustainable city by advocating sustainable event and festival models that champion environmental sustainability.
  - e. **Economic Growth:** Stimulate the local economy and provide opportunities for local business engagement. Champion the use of local businesses and suppliers.

## Discussion

5. Perth International Arts Festival Ltd. applied under the Major Events and Festivals Sponsorship program in recognition of their proven track-record for generating significant economic, social and cultural benefits for the Perth community.
6. Perth International Arts Festival have applied for \$400,000 (ex GST) cash contribution for one year for the 2023 Perth Festival.
7. Perth Festival (the Festival) is the longest running, curated arts festival in the southern hemisphere and presents a breadth of creative work from visual to performing arts, local to international artists, across free and ticketed events for the West Australian Community. Held annually in Perth from February to March, the 2023 Festival will deliver a headline international artist, free and accessible performances, and will activate numerous spaces in the city, attracting an estimated 225,000 visitors and providing an estimated direct economic impact of \$30M to the city and State. The full Perth Festival 2022 Impact Report is included in Attachment 12.1B.
8. The application was assessed by a three-person assessment panel, consisting of management and officers from the City. The General Manager Community Development had oversight of the assessment and evaluation process but was not a voting member.
9. The assessment criteria are aligned to the program outcomes and provide clear descriptions and a rating scale to guide the assessors when considering an appropriate score. The scores from panel members

for each assessment criteria are averaged. This application scored 89% which demonstrated strong alignment with the objectives of the program.

10. A summary of the application, assessment panel recommendation rationale and the total value of the sponsorship request is contained in Confidential Attachment 12.1A. The attachment contains festival program information that has yet to be publicly announced and is considered commercial-in-confidence for Perth International Arts Festival Ltd.

## Consultation

Nil.

## Decision Implications

11. It is generally not possible to support every application or the total request for each applicant due to budget constraints, lack of alignment with the City's strategic priorities and/or inadequate applications. This may result in unavoidable dissatisfaction from some applicants.
12. For applicants previously supported by the City, increases to funding are only recommended when additional benefit to the City is demonstrated.
13. A City representative will negotiate sponsorship benefits with the applicant in line with sponsorship funding amount once approved by Council. The applicant will be required to provide significant benefits in recognition of the City's support.
14. Successful applicants will be required to submit an acquittal report within three months of project completion. Acquittal reports must demonstrate how the City's sponsorship funding supported projects or initiatives within the City of Perth local government area and demonstrate direct impact on the City of Perth meeting its aspirations of Liveable, Sustainable and Prosperous.

## Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Liveable
Related Documents (Issue Specific Strategies and Plans):	<a href="#">2025 Events Strategy</a> <a href="#">Events Plan 2022-23</a> <a href="#">Cultural Development Plan 2019-2029</a> <a href="#">Major Events and Festivals Sponsorship FY2021/22 Guidelines</a>

Legislation, Delegation of Authority and Policy	
Legislation:	<a href="#">Regulation 12 of the Local Government (Financial Management) Regulations 1996</a> Payments from municipal fund or trust fund, restrictions on.
Authority of Council/CEO:	Council Policy 4.3 Outgoing Sponsorship and Grants directs that any sponsorship application for more than \$15,000 or from a funding round be considered by Council.

<b>Policy:</b>	CP 4.3 Outgoing Sponsorship and Grants directs that there be a consistent and transparent assessment process and criteria to guide recommendations to Council. An eligibility check has been conducted on the application to ensure it is compliant with the Policy and the necessary assessment process has been followed.
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## Financial Implications

### Financial Year 2022/23

15. The financial implications of the recommendation are accommodated within the existing budget.

<b>Account Number</b>	1066-100-50-10349-7901	Operating
<b>Account Description</b>	Major Events and Festivals	
<b>Total Budget</b>	\$3,000,000	
<b>Existing Commitments</b>	\$400,000	
<b>Budget – This report</b>	\$400,000	
<b>Remaining Budget</b>	\$2,200,000	
<b>Budget Impact</b>	Accommodated within approved 2022/23 budget.	

## Further Information

16. Questions and responses received and responded to prior to the Agenda Briefing Session held 20 September 2022 are as follows:

	Question	Response
1.	Has the Perth Festival advised that some of the content is commercial in confidence?	Yes









































































### 13. Infrastructure and Operations Alliance Reports

Nil.

## 14. Corporate Services Reports

### 14.1 Monthly Financial Statements - July 2022

<b>Responsible Officer</b>	Roan Barrett – Acting Chief Financial Officer
<b>Voting Requirements</b>	Simple Majority
<b>Attachments</b>	<p>Attachment 14.1A – Financial Activity Statement and FAS Notes <a href="#">↓</a> </p> <p>Attachment 14.1B – Net Current Position P1 <a href="#">↓</a> </p> <p>Attachment 14.1C – Operating Variances by Alliance and Service Unit <a href="#">↓</a> </p> <p>Attachment 14.1D – Capital Project Variances <a href="#">↓</a> </p> <p>Attachment 14.1E – Investment Register P1 <a href="#">↓</a> </p> <p>Attachment 14.1F – Rates Collection P1 <a href="#">↓</a> </p>

### Purpose

This suite of reports provides Council with timely, meaningful financial insights regarding the City's operating activities, financial performance and financial position.

### Recommendation

That Council RECEIVES the following financial reports for the period ended 31 July 2022:

1. Financial Activity Statement (FAS) and Notes to the FAS - Attachment 14.1A.
2. Net Current Position - Attachment 14.1B.
3. Operating Variances by Alliance & Service Unit - Attachment 14.1C.
4. Capital Projects Variances - Attachment 14.1D.
5. Investment Report - Attachment 14.1E.
6. Statement of Rates Debtors - Attachment 14.1F.

## Background

1. Presentation of a monthly financial report to Council is both a statutory obligation and good financial management practice that:
  - a. Demonstrates the City's commitment to managing its operations in a financially responsible and sustainable manner.
  - b. Provides timely identification of variances from budget expectations for revenues and expenditures and identification of emerging opportunities or changes in economic conditions.
  - c. Ensures proper accountability to the community for the use of financial resources.
2. Preparation of a monthly Financial Activity Statement (FAS) is the minimal statutory requirement of the *Local Government Act 1995* and regulation 34 of the *Local Government (Financial Management) Regulations 1996*. It is also a responsible financial management practice to allow Council to effectively execute their financial management responsibilities.
3. Financial information that is required to be reported directly to Council monthly includes:
  - a. Operational financial performance against budget expectations.
  - b. Explanations for identified variances from expectations.
  - c. Financial position of the City at each given month end.
4. This statutory financial information is supported by additional information including investments performance and reports on rates and general debtors.

## Understanding the Financials

5. When reading the financial information provided in this report, 'variances' (deviations from budget expectations) are classified as being either:
  - a. Favourable variance.
  - b. Unfavourable variance.
  - c. Timing variance.
6. A timing variance relates to a budgeted revenue or expense that has not occurred at the time it was expected, but which is still expected to occur within the budget year. That is, the financial transaction will still occur - but just in a different month. There should be no impact on the projected budget surplus by year end.
7. A realised favourable or unfavourable variance is different to a timing variance. It represents a genuine difference between the actual and budgeted revenue or expenditure item.
8. A realised favourable year to date variance on a revenue item is a positive outcome for the City as it increases the projected budget surplus. An unfavourable variance on a revenue item has the opposite effect, resulting a decrease to the projected budget surplus.
9. A realised favourable variance on an expenditure item may have either of two causes - one being a saving because the outcome was achieved for a lesser cost, which has the effect of increasing the projected budget surplus. The other cause may be that the proposed expenditure may not have been undertaken and is not expected to be incurred in that financial year. Whilst this may seem positive from the financial position perspective, it may not be a positive outcome for the community if the service or project is not delivered.

10. A realised unfavourable year to date variance on an expenditure item, (over-expenditure) results in a decrease to the projected budget surplus.
11. The Schedule of Variances (Attachment 14.1A) provides commentary on whether the nature of the variance is savings related, timing related or otherwise.
12. If a realised favourable or unfavourable variance is material in value (of significant size), it will be amended through a formal budget review process.

## Discussion

13. The FAS by Nature & Type - Attachment 14.1A presents a whole of organisation perspective on the attainment of revenue and expenditure targets overall - classified by nature and type.
14. The headline data from the FAS is shown in Table 1 below.

**Table 1:**

Item Details	YTD Budget	YTD Actual	Variance	F/ U
Operating Revenue - Excluding Rates	\$ 16.403 M	\$ 16.885 M	\$ 0.482 M	F
Rates Revenue	\$ 99.279 M	\$ 99.660 M	\$ 381 K	F
Operating Expenditure	\$ 14.556 M	\$ 13.899 M	\$ 657 K	F
Non-Operating Revenue	\$ 0 M	\$ 0 M	\$ 0 M	F
Capital - Infrastructure	\$ 1.165 M	\$ 1.274 M	\$ 109 K	U
Property, Plant & Equipment	\$ 80 K M	\$ 249 K	\$ 169 K	U

15. Material operating revenue and expenditure variances from Attachment 14.1A are detailed (with explanatory comments) in the Notes to the FAS (also contained within Attachment 14.1A).
16. Comments on the material variances between budget and actual capital expenditures are presented in Attachment 14.1D - Capital Projects Schedule which lists all approved, budgeted capital projects for 2021/22.
17. Each line item listed in the FAS by Nature & Type Attachment 14.1A can be cross referenced (using the Note reference) back to the relevant note.
18. Attachment 14.1C provides an alternative view showing how the organisation is tracking against budget by Alliance - and then disaggregating those figures by Service. This reporting view includes all internal charges and internal recoveries so the full service-cost can be understood.
19. Examining the FAS (Attachment 14.1A) in more detail; the aggregation of operating revenues and operating expenses reflects a year-to-date Net Cash Surplus from Operations of \$5.93M compared to a year-to-date budget of \$4.91M. This is a favourable variance of \$1.02M at the end of the month.
20. Investing activities reflect a result of (\$1.52M) compared to a year-to-date budget of (\$1.24M). This is an unfavourable variance of \$0.28M. This is due to a slightly accelerated start to capital program delivery – albeit in a low volume spend profile month.
21. Construction of infrastructure to 31 July 2022 is at 109% of year-to-date budget expectations at \$1.24M, against \$1.16M budget as noted at paragraph 14. Attachment 14.1D provides comments on specific variances for capital projects.

22. Acquisition of non-infrastructure to 31 July 2022 is \$0.25M and is 212% of the year-to-date budget. Readers are directed to Attachment 14.1D for comments on specific variances.
23. Adjusting for opening funds (Net Current Position), generates the Budget Deficiency before Rates. This then indicates the Amount Required to be Raised from Rates. The difference between the Rates amount, and the Deficiency before Rates is the Closing Position.
24. The FAS for the period to 31 July shows that a rate yield of \$99.6M has been levied compared to the \$99.3M budget at rates strike date. The rates levied figure will be reduced to reflect the impact of the WACA concession (\$183K) and anticipated Heritage Concessions (\$232K) as they are processed, bringing the actual yield in line with the budgeted amount.
25. The disclosed year to date Closing Position of \$122.8M compares favourably to the year-to-date budgeted closing position of \$121.7M - a 0.9% variance reflecting the combined impact of the favourable variances noted in this report for revenues, expenses and financing activity.
26. The Net Current Position Report (Attachment 14.1B) indicates a year-to-date adjusted Net Current Position value of \$31.4M versus the budget of \$13.2M. This is primarily attributable to a favourable variance in cash from a timing difference in spending on capital works and a stronger than budgeted operating result.
27. Headline data from this month's Net Current Position report is shown in Table 2 below. Comparative figures are provided for 2021 as well as the 30 June 2021 year-end figures.

**Table 2:**

Item Details	June 2023 Annual Budget	July 2021 YTD Actual	July 2022 YTD Actual
Current Assets	\$ 153.527 M	\$ 318.234 M	\$ 315.850 M
Current Liabilities	(\$ 36.390 M)	(\$ 80.456 M)	(\$ 58.792 M)
Unadjusted Net Assets	\$ 117.137 M	\$ 237.778 M	\$ 257.058 M
Less Restricted Items	(\$ 113.832 M)	(\$ 103.283 M)	(\$130.252 M)
Adjusted Net Current Position	\$ 3.305 M	\$ 134.495 M	\$ 126.806 M

28. The comparative numbers from the Net Current Position report for July 2021 and July 2022 reflect the impact of a much lower value of creditors in July 2022 - whilst the cash balance remained very similar. This is due to prudently managing funds throughout the year and with the intention of reducing the much higher closing position in 2021 - which became the opening position for 2022.
29. There is currently a higher value of reserve funds (restricted assets) in 2022 than in 2021 but this will reduce when drawn down to make capital contributions for the WACA Aquatic Facility and Perth Concert Hall later in the year.
30. Attachment 14.1E - Investment Report for July 2022 presents detail of the City's cash investment portfolio in terms of performance, percentage exposure of total portfolio by credit risk, counterparty exposure and maturity profile.
31. The report indicates the City has adequate cash flow to meet its financial obligations as and when they will fall due; and it has achieved compliance with the various Investment Policy limits.



32. Attachment 14.1F - Rates Debtors provides a monthly update and analysis of rates collections by differential property rating category and overall. As the 2022/23 rates notices were only issued on 28 July, collections between 30 June and 31 July largely related to amounts outstanding from the previous year.

## Consultation

Nil.

## Decision Implications

33. Council's acknowledgement of receiving the Financial Activity Statement and supporting documents will meet its statutory obligation in respect of overseeing the City's financial resources.

## Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Prosperous
Related Documents (Issue Specific Strategies and Plans):	Nil

Legislation, Delegation of Authority and Policy	
Legislation:	<p>Section 6.4(1) and (2) of the <a href="#">Local Government Act 1995</a>            Regulation 34(1) of the <a href="#">Local Government (Financial Management) Regulations 1996</a></p> <p>This section of the Act and the related regulation prescribe the requirement to prepare and present to Council (monthly), FAS.            That FAS should contain:</p> <ul style="list-style-type: none"> <li>• Annual Budget estimates, and approved revisions to these for comparison purposes.</li> <li>• Actual amounts of income and expenditure to the end of the month of the FAS.</li> <li>• Material variances between the comparable amounts and commentary on reasons for these variances.</li> <li>• Net current assets at the end of the month.</li> <li>• An explanation of the composition of the net current assets at the end of the month to which the FAS relates.</li> </ul> <p>Any other information which the local government deems relevant.</p>
Authority of Council/CEO:	The above legislation prescribes that this report be presented to Council on a monthly basis.
Policy:	CP 2.1 Management of Investments.

## Financial Implications

34. There are no direct financial implications of receiving this report as it reflects a historical accounting of financial transactions. When material variances are noted, appropriate remedial action will be initiated by the administration in a timely and prudent manner.

## Further Information

### 35. Questions and responses received and responded to prior to the Agenda Briefing Session held 20 September 2022 are as follows:

	Question	Response
1.	Page 95 of the ABS Agenda details \$31k received as reimbursement for the asbestos legal matter – what is this referring to?	The revenue relates to the recoupment of legal fees associated with an ongoing confidential legal matter.
2.	What is captured by the description “core service”? Employee costs, contractor costs, etc? Please itemise.	In general, across the monthly financial statements, the description “Core service” commonly includes expenditure items such as employee costs, contractor costs, consultancy, advertising, insurance, maintenance, utilities, hire charges, depreciation and materials expenses. It can also include specific sub-service costs relating to the sub-service.
3.	Page 97 of the ABS Agenda – Council Affairs: \$1,869,128 for core service then \$486,009 for internal allocation. What are all these for?	\$1,869,128 generally includes expenditure items such as employee expenses (as above). It also includes, in this specific sub-service, councillor sitting fees, allowances, catering and travel expenses required to provide services within Council Affairs such as Council support, Citizenship, Civic and Hospitality.  \$486,099 are internal allocations mainly relating to corporate services (eg: IT, finance, HR) to support the Council Affairs service.
4.	Page 97 of the ABS Agenda – what is the \$50,000 for a CEO special project?	This was a project carried over from last year’s budget with funds to be spent at the discretion of the CEO. This was approved by Council as part of the annual budget adoption.  No funds have been spent on this project; however, \$15K has been identified for Council House office refurbishment at this point in time.
5.	Overall, why are these reports not mirroring the budget breakdown per unit? I.E in the budget we have a clearer picture over employee costs, contractors etc.	The are two types of reports included in the monthly financial agenda items, both of which serve different purposes: Alliance reports (Attachment C) serve a different purpose to the Financial Activity Statement (Attachment A).  The purpose of the Alliance reports is to provide a concise, executive view on the financial performance of each Alliance within the City including all services. The purpose of the Financial Activity Statement is to provide

	Question	Response
		<p>an overall, City-wide view of financial performance.</p> <p>The City suggests a briefing with the CFO on his return to leave to explore the Member's concerns further.</p>
6.	<p>Page 110 of the ABS Agenda – comments made in planning under total revenue stating higher volume of applications, but applications estimated value of works are low. Can you explain please the link, is this how the fee is calculated?</p>	<p>Planning and building application fees are calculated as a percentage of the estimated value of the proposed construction (this is set by State Government).</p> <p>Although the number of planning and building applications received by the City in July, was higher than received in June, the value of the works proposed in these applications was lower and therefore the fees received in July were lower than the fees received in June.</p>
7.	<p>On the same issue, do you have an overall count of the number of applications received, and then processed, broken down by time? Are we tracking how long it takes to get a DA through which can be handled by the administration under delegated authority?</p>	<p>The City records the number of applications received and those determined monthly and yearly. The City also records the number of days it takes to process planning and building applications, given the City is subject to statutory timeframes for determination of these applications.</p>
8.	<p>Page 112 of the ABS Agenda – under Economic Development – there are 3 projects listed with no work or project funds spent to date, I know it's only after July, but I am trying to understand what we are going to achieve in this alliance for \$3.393m over the FY. A better breakdown of this in the same way we saw the budget would help.</p>	<p>The two projects listed (as per the Corporate Business Plan) are development of the Tech Action Plan and a business case for a business launchpad.</p> <p>Internal work has been done on the scope of these projects and short presentations are intended to be delivered at EMES on 11 October to seek Elected Member feedback on the proposed scope.</p> <p>Following EMES and scope agreement, expenditure will commence on these projects.</p> <p>The breakdown of \$3.393M Economic development budget includes:</p> <ul style="list-style-type: none"> <li>• \$1.63M employee costs</li> <li>• \$784K suppliers and contractors</li> <li>• \$759K internal allocations and</li> <li>• \$220K projects</li> </ul> <p>This is used to deliver services such as sector development, investment and attraction,</p>

	Question	Response
		business support, international engagement, economic modelling and analysis.
9.	Page 123 of the ABS Agenda – Parking levy – comments made about <u>1500 on street</u> bays – a variation approved by DOT due to decreased patronage - Can you please elaborate on this? What threshold of patronage is now considered low enough to seek a tax reduction?	<p>There is no threshold of reduced patronage to seek a tax reduction, we must pay the levy for all bays.</p> <p>However, because of reduced patronage due to Covid, the City made a request in last financial year to DOT for a once off concession, which was approved.</p> <p>We made another request this year with evidence that reduced patronage has persisted and if our concession could continue. This request was subsequently approved by DOT.</p>


















































































































14.2 Schedule of Accounts Paid - July 2022

<b>Responsible Officer</b>	Roan Barrett – Acting Chief Financial Officer
<b>Voting Requirements</b>	Simple Majority
<b>Attachments</b>	Attachment 14.2A – Schedule of Accounts Paid - July 2022 <a href="#">↓</a> 

Purpose

For Council to note details of payments made under delegated authority for the month of July 2022.

Recommendation

That Council:

- 1. RECEIVES the Schedule of Accounts Paid for the period ended 31 July 2022 as attached.
- 2. RECORDS in the Ordinary Council Meeting minutes the summary of accounts paid being:

Total Accounts Paid	
Municipal Fund	\$16,917,379.10
Trust Fund	\$0
Total - All Funds	\$16,917,379.10



## Background

1. In accordance with Regulation 13(2) and 13(3) of the *Local Government (Financial Management) Regulations 1996*, where this power has been delegated, a list of payments for each month is to be compiled and presented to the Council. The Chief Executive Officer is delegated this authority under Delegation 2.14.
2. This authority has then been subdelegated by the Chief Executive Officer.
3. The listing of payments with full disclosure of all required information, is presented as Attachment 14.2A.
4. The listing of payments was made available to the Elected Members via the Council Hub, ahead of the agenda distribution, to provide additional time for review.
5. This summary report then facilitates the acknowledgement of the listing having been received.

## Discussion

6. The Schedule of Accounts Paid (Attachment 14.2A) contains the following payments made under Delegated Authority 2.14 - Payments from the Municipal & Trust Fund:

Schedule of Accounts Paid - July 2022		
<b>Municipal Fund</b>		
EFT & Cheque Payments	Direct Creditor Payments	13,477,937.35
<b>Sub Total - EFT &amp; Cheques</b>		<b>13,477,937.35</b>
Direct Debits	Bank Charges and Merchant Fees	54,030.22
<b>Sub Total - Direct Debits</b>		<b>54,030.22</b>
Payroll	01/07/2022	1,688,865.54
	15/07/2022	1,686,136.01
<b>Sub Total - Payroll</b>		<b>3,375,001.55</b>
Corporate Cards		10,409.98
<b>Sub Total - Cards</b>		<b>10,409.98</b>
<b>Total per Attachment 14.2A</b>		<b>16,917,379.10</b>
<b>Total Payments from Municipal Fund</b>		
New Investments		<b>9,000,000</b>
<b>Trust Fund</b>		
Trust EFT & Cheques		<b>0</b>
<b>Total - Trust Funds</b>		

## Consultation

7. As the contents of this report focus on the organisation’s recent past financial performance, no external consultation is relevant to the preparation of this report.

## Decision Implications

8. Council’s acknowledgement of receiving the Schedule of Accounts Paid will meet its statutory obligation under Regulation 13(1) of the *Local Government (Financial Management) Regulations 1996*.

## Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Prosperous
Related Documents (Issue Specific Strategies and Plans):	Annual Budget

Legislation, Delegation of Authority and Policy	
Legislation:	<p>Section 6.10 of the <i>Local Government Act 1995</i>            Regulation 13(1) of the <i>Local Government (Financial Management) Regulations 1996</i></p> <p>This section of the Act and the related regulation prescribes the requirement to prepare a list of all payments made for each month and to present them to Council. The Schedule of Accounts Paid (the ‘list’) should contain, for each payment:</p> <ul style="list-style-type: none"> <li>• Payee Name</li> <li>• Amount of the Payment</li> <li>• Date of the Payment</li> <li>• Sufficient information to identify the transaction</li> </ul>
Authority of Council/CEO:	In accordance with Regulation 13(2) and 13(3) of the <i>Local Government (Financial Management) Regulations 1996</i> , where this power has been delegated, a list of payments for each month is to be compiled and presented to the Council.
Policy:	Nil.

## Financial Implications

9. There are no direct financial implications of receiving this report as it reflects a historical accounting of financial transactions that were provided for in the adopted budget (as amended).

## Further Information

### 10. Questions and responses received and responded to prior to the Agenda Briefing Session held 20 September 2022 are as follows:

	Question	Response
1.	\$17,050 to CCI on page 160 of the ABS Agenda labelled “high valued support for businesses within” – what is this for?	<p>This amount relates to 200 City supported 6 month CCIWA Bounce Back packages that provides support services, tools and resources to business within the City of Perth.</p> <p>This total reflects the signups of local business to the program for the previous month.</p>
2.	Having a description that either doesn’t tell us what the payment is for, or being the same as the payee is not helpful for our reports or for transparency. This month’s sample: top of page 161 of the ABS Agenda. Doesn’t matter the dollar figure. “Farinose & Sons Pty Ltd” then the description is Farinosi & Sons...	<p>Farinose &amp; Sons Pty Ltd (Mitre 10) is a hardware supply store.</p> <p>The purchases relate to various drill bits &amp; fixings.</p> <p>The descriptions within the report are generated by extracting data from Purchase requisitions which are raised by various staff members across Alliances. Training has been provided to ensure staff provide sufficient information within the relevant section of the requisition when raising the requisitions. The Procurement Manager has also been made aware of this matter.</p>
3.	Page 163 of the ABS Agenda – reimbursement of \$165.46 to the CEO for a Perth City Deal breakfast. Does the CEO or her EA/office have a credit card for these types of transactions?	The CEO and her EA do not currently have corporate credit cards.
4.	Page 169 of the ABS Agenda – Conway Highbury - \$11,781 – description states: “Please do not send out to supplier” – what is this payment for? What does the description mean?	<p>This payment relates to services provided by governance specialist Chris Liversage (Conway Highbury).</p> <p>The purchase order was raised with an estimated upper-limit value for the service. The estimate was not disclosed to the supplier to maintain confidentiality of the total order amount.</p>
5.	Page 175 of the ABS Agenda – payments to Hays. Some descriptions list the staff member, others say “do not send to supplier” – concerning discrepancies. What are those two payment for which state that in capitals?	<p>The payments relate to labour hire for Waste and Cleaning Plant Operators and Sanitation/Street Cleaning Workers.</p> <p>The purchase order was raised as an order with an estimated upper-limit value for the year. This estimate was not disclosed to the supplier to maintain confidentiality of the total order amount.</p>
6.	Page 176 of the ABS Agenda – Data charges from Telstra equalling \$32k for a month –	This value represents all City of Perth expenditure with Telstra for the month, which incorporates voice and data services across all City operations.

	Question	Response
	what are these services for please? Is this the whole workforce/all operations?	
7.	Page 178 of the ABS Agenda - \$146,270 – public WiFi maintenance. Is this the total annual cost to keep this service running? Do we know how many people use it? What locations are available under our coverage?	The payment relates to the annual Public Wifi maintenance renewal cost for Technical Services Group to support and maintain the Public Wifi infrastructure.
8.	Page 179 of the ABS Agenda - \$46,547 – HSF – what cases are these for please? I see the numbers, I can reference my confidential ARC agenda if that’s easiest?	The legal fees relate to the development of various standardised contract templates for the City’s sponsorship, grants, and partnership agreements.  This is to ensure the contracts are robust and current.
9.	Page 182 of the ABS Agenda - \$4864.9 – Worksafe investigation – what was this for please?	The payment relates to the engagement of an external investigator into a confidential employee relations matter.  It should be noted that the invoice relates to supplier “Wise Workplace” not “Worksafe”.
10.	It would be interesting to know for \$146,270 for public WiFi the usage and the locations on it.	The City’s free public WiFi around the CBD, East Perth (Claisebrook Cove), and Northbridge has an average of 15,000 devices connect to it per month. For the period of July 15,3251 and for the period of August 15, 352. The average data download per device is 66 Mb.  Refer to the below coverage map detailing the location of the Public WiFi.























































































































































### 14.3 Major Review of Council Policy 2.2 Purchasing and Associated Delegations

Responsible Officer	Melissa Murphy – General Manager Corporate Services
Voting Requirements	Absolute Majority
Attachments	Attachment 14.3A – Amended Council Policy 2.2 Purchasing <a href="#">↓</a>  Attachment 14.3B – Amended Delegations 2.8, 2.9, 2.10 and 2.11 <a href="#">↓</a> 

#### Purpose

To present the proposed revisions to Council Policy 2.2 Purchasing and associated Delegations (2.8, 2.9, 2.10 and 2.11) for approval.

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#### Recommendation

That Council:

1. ADOPTS amended Council Policy 2.2 Purchasing (Attachment 14.3A); and
  2. DELEGATES its functions as stated in Delegations 2.8, 2.9, 2.10 and 2.11 (Attachment 14.3B).
-

## Background

1. Council Policy 2.2 Purchasing ('Purchasing Policy') and procurement related items contained within the Register of Delegations and Authorisations ('Delegations') (2.8, 2.9, 2.10 and 2.11) require alignment to improve the efficiency and commerciality of procurement functions while honouring applicable legislation. The current Purchasing Policy and Delegations do not form a cohesive set of instructions for City officers to follow in making consistent, compliant procurement decisions.
2. A material revision of the Purchasing Policy has been conducted with corresponding Delegations amended accordingly.

## Procurement Governance

3. All procurement at the City is governed by a hierarchy of legislation and interrelated internal policy which influences procurement decision making and process. These are:
  - a. *Local Government Act 1995*
  - b. Part 4 of the *Local Government (Functions and General) Regulations 1996*
  - c. City's Register of Delegations and Authorisation
  - d. Council Policy 2.2 Purchasing.
4. Regulations, Delegations and policy decisions flow down to guide daily procurement decision making. If these guiding 'documents' do not align, consistency and speed of decision making is slowed, while risk of non-compliance increases. In short, it creates uncertainty in how to operate. Critically, the specific Delegations relating to procurement (2.8, 2.9, 2.10 and 2.11) cause uncertainty when read in conjunction with the current Purchasing Policy. Definitions, interpretation and actions are presently unclear.
5. The purpose of Delegations is to improve operational efficiency by inferring Council authority to the CEO (and subsequent sub-delegation to appropriate organisational levels), reducing the time taken to make decisions, whilst remaining within the constraints of the relevant legislation. The Register details where the power to delegate is derived from, including the relevant legislation and Council policies. The content of the Purchasing Policy is directly affected by the Delegations (both Council and CEO).
6. In the context of procurement, the Delegations deal with matters which qualify for 'public' tenders (i.e. over \$250K ex GST). The Purchasing Policy covers all other matters (i.e. under \$250K, or where regulatory exemptions exist).

## Restricted Approvals

7. Presently, there are multiple procurement events which can trigger varying levels of approval authority. Some of these approvals occur at differing levels of the organisation in an inconsistent manner. The following limited examples are noted:
  - a. CEO must presently approve award of any public tender over \$250,000 (Delegation 2.10), however the General Manager Corporate Services can approve award of a \$5m contract through WALGA.
  - b. CEO can approve a \$13.9m contract over 7 years (Delegation 2.10 and Purchasing Policy, Item 7), but cannot sign a \$2.1m contract over 1 year.
  - c. General Managers have between \$500,000 and \$5,000,000 in Financial Authority (depending on Alliance), but CEO must approve a \$10,000, 18-month subscription to an online information service (e.g. Ibis World) where the supplier is considered 'unique'.

- b. The present Delegations and Purchasing Policy force specific checks and balances at lower value thresholds (or specific process points) which results in inconsistent decision making and inefficiency.

### **Financial Authority**

8. The revision of the Purchasing Policy and associated Delegations is designed to align both documents, with the aim of creating a linear decision-making process driven by Financial Authority, with limited exceptions.
9. Financial Authority is a basic concept which grants the ability to enter into commercial or financial commitments on behalf of the City, usually based on approval limits assigned to specific roles. Generally, the higher the organisational role, the higher the approval limits. Using Financial Authority, as a concept, underpinned by Delegations and supported by the Purchasing Policy allows for consistent application of approval points and decision making. This concept allows approvals to be given appropriately by those approvers within the business that are authorised, empowered and best placed to make informed decisions on behalf of the City.
10. Financial Authority presently sits separate to the Purchasing Policy and Delegations with no specific process or policy integration. This review of the Purchasing Policy and Delegations will intrinsically link Financial Authority to procurement decision making.

## **Discussion**

### **Major Points of Revision**

11. A comprehensive review and revision of the Purchasing Policy has been completed with material changes throughout. A summary of policy changes is detailed at paragraph 14 of this report. The revised Purchasing Policy (designated V3.0) is also provided for review and reference.
12. Revised Delegations are provided for review and reference. A comprehensive account of these changes is summarised at paragraph 16 of this report. Changes to Delegations were made for consistency of language, clarity of concept, reduction of duplicate information and for alignment with the Purchasing Policy.
13. The major changes to the Purchasing Policy and Delegations are as follows:
  - a. The Financial Authority table has been incorporated into the Purchasing Policy with the following major changes:
    - a. CEO authority limit noted as \$10,000,000 (AUD ex GST). This is a technical reduction from the current CEO limit which may result in a maximum \$14,000,000 approval limit based on Delegation 2.9, Condition 3 (\$2,000,000 per annum) and Purchasing Policy Item 7 – Term of Engagement (max 7 years). The CEO limit was absent from the current Financial Authority table and Purchasing Policy.
    - b. Council authority limit now included in Financial Authority table (over \$10,000,000 ex GST).
    - c. References to the CEO’s maximum Financial Authority as delegated by Council have been updated in the applicable Delegations (up to \$10,000,000 ex GST).
  - b. ‘Term’ limits (length of contract) have now been removed from the following areas:
    - a. General contract term limits as currently described in Purchasing Policy, Item 7. Term should be based on actual scope of work or need.



- b. Unique Goods or Service approvals no longer require CEO approval when exceeding 12 months. This will now be based on total contract value without time being a limiting factor. (Currently Purchasing Policy, Item 11)
- c. Council Delegations 2.9, 2.10 and 2.11 previously limited CEO approvals on a 'per annum' basis. This has now been removed, with total contract value as the only limiting factor.
- c. Delegation 2.10 has been amended to allow all functions to be sub-delegated to General Managers and Alliance Managers.
  - a. Sub-delegation is subject to Financial Authority.
  - b. This effectively allows senior City Officers with applicable financial authority to make a financial commitment (e.g. contract award) to a supplier as a result of a public tender. This was previously delegated by Council to the CEO only with no sub-delegation.
  - c. Note: the maximum Alliance Manager Financial Authority is \$250K, which aligns with the public tender threshold. In reality, most public tenders will be approved by a General Manager or the CEO. However, this change allows public tenders, expressions of interest or panels which are called under the threshold to be approved by other managers with appropriate Financial Authority.
  - d. A condition of all procurement related Delegations is that the total potential contract value must be accounted for in approved annual budgets or the City's Long-term Financial Plan.
- d. Total contract value has been defined in the revised Purchasing Policy as:
  - a. 'Purchase Threshold' means the actual or estimated value of a commercial commitment (e.g. Agreement, Contract, or purchase order) over the full term and/or quantity of supply, including all variations, options to extend time or increase volume'.
- e. Contract Variations have been defined in the Purchasing Policy with two specific exemptions as follows:
  - a. The revised value of a contract (for determination of correct Purchase Threshold and Financial Authority) is calculated as the originally approved value plus the sum of the proposed variations. A variation which increases value above the presently approved value will result in re-approval of the varied Contract by a suitable Officer with applicable Financial Authority.
  - b. Variations to contracts originally approved by Council may be approved by the CEO for an additional sum of not more than 10% of the original value without the need for further Council approval. Where the sum of variations exceeds 10% of the original value, re-approval will be required by Council.
  - c. The Procurement Manager may authorise minor variations to contracts for administrative purposes without the need for re-approval (conditions apply as articulated in revised Purchasing Policy). This is designed to support end of contract administration, avoiding unnecessary system process.
- f. Purchasing exemptions and exceptions have been clearly articulated and explained (new Section 6). This includes a newly created concept of Sole Source Justification (new section 8) which offers further explanations to the Purchasing Policy (only). At present, the Delegations and Purchasing Policy conflate regulatory and policy exceptions making decision making in this space inconsistent.
- g. A 'two stream' approach to market has been adopted to give City Officers an incentive to purchase from WALGA, CUA, Panel suppliers (i.e. 1 less quote required). This incentive was present in the

current version of the Purchasing Policy, however the revision provides additional critical detail to improve understanding and potential usage.

### Summary of Policy Changes

14. The following table summarises the differences between the current Purchasing Policy (CP2.2 V2.0) and the proposed revisions:

Section	Description of Change
Policy Objective	Expanded to incorporate fundamental considerations of procurement.
Policy Scope	Minor adjustment for clarity.
Definitions (New)	Explanation of specific terms referenced throughout the Policy.
Policy Statement (1)	Expanded to describe key principles by which procurement is managed at the City (Value for Money, Commerciality, Integrity, Sustainability, Mitigating Risk)
Legislative Requirements (2)	No change.
Relevant Delegations (New - 3)	Added to incorporate concept of Delegations into Purchasing Policy. Previously not mentioned.
Financial Authority (New – 4)	Concept of Financial Authority explained with Financial Authority tables added to Policy. Financial Authority tables updated to include CEO (revised value) and Council approval limits.
Purchase Thresholds (3)	Purchase Thresholds defined and table expanded to clearly show benefits of engaging with WALGA, CUA or Panel Suppliers.
Procurement Exception and Exemption (4)	Section materially revised and expanded including full list of available exceptions/exemption from the Policy or the Regulations, including documentary reference.  Some procurement exceptions/exemptions from Policy have been adjusted for clarity (e.g. Legal Services, Warranty/Insurance). Relocated to Section 6 (from 4).
Value for Money (5)	Removed, now incorporated into Policy Statement.
Sustainability (6)	Reviewed for clarity and wording economy, relocated to Section 18 (from 6). Also included statement on Inclusivity/Equity, Modern Slavery and Ethical Sourcing.
Term and Engagement (7)	Materially reviewed with improved clarification and guidance. Relocated to Section 12 (from 7).
Continuous Engagements (8)	Removed as general principles are covered in other parts of the Policy.
Disability Access and Inclusion (9)	Now incorporated into Sustainability (18).
Panels of Pre-Qualified Suppliers (10)	Revised for clarity and wording economy. Moved to 11 (from 10). Noting that most of the current Policy wording is copied directly from the Regulations, so there is no need to replicate in the revised Policy.

Unique Goods and Services (11)	Concept has been revised and clarified to now cover two separate (but adjacent) concepts: Unique Goods and Service (UGS) and Sole Source Justification (SSJ).  Policy clarification is given as to the difference between each item and guidance provided as to when each may be applicable. This is Addressed in Section 6, Procurement Exception and Exemption and Section 8. Sole Source Justification.
Probity (12)	Revised for clarity and relocated to 14 (from 12).
Record Keeping (13)	No change, relocated to 15 (from 13).
Training (14)	Minor expansion to include 'aim' and list of current mandatory modules. Relocated to 16 (from 14).
Confidentiality and Declaration of Interest (15)	Material review and revision for clarity and compliance with current adjacent policies. Better definitions. Relocated to 17 (from 15). "Confidentiality" has been removed as this is a fundamental part of the City's 'Code of Conduct' and 'Statement of Business Ethics'. It is intrinsic to working at the City and does not need to be specifically in this Policy.
Anti-Avoidance (16)	Revised for clarity. Relocated to 13 (from 16).
Policy Non-Compliance (17)	No material changes. Relocated to 19 (from 17).
Supplier Selection (New – 7)	Added guidance on supplier selection.
Sole Source Justification (New – 8)	Added guidance and clarity on use of Sole Source Justification as a Policy exemption when compared to Unique Goods and Service as a Regulatory exemption.
Variations (New – 9)	Added guidance and clarity regarding when Variations may be processed and how contract value is calculated. Includes two specific Exceptions from re-approval where contract values increase: Council Approved (Major) and Administrative (Minor).
Novation of Contracts (New – 10)	Added guidance and clarity regarding when novations may be processed.

15. Sustainability elements from across the incumbent Purchasing Policy were aggregated and expanded.
- a. Current inclusions; Buy Local, Indigenous Business, Disability Enterprise and Environment
  - b. New Inclusions: Inclusivity and Equality, Ethical Sourcing and Modern Slavery.
  - c. Various items were consolidated (e.g. Buy Local, Disability) into a single section and simplified, whilst maintaining general intent.
  - d. Note: The City presently subscribes to Supply Nation and submits annual spend reporting to their tracking portal. The City's Reconciliation Action Plan contains procurement initiatives to increase spend in this space.
  - e. The Purchasing Policy presently allows officers to obtain less quotes when engaging with Disability Enterprises or Minority Suppliers / Aboriginal Business.

- f. City officers are encouraged to include suitable sustainability criteria in tender or quote evaluations where practical. This is heavily dependent on the type of goods or services being procured.
- g. Sustainability elements of procurement are supported by general principles of the City’s adjacent plans such as; Disability Inclusion and Action Plan, Reconciliation Action Plan and LGBTQIA+ Plan.

### Summary of changes to Delegations

16. The following table summarises the differences between the current Delegations (V11, Amended 6 July 2022) and the proposed revisions which are required to support proposed changes to the Purchasing Policy. Changes are proposed to four Delegations only (2.8, 2.9, 2.10 and 2.11).

17. Note: This table summarises both changes to Council Delegations and CEO Sub-delegations. They are shown collectively to demonstrate alignment with the revised Policy and to maintain structure of the Register of Delegations and Authorisations. As per Recommendation 2 of this report, Council is only required to approve Council Delegations.

Item / Ref	Original Wording	Revised Wording	Reason
2.8. Initiating an expression of interest, tender or a panel of pre-qualified suppliers <b>(Council)</b>	<b>Functions delegated by Council 1</b> - to call tenders for goods or services, including for a panel of pre-qualified suppliers (F&G r11(1) & r24AC(1)(b)).	<i>Function 1 - to call <b>public</b> tenders for goods or services, including for a panel of pre-qualified suppliers (F&amp;G r11(1) &amp; r24AC(1)(b)).</i>	Wording added for clarity to distinguish between tenders conducted in accordance with the <i>Local Government (Functions and General) Regulations 1996</i> and other procurement activity which does not require statewide public notice.
2.8. Initiating an expression of interest, tender or a panel of pre-qualified suppliers <b>(Council)</b>	<b>Council’s conditions on this Delegation 1</b> - The exercise of this Delegation must be consistent with the relevant legislation, Council Policy and Annual Budget.	<i>Council’s conditions on this Delegation 1 - <b>Exercise of this Delegation must be consistent with the relevant legislation and City policies. The exercise of this Delegation must be consistent with the relevant legislation, Council Policy and Annual Budget.</b></i>	This Delegation does not yet commit the City to any commercial or financial obligation. This Delegation is only concerned with approving the required ‘approach to market’. References to approved budgets and the Long-Term Financial Plan are made against other Delegations where financial commitment is required (2.9, 2.10 and 2.11).
2.8. Initiating an expression of interest, tender or a panel of pre-qualified suppliers <b>(Council)</b>	<b>Council’s conditions on this Delegation 2</b> - In exercising functions 1, 2 and 3, where there is no adopted annual budget, a tender may only be called where it includes a provision that the tender will only be awarded subject to the budget adoption by Council.	<i>Council’s conditions on this Delegation 2 - <b>In this Delegation, a public tender refers to procurement above the tender threshold of \$250,000 ex GST as per regulation 11(1). For matters below that threshold, authorisation is not via this Delegation but instead via Financial Authority limits and this Policy</b> <del>In exercising functions 1, 2 and 3, where there is no adopted annual budget, a tender may only be called where it includes a</del></i>	Wording deleted as this Delegation does not yet commit the City to any commercial or financial obligation. This Delegation is only concerned with approving the required ‘approach to market’. function repurposed to provide clarity regarding point at which the Regulations take operational priority over the Purchasing Policy. Similar

Item / Ref	Original Wording	Revised Wording	Reason
		<del>provision that the tender will only be awarded subject to the budget adoption by Council.</del>	clarifications were made in other Delegations.
2.8. Initiating an expression of interest, tender or a panel of pre-qualified suppliers (CEO)	<b>Employees to who this function is delegated</b> – General Manager (Infrastructure and Operations, Community Development, Planning and Economic Development, Commercial Services, Corporate Services), Procurement Manager, Senior Category Specialist, Category Specialist.	<b>Employees to who this function is delegated:</b> <i>General Managers – All Procurement Manager Senior Category Specialist Category Specialist</i>	Consolidation of General Manager role descriptions for ease of reference. No inclusions or exclusions.
2.8. Initiating an expression of interest, tender or a panel of pre-qualified suppliers (CEO)	<b>CEO's conditions on this Delegation</b> - Functions 1, 2, 3 and 4 can only be exercised by a General Manager.	<b>CEO's conditions on this Delegation</b> - Functions 1, 2, <i>and 3</i> <del>and 4</del> can only be exercised by a General Manager.	Selection of Evaluation Criteria (function 4) is usually performed by the Category Specialist in consultation with the Alliance Manager (or equivalent) prior to issuance of tender. Present wording restricts this to General Manager or above.
2.9 Tender exempt procurement (Council)	<b>Functions delegated by Council 1 and 2</b> - 1. undertake tender exempt procurement, in accordance with the Purchasing Policy and Regulations (F&G, Div 2, r11), where the total consideration under the resulting contract is expected to be included in the adopted Annual Budget (F&G r11(2)); or 2. enter into an agreement, directly with a supplier because of the unique nature of the goods or services or for any other reason it is unlikely that there is more than one potential supplier (F&G r11(2)(f)).	<b>Functions delegated by Council 1 and 2</b> – 1. <i>undertake tender exempt procurement, in accordance with the <del>Purchasing Policy and Regulations (F&amp;G, Div 2, r11(2)), where the total consideration under the resulting contract is expected to be included in the adopted Annual Budget (F&amp;G 11(2))</del> \$250,000 (ex GST) or greater; or</i> 2. <i>enter into an agreement, directly with a supplier because of the unique nature of the goods or services or for any other reason it is unlikely that there is more than one potential supplier (F&amp;G 11(2)(f)) as a result of tender exempt procurement.</i>	Reference to 'Purchasing Policy' removed from function 1 as this confuses which exemptions are covered by this Delegation. Exemptions from Policy and Regulations separately exist depending on procurement type or context. Wording inclusions help to clarify that this function is only applicable for Regulatory exemptions.  Existing wording at function 2 inadvertently excludes other Regulatory exemptions which may be applicable to procurement above \$250k. Wording simplified to clarify that any Regulatory exemption is allowable under this Delegation.
2.9 Tender exempt procurement (Council)	<b>Council's conditions on this Delegation 1</b> - The exercise of this Delegation must be consistent with the relevant legislation, Council Policy and Annual Budget.	<b>Council's conditions on this Delegation 1</b> – <del>The Exercise of this Delegation must be consistent with the relevant legislation, Council Policy, and approved City annual Budget</del> <i>or Long-term Financial Plan.</i>	Function 2 acts as a financial commitment. This wording has been revised and standardised to reflect the agreed legislative and financial points of reference.

Item / Ref	Original Wording	Revised Wording	Reason
2.9 Tender exempt procurement (Council)	<b>Council's conditions on this Delegation 2</b> - In this Delegation, tender exempt procurement refers to exemptions for matters that are above the tender threshold in regulation 11(1). For matters below that threshold, authorisation is not via this Delegation but instead via financial authority limits and the City's policies and procedures.	<b>Council's conditions on this Delegation 2</b> - In this Delegation, tender exempt procurement refers to <i>regulatory</i> exemptions for <del>matters that are</del> procurement above the tender threshold in regulation 11(1). For matters below that threshold, authorisation is <del>not</del> via <del>Delegation</del> but instead via financial authority limits and the <i>City's Purchasing Policy</i> <del>policies and procedures</del> .	Wording revised to provide clarity that this Delegation is concerned with Regulatory exemptions only (not Policy) and offers clarity when procurement is below the tender threshold (\$250k).
2.9 Tender exempt procurement (Council)	<b>Council's conditions on this Delegation 3</b> - Tender exempt procurement under regulation 11(2) may only be approved where the total consideration under the resulting contract is expected to be less than \$2,000,000 (excl. GST) per annum (except for goods or services supplied by a person registered on the Aboriginal Business Directory WA or Indigenous Minority Supplier Office Limited (T/as Supply Nation) where the limit provided in regulation 11(2)(h)(ii) is \$250,000 (excl. GST)) and where satisfied that the contract represents value for money.	<b>Council's conditions on this Delegation 3</b> – deleted in its entirety and replaced with;  <i>Entering into an agreement as a result of tender exempt procurement under regulation 11(2) may only be approved by the CEO where the total consideration under the resulting contract is expected to be less than \$10,000,000 (excl. GST). Acceptance above this threshold must be referred to Council.</i>	The incumbent wording inadvertently confuses two separate concepts:  1) The specific Regulatory exemption for procurement via Aboriginal suppliers and  2) Financial Authority. Aboriginal procurement is covered as a standing Regulatory exemption (along with several other exemptions) under F&G Part 4, Div 2, r11(2)(h) so doesn't need to be specifically referenced in this Delegation. CEO maximum Financial Authority has been updated.
2.9 Tender exempt procurement (CEO)	<b>Employees to who this function is delegated</b> – General Manager (Infrastructure and Operations, Community Development, Planning and Economic Development, Commercial Services, Corporate Services), Procurement Manager	<b>Employees to who this function is delegated:</b>  <i>General Managers – All Procurement Manager</i>	Consolidation of General Manager role descriptions for ease of reference. No inclusions or exclusions.
2.9 Tender exempt procurement (CEO)	<b>CEO's conditions on this Delegation</b> - Function 2 can only be exercised in accordance with the Financial Authority limits as listed in Purchasing Policy, Unique Goods and Services.	<b>Council's conditions on this Delegation</b> - <i>Function 2 (only) must be exercised in accordance with the Financial Authority limits of the approver as per the Purchasing Policy</i> <del>can only be exercised in accordance with the Financial Authority limits as listed in Purchasing Policy, Unique Goods and Services.</del>	Wording revised to reflect the relationship with Financial Authority as proposed in the revised Purchasing Policy. Financial Authority will apply in any procurement circumstance. Specifically referencing 'Unique Goods and Services' here may inadvertently narrow interpretation of this Delegation. This wording has now been removed.
2.10 Deciding on an expression of interest, tender	<b>Council's conditions on this Delegation 1</b> - The exercise of this Delegation must be consistent with	<b>Council's conditions on this Delegation 1</b> - <del>The Exercise of this Delegation</del> must be consistent	As this Delegation is primarily concerned with making a financial commitment (contract award), Condition 2

Item / Ref	Original Wording	Revised Wording	Reason
or a panel of pre-qualified suppliers (Council)	the relevant legislation, Council Policy and Annual Budget.	<i>with the relevant legislation <b>and</b> , Council Policy <del>and Annual Budget</del>.</i>	has been enhanced to provide clarity on this matter. The revised wording from Condition 1 simply removes duplication.
2.10 Deciding on an expression of interest, tender or a panel of pre-qualified suppliers (Council)	<b>Council's conditions on this Delegation 2</b> - Under this Delegation tenders may only be accepted or rejected where there is an adopted budget for the proposed good or service.	<b>Council's conditions on this Delegation 2 - <i>Entering into a contract with a supplier as a result of a public</i></b> <del>Under this Delegation tenders may only be accepted</del> <i>is only allowed when or rejected where the proposed expenditure is included in the City's approved annual budget or Long-term Financial Plan. <del>e is an adopted budget for the proposed good or service.</del></i>	Wording revised for consistency and to reflect the importance of relationship between making a financial commitment (i.e. entering into or approving a contract) and City financial planning. Note: For the purposes of this Delegation, 'deciding on a tender' is considered to be approving selection of and subsequent contract award to a particular supplier.
2.10 Deciding on an expression of interest, tender or a panel of pre-qualified suppliers (Council)	<b>Council's conditions on this Delegation 3</b> - Tenders or applications may only be accepted where the total consideration under the proposed resulting contract is \$2,000,000 (excl. GST) per annum or less and the expense is included in the Annual Budget.	<b>Council's conditions on this Delegation 3</b> – Wording removed in its entirety and replaced with; <i>Tenders or applications may only be accepted by the CEO where the total consideration under the proposed resulting contract is \$10,000,000 (excl. GST) or less. Acceptance above this threshold must be referred to Council</i>	CEO maximum Financial Authority has been updated and wording aligned with other Delegations for consistency.
2.10 Deciding on an expression of interest, tender or a panel of pre-qualified suppliers (CEO)	<b>Functions delegated by CEO to employees</b> - The function to approve purchase orders under function 6, after the CEO or Council has approved a panel.	<b>Functions delegated by CEO to employees – <i>The same functions.</i></b> <del>The function to approve purchase orders under function 6, after the CEO or Council has approved a panel.</del>	The incumbent wording allows only a very narrow scope of Delegation from the CEO to General and Alliance Managers. Delegating function 6, <u>only</u> allows 'approval of purchase orders under contract'. It does not allow the same managers to approve contract award (within their Financial Authority). The revised wording removes the restriction and reinforces the concept of Financial Authority being the guiding principle.
2.10 Deciding on an expression of interest, tender or a panel of pre-qualified suppliers (CEO)	<b>CEO further delegates this function to the following employees –</b> Executive Director Governance and Strategy General Manager Infrastructure and Operations Alliance Manager Operations Alliance Manager Infrastructure and Assets	<b>CEO further delegates this function to the following employees – <i>Revised as follows</i></b> <i>Executive Director Governance and Strategy Chief Financial Officer General Manager - All Alliance Manager – All</i>	List updated and revised to include all Alliance and other Managers (Financial Authority permitting).

Item / Ref	Original Wording	Revised Wording	Reason
	General Manager Community Development General Manager Planning and Economic Development General Manager Corporate Services Project Director Strategic Finance (CFO) General Manager Commercial Services Alliance Manager Parking Services Alliance Manager Properties		
2.10 Deciding on an expression of interest, tender or a panel of pre-qualified suppliers (CEO)	<b>CEO's conditions of this Delegation</b> - Function 6 may only be exercised up to the financial authority limit of the delegate.	<b>CEO's conditions of this Delegation</b> - <i>Delegated Functions</i> <del>€</del> may only be exercised up to the Financial Authority limit of the <i>role as per the Purchasing Policy</i> .	All functions are now delegated, subject to the Financial Authority proposed in the revision of Purchasing Policy.
2.11 Varying and extending tender contracts (Council)	<b>Functions delegated by Council 1</b> - vary a contract that has been entered into as the result of a regulated tender, provided the variation/s do not change the scope of the original contract (F&G r21A(a)).	<b>Functions delegated by Council 1</b> - vary a contract that has been entered into as the result of a <del>regulated</del> <b>public</b> tender, provided the variation/s <del>does</del> not change the scope of the <del>original</del> contract (F&G r21A(a)); <i>or</i> .	Minor wording revision for consistency. Included 'or' to separate Delegation for functions 1 and 2. They are technically different contract management tasks.
2.11 Varying and extending tender contracts (Council)	<b>Council's conditions on this Delegation 1, 2, 3 and 4</b> – <ol style="list-style-type: none"> <li>1. The exercise of this Delegation must be consistent with the relevant legislation, Council Policy and Annual Budget.</li> <li>2. A variation to a contract must be provided for in the annual budget.</li> <li>3. A variation to a contract under function 1 cannot result in the contract exceeding \$2,000,000 (excl. GST) per annum.</li> <li>4. Function 2 of this Delegation does not apply to panels of prequalified suppliers, pursuant to the restrictions of Regulation 24AJ.</li> </ol>	<b>Council's conditions on this Delegation 1, 2, 3 and 4</b> – is removed in its entirety and replaced with; <ol style="list-style-type: none"> <li>1. <i>Exercise of this Delegation must be consistent with the relevant legislation and Council Policy.</i></li> <li>2. <i>Executing a contract variation which increases the total contract value is only allowed when the revised contract value is included in the City's approved annual budget or Long-term Financial Plan.</i></li> <li>3. <i>Variations to a contract under Function 1 may only be approved by the CEO where the total consideration under the resulting contract is less than \$10,100,000 (excl. GST). Acceptance above this threshold must be referred to Council.</i></li> <li>4. <i>Authorisations for variations relating to contracts entered into under F&amp;G 11A(1) or an applicable tender exempt process under F&amp;G 11(2) are not via this Delegation but</i></li> </ol>	Condition 1 minor changes for consistency.  Condition 2 was removed in its entirety and replaced with more prescriptive wording which replicates wording consistency and terminology across Delegations.  Condition 3 updated to reflect the CEO Maximum Financial Authority, noting exception to delegated value in accordance with Item 9, Exception 2 of the Purchasing Policy.  Function 4 was removed as it replicates a standing position within the Regulations and therefore does not need to be replicated here. Replaced with consistent reference to City Policy explaining where Regulations do not apply.



Item / Ref	Original Wording	Revised Wording	Reason
		<i>instead via Financial Authority limits and the City's Purchasing Policy.</i>	
2.11 Varying and extending tender contracts (CEO)	<b>CEO further delegates this function to the following employees –</b> General Manager Infrastructure and Operations General Manager Community Development General Manager Planning and Economic Development General Manager Corporate Services General Manager Commercial Services	<b>CEO further delegates this function to the following employees –</b> <i>General Manager - All Alliance Manager – All</i>	Approvals are now via Financial Authority which includes Alliance Managers where within the prescribed role limits.
2.11 Varying and extending tender contracts (CEO)	<b>CEO's Conditions on this Delegation -</b> A delegate cannot approve a variation to a contract where such variation would exceed the limit of their financial authority.	<b>CEO's Conditions on this Delegation -</b> <i>Unless expressly stated in the City's Purchasing Policy (Item 9 – Contract Variations, Exception 1 or 2), the role cannot approve a variation to a contract where such variation would cause the total contract value to exceed the limit of their Financial Authority.</i>	The revised Council Purchasing Policy now contains specific exemptions for variation approvals which need to be referenced here. Additional wording added to clarify that approval values are based on a combination of the base contract plus variations (i.e. not the value of the specific variation in isolation of the contract).

## Consultation

18. The audit observations resulting from the Procurement and Contracting audit undertaken by the City's auditor KPMG were considered during the re-draft of this Policy.
19. WALGA was consulted regarding a number of regulatory interpretations to guide policy development.
20. McLeod's, a legal firm specialising in local government matters, has undertaken a high level review of the Policy.
21. A summary of the proposed revision to this Policy was presented to Elected Members at the Elected Members Engagement Session on 16 August 2022.

## Decision Implications

22. Council's approval of the proposed revisions will demonstrate strong intent to support the City in its journey towards balancing compliance with commercial value. The revised Purchasing Policy and Delegations work with the legislative framework, while adding a modern commercial context to provide easier decision making and approvals for procurement activity.
23. Adoption of the revised Purchasing Policy and Delegations will allow immediate changes to procurement processes and approvals, speeding up execution of procurement while improving consistency of decision making and compliance.
24. Approving the revisions will also allow the City to address outstanding E2E Actions which relate to the establishment of a procurement training framework for the City. Content for the training modules is

being developed with the optimistic view that the Purchasing Policy and Delegation revisions are accepted as presented. Delays in approval (or outright rejection) of the proposed changes will impact the City's ability to close out specific E2E actions by the agreed deadlines.

## Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Prosperous
Related Documents (Issue Specific Strategies and Plans):	Nil

Legislation, Delegation of Authority and Policy	
Legislation:	<p><i>Local Government Act 1995</i></p> <ul style="list-style-type: none"> <li>Section 3.57(1) and (2) – Tenders for providing goods or services</li> <li>Section 5.43(b) – Limits on Delegations to CEO</li> </ul> <p>Part 4 of <i>Local Government (Functions and General) Regulations 1996</i></p> <ul style="list-style-type: none"> <li>Division 2, regulation 11(1) – When tenders have to be publicly invited.</li> </ul> <p>The revisions comply with the <i>Local Government Act 1995</i> by establishing a maximum limit to which the CEO can approve tenders.</p> <p>The revisions have been structured to provide specific clarity regarding when public tenders must be invited in accordance with the Regulations or when exemptions from the Regulations are applicable and the Purchasing Policy becomes the guiding document.</p>
Authority of Council/CEO:	<p>Section 2.7(2)(b) of the <i>Local Government Act 1995</i> prescribes that Council is to determine the local government's policies.</p> <p>In addition, section 5.42 of the <i>Local Government Act 1995</i> prescribes that a local government may, by absolute majority, delegate to the CEO the exercise of any of its powers or the discharge of any of its duties.</p>
Policy:	<p>CP2.2 – Purchasing Policy</p> <p>City's Register of Delegations and Authorisations (V11, 6 July 2022).</p>

## Financial Implications

25. Council's approval of the proposed amendments will not directly impact expected City expenditure or budgets. The amendments actually further compliment the City's budgeting processes and alignment with the City's Long Term Financial Plan.

## Further Information

### 26. Questions and responses received and responded to prior to the Agenda Briefing Session held 20 September 2022 are as follows:

	Question	Response
1.	<p>Page 208 of the ABS Agenda – point 15. Section b – what do you mean inclusivity and equality? How do you define those words in the context?</p> <p>That explanation to what inclusivity and equality means is pretty broad. Are we setting ourselves up for someone to come back and use this to say that we need to apply this if they are on the wrong end of the decision?</p> <p>Its quiet broad “Ensuring inclusivity and equality by encouraging and proactively supporting equal access to opportunities and resources for people or groups who might otherwise be excluded or marginalized” I don’t understand in procurement that application.</p>	<p>This terminology is expanded within the draft Policy at Item 18(c). “Ensuring inclusivity and equality by encouraging and proactively supporting equal access to opportunities and resources for people or groups who might otherwise be excluded or marginalized”. This has been reviewed by a third-party legal firm.</p> <p>Update: two minor word changes have been made to the Purchasing Policy at Item 18 to address concerns. Procurement is confident this this wording does not inadvertently lock the City into specific procurement decisions. It simply enforces the City’s social intent to contribute to procurement market equity.</p>
2.	<p>Page 211 of the ABS Agenda – item 2.9 – Tender exempt procurement The way this is worded, given the LTFP has amounts listed which are yet to be assigned to a particular project, i.e discretionary pools of money which kick in a few FYs time, how do you protect against misuse? The new wording has “or” and lists LTFP. Concerned about unintended consequences.</p>	<p>This wording was specifically included after consultation with the CFO. It was intended to address financial commitment associated with award of multi-year contracts which extend beyond the presently budgeted financial year (which is a common occurrence). Identifying whether a project has approved internal funding is one of the first validation checks required by the Procurement team before engaging the market.</p> <p>It is important to note that funding validation is applicable to all types of procurement, not just exemptions.</p>
3.	<p>Following on from point 24 on page 216 of the ABS Agenda - in terms of training/upskilling/supporting staff to make the most out of the efficiencies gained by all of these changes, to make life easier for our staff in procuring goods and services, what’s the process from here? We approve this at the OCM, what happens from there?</p>	<p>Procurement will issue a City wide communication highlighting the key changes. Training modules (already in progress and future modules) will also reflect the Policy changes. The Procurement team will also offer one on one training and support on request.</p> <p>It’s worth noting that the major changes are at the upper end of the risk or dollar scale or relate to tasks which the Procurement team will be directly involved in.</p>
4.	<p>Can we include an exemption to standard purchasing practice when the city seeks to engage</p>	<p>This is already accommodated under the Legal Exception noted in Item 6 of the Policy and Item 8(b) – Sole Source Justification. However,</p>

	Question	Response
	a consultant through a lawyer for the purposes of maintaining LPP?	these exceptions should not be used to circumvent standard procurement practice by arranging goods or services through a Legal intermediary for the sake of convenience.
5.	Page 211 of the ABS Agenda – tender exempt procurement – is this saying that a contract can be awarded to the value of \$9 999 999 without a tender if it goes to a recognised aboriginal business?	No – <u>all procurement</u> above \$250K is subject to the Regulations (and therefore Public Tenders) unless a stated regulatory exemption is used (e.g. WALGA). The revised Policy or Council Delegations does not change this.
6.	Where we now prefer detailing “General Managers – All” were any GMs previously precluded? Who has had their authority increased?	No General Manager has had their Financial Authority increased as part of this review. Wording was changed in this revision to avoid future administrative changes caused by title changes or changes in organisational structure. Note: The GM Commercial Services was approved for elevation to Group 1 earlier this year by virtue of the type and size of contracts that role must manage and the introduction of the role to the City of Perth executive team.
7.	Why have we distinguished between agreement and contract?	This was added to specifically address the vague wording associated with the formation of <u>panel contracts</u> under the regulations (See item 11(e) of the Policy). The term ‘contract’ and ‘Agreement’ can be used interchangeably in a generic context, but clarification was needed here to convey the operational intent of the Policy wording (which replicates the Regulations reg 24AJ(2)).
8.	Can elected members please be given some examples of which recent procurement wouldn’t have come to council if we had the new delegation threshold?	Shared Path Upgrade – East Perth Foreshore (01/11/21) - \$2.318m (total expenditure within 1 year) – approved by Council. This would now be approved by the CEO – noting that the development was part of an already approved project/budget schedule. Comparative example: Tree Maintenance Services (21/08/22) - \$2.250m – approved by CEO as spend across multi-years.
9.	Page 219 of the ABS Agenda – what is the justification for giving authority to “officers”? Notwithstanding the fact it is only \$5k.	As per their daily tasks, Officers may be required to raise requisitions, release Purchase Orders, perform goods receipt and approve invoices for payment. All of which contribute to financial commitment on behalf of the City and therefore require Financial Authority for guidance. This policy review <u>does not change the present position</u> of the City in this respect.

	Question	Response
		Training in this process is now mandatory at the City of Perth and a new module has been developed to educate staff on their responsibilities. This mandatory training is currently underway and is part of the E2E and Inquiry obligations for the City.
10.	Can we distinguish between the ability to signing and approving contracts and the more administrative tasks of approving invoices etc?	This is a system which is prevalent in more mature businesses. It was considered for this review but the change impacts were assessed as being too significant in context of the basic improvement the City is trying to presently implement. It may be considered in the future. At present, the Register of Delegations and Authorisations (11.1) gives any City employee the ability to sign or enter into contracts where they have delegated, statutory, financial or operational authority. The Financial Authority table provides key governance in this respect.
11.	Why have General Managers been split into two groups in the financial authority?	It is reflective of the types and values of contracts usually managed by respective alliances. This was not addressed as part of the present review and is the current position of the City. No changes have been suggested. This structure may have been established as a result of past analysis when the Financial Authority table was first created.
12.	For the purchase thresholds between \$20-75K it says “A basic scope of work/specification, evaluation criteria and risk assessment should be considered by City Officers.” Does this mean that they do not have to use those instruments?	Correct – In this price range flexibility is required and use is encouraged as necessary. However, it should be noted that the proposed revision is an improvement over the current Policy wording which is silent on this matter at this purchase threshold. It simply states, “invite Three Written Quotations”.
13.	For \$75-\$200k should the two options just be identical?	Yes – A decision was made to <u>not</u> offer a reduced quotation requirement at this purchasing threshold for pre-qualified sources (i.e. WALGA or CUA). It was determined that procurement over \$75k was material enough to warrant a minimum number of quotations (3) from both open market and pre-qualified sources. This is consistent with the present Policy.

	Question	Response
14.	At the bottom of page 220 of the ABS Agenda, it refers to an “increased” risk, is this the terminology used in the risk policy?	Wording as noted should be generically interpreted with common English meanings. However, the Risk Policy was consulted and wording throughout the Purchasing Policy aligned where appropriate. The risk management framework for the City is currently under consideration.
15.	Page 223 of the ABS Agenda, can we please have an example of when confidentiality would give rise to a SSJ?	See response to Q4 of this section regarding Legal Services and privilege. Other examples include – Engagement of an investigator in relation to a workers compensation claim or safety incident, engagement of a consultant to perform an organisational review or forensic auditing services, etc.
16.	I have never seen 8(c) or (d) utilised in other organisations and see it as a potential loophole. What checks and balances are in place to ensure SSJ isn’t abused?	All SSJ applications must be approved by the CEO, GM or Procurement Manager. Any use of this exemption must be specifically requested (via CEDREC workflow) which is reviewed by the Procurement Team for appropriateness before onforwarding to the appropriate approver. There is also a <u>much</u> lower approval threshold for SSJ contract award with any contract over \$75K resulting from use of this exemption requiring CEO approval.
17.	Page 224 of the ABS Agenda - If a contract value is exceeded by slightly less than 10%, where is the best place for elected members to have oversight of such overspend?	The City could consider reporting any variances to Council Approved contracts to EM’s on a quarterly basis. This would be for acknowledgement not approval. This would allow visibility. This is only likely to occur on major construction contracts where minor variations are common due to, time being of the essence, “time and material” elements or remediation of latent conditions (as examples).
18.	How will the city track perpetual agreements? Often software agreements will say “if you don’t notify us by X months prior to the anniversary of this agreement then you will be committed to paying for another year”. How do we prevent situations where we are committing to pay for another year when we don’t want to?	The City will continue its present processes of managing expiring contracts. This includes issuing monthly reports to all alliance managers containing lists of expiring contracts with a 1 month, 3 month and 6 month look ahead. Each Category Specialist also receives a list of monthly contract expiries relative to their category allocations. System alerts can be configured in CI Anywhere for certain circumstances to prompt reminders of expiring contracts or key milestones. The Procurement Team also tries to negotiate more

	Question	Response
		favourable/flexible terms for the City when faced with such clauses. It is important to note that Alliance Managers also monitor their own supplier agreements.
19.	Does the city always use its own T&Cs? Do we always have a right to terminate for convenience?	No – the City strongly preferences its T&Cs, but will consider others from time to time (e.g. procurement via the WALGA Panel or via CUA). All the City’s templates are being reviewed at present. Termination flexibility for the City is being considered as part of this review.
20.	Probity Service – is this contemplating an external consultant? Would the Procurement Manager ever be called upon to fill this role?	In this context, a Probity Service would be supplied by an independent third party. It is unlikely that the Procurement Manager would be asked to perform these services as there may be a perceived conflict of interest and/or given workload obligations.
21.	Is there somewhere in the policy that specifically says purchasing must be done directly to a contractor, just to make sure there is no use of intermediaries generally?	The actual policy doesn’t have anything that specifies that you can’t buy through an intermediary, but it is a clear contravention of what we are trying to achieve by been transparent for the market. In the marketplace there are procurement houses who specialise in intermediaries, we presently don’t use any of those. Even if we were to use those, we would still adhere by the procurement policies in that we would obtain the correct number of quotes and comply with the regulations.
22.	LTFP been included and the word “or”. Just because it’s in the LTFP it doesn’t just mean that we have the ability to spend that pot of money?	<p>The purpose of the LTFP is to identify and plan future funding sources and expenditure including projects, multi-year programs and core services.</p> <p>The City’s procurement and finance teams work closely to validate approved funding sources. All significant procurements are also authorised by respective management personnel.</p> <p>Where there are unallocated amounts in the LTFP for future years, they will not be approved to be utilised for purchase activities and procurement processes.</p>














































## 15. Chief Executive Officer Reports

### 15.1 Freedom of Entry - The 10th Light Horse Regiment

Responsible Officer	Michelle Reynolds – Chief Executive Officer
Voting Requirements	Simple Majority
Attachments	Attachment 15.1A – Lord Mayor's Letter to CEO - 10th Lighthorse Regiment <a href="#">↓</a> 

#### Purpose

To consider awarding Freedom of Entry to the 10<sup>th</sup> Light Horse Regiment in accordance with Council Policy 4.6 Honorary Awards.

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#### Recommendation

That Council CONFERS Freedom of Entry to the 10<sup>th</sup> Light Horse Regiment.

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## Background

1. Council Policy 4.6 Honorary Awards (the Policy) establishes honorary awards conferrable by Council and the process for bestowing those honorary awards.
2. One such type of honorary award established by the Policy is Freedom of Entry.
3. On 8 June 2022, the Lord Mayor wrote to the Chief Executive Officer, nominating 10<sup>th</sup> Light Horse Regiment to be awarded Freedom of Entry (see Attachment 15.1A).

## Discussion

4. The Policy states the following:

### ***Freedom of Entry***

12. *Freedom of Entry is a high honour of which may be conferred by the City of Perth. The honour conveys no legal right.*
  13. *The conferral of the Freedom of Entry allows military units the privilege of marching into the city “with drums beating, colours flying, and bayonets fixed”.*
  14. *Freedom of Entry may be granted to units of the Defence Force which have a significant attachment to the City of Perth.*
  15. *A Freedom of Entry march may be arranged by the City to allow the military unit receiving the honour, to publicly display their privilege to march into the City.*
5. Furthermore, the Policy states the following regarding the process for conferral:
    2. *Nominations for an honorary award are to be submitted by Council members to the CEO for assessment and recommendation to Council.*
    3. *The conferral or revocation of any of these awards must be by resolution of Council.*
    4. *Before the conferral of any honorary award, the consent of the nominee must be obtained.*
    5. *The conferral of an honorary award will be made by the Lord Mayor at an appropriate time and place.*
  6. The CEO has assessed the nomination received from the Lord Mayor and recommends conferral of Freedom of Entry to the 10<sup>th</sup> Light Horse Regiment, whose consent has been obtained.

## Consultation

Nil.

## Decision Implications

7. If Council agree to confer Freedom of Entry to 10<sup>th</sup> Light Horse Regiment a reception will take place to present the Regiment with the honour, followed by a public display of their privilege to march into the city at a later date.

## Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Prosperous
Related Documents (Issue Specific Strategies and Plans):	Nil.

Legislation, Delegation of Authority and Policy	
Legislation:	Nil.
Authority of Council/CEO:	Council Policy 4.6 Honorary Awards stipulates that the conferral of Honorary Awards is to be by resolution of Council.
Policy:	Council Policy 4.6 Honorary Awards

## Financial Implications

8. The financial implications of the recommendation will require additional expenditure, as an unbudgeted item.

Account Number	TBA	Operating Project
Account Description	TBA	
Current Budget	\$0	
Amendment to Budget	\$30,000	
Revised Budget	\$30,000	
Budget Impact	Funding for this project to be sourced from budget surplus.	

## Further Information

9. Questions and responses received and responded to prior to the Agenda Briefing Session held 20 September 2022 are as follows:


	Question	Response
1.	In the interests of transparency, can some further detail about the credentials of the regiment be provided in the agenda?	<p>The <a href="#">Australian War Memorial's website</a> provides the following description of the 10<sup>th</sup> Australian Light Horse Regiment:</p> <p><i>"The 10th Australian Light Horse Regiment AIF was the only AIF light horse regiment recruited in Western Australia during the First World War.</i></p> <p><i>The regiment was raised in October 1914 when it became apparent that Western Australia could provide more than a single squadron of mounted soldiers. The regiment joined the 3rd Light Horse Brigade in Egypt and served dismounted at Gallipoli. The regiment's most famous actions were the charge at the Nek on 7 August 1915, and Hill 60 on 29-30 August. It was in this last action that Lieutenant V.H. "Hu" Throssell performed the valorous deeds for which he was awarded the Victoria Cross. He was the only Australian light horseman to be so decorated during the Great War.</i></p> <p><i>After the withdrawal from Gallipoli in December 1915 the regiment was brought up to strength and reorganised. With the rest of the Australian light horse they defended Egypt from the Ottoman Army advancing on the Suez Canal. Through 1916 they drove the Turks across the deserts of Sinai, participating in the battles of Romani and Maghaba.</i></p> <p><i>In 1917 they were part of the Desert Column that advanced into Palestine. The regiment participated in the bloody battles to break the Gaza-Beersheba line and helped capture Jerusalem. They participated in the Es Salt Raid in May 1918. In August they were one of the regiments re-equipped with swords and rifle boots, and retrained to take a more orthodox cavalry role. In their new role they took part in the rout of the Ottoman army in the Jordan Valley, a campaign the light horse referred to as "The Great Ride". In September the 10th was the first formed regiment to enter Damascus.</i></p>

		<i>Turkey surrendered on 30 October 1918. After the end of the war, elements of the regiment saw action in putting down the Egyptian uprising of 1919. They were finally disbanded in 1920."</i>
2.	Has the regiment already provided their consent?	Yes, as per paragraph 6 of the report, their consent has been obtained.





## 15.2 2022 Culture Survey Results

Responsible Officer	Michelle Reynolds – Chief Executive Officer
Voting Requirements	Simple Majority
Attachments	Attachment 15.2A – CULTYR Employee Scorecard 2022 - City of Perth Report <a href="#">↓</a> 

### Purpose

To provide Council with the results of the 2022 City of Perth Culture Survey.

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### Recommendation

That Council:

1. ENDORSES the CULTYR® Employee Scorecard 2022 City of Perth Report, prepared by CATALYSE® Pty Ltd (Attachment 15.2A); and
  2. NOTES the overall improvement in organisational culture compared to the previous survey conducted in 2020.
-

## Background

1. Since 2017 the City of Perth (the City) has engaged CATALYSE® to conduct bi-annual internal culture surveys.
2. The City of Perth has, for a number of years, been under review. Between 2015 and late 2020, the City had four Chief Executive Officers (CEO), two Lord Mayors, 16 Councillors, two Chair Commissioners and a high-profile inquiry resulting in 341 recommendations. This period was set against a backdrop of simultaneous widespread change and reform in the local government sector. These disruptions took a toll on the organisation with a loss in employee optimism.
3. The City of Perth Inquiry (delivered in August 2020) recommended that a Culture Survey be conducted three months after the new council was sworn in. However the outgoing Commissioners, in advance of the Inquiry report and recommendations being released, conducted a survey in July 2020 to measure culture at that time. The 2020 survey serves as a useful baseline document for the City's 2022 culture survey results. Now in 2022 the City has a report based on the current leadership which reflects two years' worth of effort to rebuild the City.
4. Since 2021, employee "Pulse Check Surveys" have been conducted to test progress against the key themes arising from the 2020 CATALYSE® survey. These Pulse Checks have all indicated positive progress.
5. Recommendations 11 to 17 of the Inquiry into the City of Perth focus on workplace culture through the use of internal culture surveys.
6. CATALYSE® conducted the bi-annual 2022 culture survey over three weeks during July and August 2022 which achieved a participation **rate of 74%**. The participation rate in previous years was as follows:

Year	% Participation rates
2022	74%
2020	67%
2019	68%
2017	85%

## Discussion

7. The survey results for 2022 are the best in five years and show an overall improvement in organisational culture when compared to the surveys conducted in 2017, 2019 and 2020:
  - a. 93% of the employees surveyed **rated the City positively as a place to work**. This is a 7% increase since 2020 and 12% from 2017. Overall workplace performance in previous years was as follows:

Year	% Overall workplace performance
2022	93%
2020	86%
2019	81%
2017	81%

- b. 68% of employees surveyed would like to be working at the City in three years' time, up 4% since 2020.

Year	% Employee Commitment
2022	68%
2020	62%
2019	64%
2017	65%

- c. The *Net Promoter Score* which rates the likelihood of employees to recommend the City as a place to work is -35. This is an improvement of 11 points since the survey in 2020.
8. The top five factors that employees value most about working at the City are:
- The people / colleagues
  - My team / teamwork
  - Working for the community
  - Positive workplace and culture
  - Supportive leadership and staff
9. The focus areas that employees feel will make the City **an even better** workplace are:
- Access to equipment and resources
  - Policies, systems, and processes
  - A Professionally managed organisation
10. Post the report being provided to all staff, the City will work in collaboration with the Management Leadership team, the Employee Consultative Committee and staff, to address the key focus areas and continue to build on the City's evolution to excellence.

## Consultation

- All City of Perth employees were invited to participate in the 2022 survey
- The report will be shared with all City of Perth employees and the public.

## Decision Implications

Nil.

## Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Prosperous
Related Documents (Issue Specific Strategies and Plans):	City of Perth Inquiry recommendations 13 to 17. Evolution to Excellence 2021 publication action 2.3.1 to 2.3.7.

Legislation, Delegation of Authority and Policy	
Legislation:	Nil
Authority of Council/CEO:	Recommendation 15 of the City of Perth Inquiry states the following: <i>“The reports containing the results of the Cultural Assessment and proposed actions to address findings in each report is to be provided to the City of Perth Council by the CEO for consideration, endorsement and action no later than three months after the results are received by the CEO. The City consider what organisational cultural improvements can and should be implemented following the assessment.”</i>
Policy:	Nil

### Financial Implications

Nil.

### Further Information

Nil.






















## 16. Committee Reports

### Reports referred from the Audit and Risk Committee meeting held 12 September 2022

#### 16.1 Development Approvals Internal Audit Report

Responsible Officer	Michelle Reynolds – Chief Executive Officer
Voting Requirements	Simple Majority
Attachments	Attachment 16.1A – Development Approvals Audit Report 2022 <a href="#">↓</a> 

#### Purpose

For Council to consider the Development Approvals Internal Audit report.

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#### Committee Recommendation

That Council ENDORSES the Development Approvals Internal Audit Report (Attachment 16.1A), including the management comments and the proposed due dates.

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## Background

1. At its Ordinary Meeting held 31 August 2021, Council approved the 2021/22 Annual Internal Audit Plan on recommendation from the Audit and Risk Committee. The Plan included an audit on Development Approvals which is the subject of this audit.

## Discussion

2. This audit was undertaken to provide assurance over whether that the City's development applications were reviewed and assessed objectively and in line with the City's Local Planning Schemes and relevant policies.
3. The development assessment process was reviewed in accordance with the following scope:
  - a. Governance
    - i. Existence, currency/appropriateness and communication of development approval policies and procedures.
    - ii. Clarity of roles and responsibilities, segregation of duties and escalation channels with respect to development approvals.
    - iii. Approval monitoring and reporting systems and mechanisms, including appropriate escalation and oversight.
  - b. Management processes
    - i. Communication and transparency of development approval information and processes.
    - ii. Receipt and acknowledgement of approvals.
    - iii. Assessment and timely resolution of the approvals process including compliance of checklists with current legislative requirements.
    - iv. Delegation of approvals.
    - v. Escalation, review, and reporting processes.
    - vi. Conflict of interest disclosure by internal staff and elected members.
    - vii. Documented grant acquittal process, including validation of invoices.
    - viii. Accurate, complete and timely record keeping of all relevant aspects of the development approvals process, including but not limited to communications with:
      - Applicants
      - Developers
      - Objectors
      - Elected Members
      - The relevant advisory committees and review panels.
  - c. Continuous improvement
    - i. Processes in place to analyse and monitor development approvals to identify lessons learnt, trends or systemic issues and actions undertaken to improve quality of services.
    - ii. Staff training in the development approval process.

iii. Opportunities to improve efficiencies.

4. The audit identified 10 positive areas within the overall development approval process, as follows:

**Positive Observations**

- a. There were systems in place to ensure that the Development Approval unit have staff with the necessary skills and knowledge to perform their duties.
- b. There were systems in place to support the development assessment process.
- c. There were clear record keeping policies and systems to facilitate the management of the high volume of documentation in the development assessment process.
- d. Roles and responsibilities were sufficiently outlined.
- e. There were internal performance measures to ensure that assessment of applications are conducted in a timely manner.
- f. There is an adequately controlled and standardised assessment process maintained and reviewed by the Alliance Manager.
- g. Development application information is transparent, easily accessed and approved according to procedures.
- h. There were adequate controls around mandatory training for development assessment staff and that all staff were compliant with training requirements.
- i. There was sufficient evidence to show that fees are being paid to the City prior to development approval lodgement.
- j. There was no direct engagement between Elected Members and the Development Approvals Team.

5. The audit noted one observation and one performance improvement opportunity.

**Observation**

- a. The audit identified that there could be a more formalised approach to continuous improvement.
- b. The risk associated with this observation was noted as low.
- c. To address this observation, three recommendations were provided for the City's consideration, as follows:
  - i. Implement a process for identifying, analysing and tracking improvement opportunities within the Development Approvals team to ensure that the continuous improvement opportunities are identified and implemented.
  - ii. Assign ownership and cadence for procedure reviews so that these may occur regularly and as required in response to legislative reforms and finalise draft documents.
  - iii. Identifying training opportunities for staff to ensure continuous learning and development.
- d. Management has accepted all the recommendations and has provided realistic due dates of 31 January 2024 for Recommendation 1 and 30 June 2023 for Recommendations 2 and 3. In providing these due dates, management has also identified that Recommendations 2 and 3 will need to be monitored and managed on an ongoing basis.
- e. It is important to note that the audit identified that all Development Approvals staff were currently compliant with mandatory training and that staff had the necessary skills and knowledge to



undertake their duties. Additional training opportunities are further identified in the annual Performance Shaping and Management process to ensure that staff continue to mature and grow in their areas of expertise. Management has made a commitment to include training on procedures in the next annual review of training requirements.

### **Performance Improvement Opportunity**

- a. The audit noted that the City's performance could be further enhanced by increasing the transparency in relation to Elected Members being approached by the public on development approval matters.
- b. To address this performance improvement opportunity, the following recommendation has been made:
  - i. Consider the introduction of record keeping requirements relating to the engagement of Elected Members by members of the public on development approval matters.
- c. Management has noted in their response that:
  - i. Elected Members are required to be cognisant of their obligations under the Code of Conduct.
  - ii. Elected Members have historically disclosed interests when they have had interactions with proponents or objectors to an application. Records of this is maintained by disclosure of interest forms, the disclosure of interest register and minutes of Council meetings.
  - iii. Elected Members have previously re-directed public enquiries regarding development applications to the City via the Chief Executive email inbox. Emails circulated through this inbox are record kept in Content Manager.
- d. Management is satisfied with its current approach and records management practices and is satisfied that they meet the requirements of the recommendations.
- e. Once the report, recommendations, management comments and due dates have been noted by the Audit and Risk Committee, they will be inputted into the CGR system for tracking. Implementation of these recommendations will be verified, and progress will be reported back to the Audit and Risk Committee.

## Consultation

Nil.

## Decision Implications

6. The acceptance of the recommendation made in this report will assist in ensuring that the recommendations in the audit report will be implemented in a timely manner and achieve the improvements intended by its implementation.

## Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Prosperous
Related Documents (Issue Specific Strategies and Plans):	Nil.

Legislation, Delegation of Authority and Policy	
Legislation:	<i>Local Government (Audit) Regulations 1996</i>
Authority of Council/CEO:	Council
Policy:	Nil.

## Financial Implications

Nil.

## Further Information

Nil.































## 16.2 NSW Compliance Audit Report and NSW Annual Compliance Audit Certificate 2022

<b>Responsible Officer</b>	Michelle Reynolds – Chief Executive Officer
<b>Voting Requirements</b>	Simple Majority
<b>Attachments</b>	Attachment 16.2A – NSW Annual Compliance Audit Report <a href="#">↓</a>  Attachment 16.2B – NSW Annual Compliance Audit Certificate 2022 <a href="#">↓</a> 

### Purpose

For Council to consider the outcomes of the NSW Compliance Audit Report.

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### Committee Recommendation

That Council ENDORSES the NSW Compliance Audit Report (Attachment 16.2A) and NSW Annual Compliance Audit Certificate 2022 (Attachment 16.2B).

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## Background

1. At its Ordinary Meeting held 31 August 2021, Council approved the 2021/22 Annual Internal Audit Plan on recommendation from the Audit and Risk Committee. The Plan included a contractually required annual audit on (the Audit) Compliance with the City's NSW DRIVES24 Terms of Access Agreement (the Agreement) which is the subject of this report.

## Discussion

2. The objective of the Audit was to provide assurance that DRIVES24 security and access requirements as documented in the City's agreement with the NSW Roads and Maritime Services (RMS) are being observed by the City of Perth for the period 1 July 2021 to 30 June 2022. The Audit reviewed the City's process to comply with the requirements of the Agreement and included:
  - a. Examination of the Agreement between the City and RMS, as well as the Guidelines for Use of DRIVES and/or DRIVES Information in order to obtain an understanding of security and access compliance requirements as they relate to the DRIVES24 System.
  - b. A review of the City's information security standards as contained within internal policies, procedures, guidelines, etc to ascertain whether they provide adequate guidelines for promoting security of information.
  - c. Discussions with relevant staff within Infringement Support, City Records, and ICT service units within the City regarding access to the DRIVES24 system.
  - d. Review and walk through of City procedures regarding NSW DRIVES24 system access.
  - e. Observations on system and physical security practices employed within the Infringement Support Section.
  - f. Review of relevant City roles (including understanding the background and security screening process), approved delegations/authorisations for enforcing infringements as well as RMS authorised users both current and past (access log/user registers, DRIVES external user forms, acknowledgement of the abovementioned guidelines, relevant induction/training programs undertaken, compliance statements, notifications sent to and received from RMS).
  - g. Analysis of DRIVES24 access log as completed by Infringement Support Section staff as well as user access reports supplied by RMS for the nominated audit period.
  - h. A sample test was performed to determine whether Authorised Users complied with the Agreement.
3. The Audit identified two positive observations and two Performance Improvement Opportunities, as follows:

**Positive Observations:**

  - a. The security arrangements concerning the equipment, systems, networks used to access, storage, processing and/or distribution of DRIVES data, comply with the Agreement.
  - b. The City has verified that the RMS logs of nominated users demonstrate compliance with the approved Purpose.

### Performance Improvement Opportunities

- c. Two Performance Improvement Opportunities were identified around the Guidelines and the Motor Vehicle Registration Search Procedure.
- d. To address these opportunities, two recommendations were provided for the City's consideration:

#### NSW Drives24 Guidelines

- i. The City should document in existing procedure the step-by-step checks required to complete the quarterly compliance review performed by the Security Administrator to enhance process accuracy through an audit trial of compliance checks. There were two instances witnessed by the Internal Audit team where the manual access log maintained by the Parking Infringement team, did not match the history log of vehicle enquiries provided by RMS during the audit period. There was no compliance gap as the differences were noted to be typos however the Security Administrator did not flag these instances as part of the quarterly compliance review. Documenting the process in existing procedure would mitigate these instances from reoccurring and improve rigor in compliance checks to establish whether Authorised users complied with the Agreement. The amended procedural document should be clearly articulated and accessible to all Parking Infringement staff.
- ii. Management accepted this recommendation and has reported it to the Audit and Risk team as implemented.

#### NSW Motor Vehicles Registration Search Procedure

- i. The City should amend language in existing documentation to explicitly state that authorised users have enquiry access only to the Drives24 system and are prohibited to use DRIVES information for any other purposes other than enforcing infringements. Current procedure does not explicitly state the use of DRIVES and TFNSW materials. This would provide more clarity to authorised users and those that sit outside of the Parking Infringements team on the controls around the use of DRIVES and more closely align to what is requested in the Compliance Report.
  - ii. Management **has disagreed with this recommendation** and advised that *“only the Parking Infringement team have access to the system and information. All procedures relating to infringements are not stored in the CEDREC system and cannot be viewed by persons outside of the team. Procedures are stored in Content Manager and only the Parking Infringement team and Records team have access”*.
4. No findings were identified during this audit and there is evidence to provide assurance that the DRIVES24 Terms of Access Agreement requirements are being observed by the City of Perth.

### Consultation

Nil.

### Decision Implications

- 5. If Council does not adopt the recommendation of this report, there will be no formal acceptance by Council of findings and recommendations contained within the report. As a result, management would lack direction on process improvement.

## Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Prosperous
Related Documents (Issue Specific Strategies and Plans):	Nil

Legislation, Delegation of Authority and Policy	
Legislation:	<i>Local Government (Audit) Regulations 1996</i>
Authority of Council/CEO:	Council
Policy:	Nil.

## Financial Implications

Nil.

## Further Information

6. Questions and responses received and responded to prior to the Agenda Briefing Session held 20 September 2022 are as follows:

	Question	Response
1.	Why isn't the City implementing the opportunity "NSW Motor Vehicles Registration Search Procedure" on page 260? Couldn't it be incorporated without much effort?	<p>The only authorised users with access rights to the system sit within the Parking Infringement Services Team so it is not necessary.</p> <p>This is part of the protocols for all infringement related searches, not just NSW.</p> <p>For security reasons, all procedures relating to infringements are not stored in CEDREC and are stored in CM containers that have restricted access.</p>


























### 16.3 VicRoads Compliance Audit Report - July 2022

Responsible Officer	Michelle Reynolds – Chief Executive Officer
Voting Requirements	Simple Majority
Attachments	Attachment 16.3A – VicRoads Compliance Audit Report 2022 <a href="#">↓</a> 

#### Purpose

The report aims to provide the Audit and Risk Committee an overview on the outcomes of the VicRoads compliance audit report.

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#### Committee Recommendation

That Council ENDORSES the VicRoads Compliance Audit Report (Attachment 16.3A).

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## Background

1. At its Ordinary Meeting held 31 August 2021, Council approved the 2021/22 Annual Internal Audit Plan on recommendation from the Audit and Risk Committee. The Plan included a contractually required annual audit on (the Audit) Compliance with the City's VicRoads Information Protection 2019 Agreement ('the Agreement') which is the subject of this audit.

## Discussion

2. The compliance Audit with VicRoads is an annual audit that must be undertaken by the City each financial year with respect to its compliance with the Agreement.
3. Failure to carry out this audit by the due date may result in access to vehicle registration details being suspended by the relevant government authority, which in turns affects the City's ability to enforce and collect revenue from parking infringements incurred by Victorian vehicle owners/drivers.
4. Parking infringements at the City of Perth are managed by the Infringement Support Services team within the Parking Services Unit.
5. The scope of this audit covered the period 1 July 2021 to 30 June 2022. The audit reviewed the City's process to comply with the requirements of the Agreement. The audit considered:
  - a. Privacy and information security requirements for Nominated Authorised Users (and contractors) access to VicRoads system and the use of VicRoads information complies with the Agreement and relevant Privacy laws.
  - b. Determining if remote working controls adhere to privacy and confidentiality standards.
  - c. Evaluating if breach management processes are adequate to protect the confidentiality and integrity of VicRoads and the use of VicRoads information.
  - d. Records of Authorised Users are regularly maintained and accessible.
6. No findings were identified during this audit and there is evidence to provide assurance that the Agreement requirements are being observed by the City of Perth.
7. The VicRoads Compliance Audit Report is now complete and is submitted in Attachment 16.3A for consideration by Council.

## Consultation

Nil.

## Decision Implications

8. Formal acceptance by Council will allow for the report to be finalised and marked as completed on the City's annual audit plan.

## Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Prosperous
Related Documents (Issue Specific Strategies and Plans):	Nil

Legislation, Delegation of Authority and Policy	
Legislation:	<i>Local Government (Audit) Regulations 1996</i>
Authority of Council/CEO:	Council
Policy:	Nil.

## Financial Implications

Nil.

## Further Information

Nil.










































16.4 Draft Strategic Audit Plan FY22/23

Responsible Officer	Michelle Reynolds – Chief Executive Officer
Voting Requirements	Simple Majority
Attachments	Attachment 16.4A – Draft Strategic Audit Plan FY2022/23 <a href="#">↓</a> 

Purpose

For Council to consider the draft Strategic Audit Plan for FY2022/23. This report also aims to highlight the strategy of applying the spirit of the Inquiry recommendations regarding reoccurring audits, obtaining value for money and time used, and without putting an onerous burden on the City’s resources.

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Committee Recommendation

That Council ENDORSES the draft Strategic Audit Plan for FY22/23 (Attachment 16.4A), including the proposed timings of the audits.

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## Background

1. The role of Internal Audit is to offer an independent, objective assurance and consulting process which helps to add value to, as well as improve, an organisation's operations. It is concerned with evaluating and improving the effectiveness of risk management, control, and governance processes in an organisation. To do this, Internal Audit aims to work with management to systematically review systems and operation through a risk based and approved Strategic Audit Plan.

## Discussion

2. A draft Strategic Audit Plan was developed for FY22/23, using the existing operational risks, the Audit and Risk's team understanding of the pressure points in the organisation and recommendations from the Inquiry. Consultation with Alliance Managers, and their representatives, were conducted to determine the preliminary scope and confirm the preliminary risk rating. The draft plan was then distributed to the ELT for their review, consideration, and feedback.
3. The draft Strategic Plan proposes eleven audits and reviews for the remainder of the FY22/23, which are broken into four categories: internal audits, internal policy compliance, external regulatory requirements, and an improvement program. A summary of the audits/review under each category and its preliminary risk rating are as follows:

INTERNAL AUDITS	
Owners and Occupiers'/Electoral Roll	High Risk
Commercial Parking	High Risk
HR Management - Recruitment Processes	Medium Risk
Compliance with the WHS Act 2020	Medium Risk
Internal Grievance and Complaints Handling	Medium Risk
Discretionary Grant Funding	Medium Risk
INTERNAL POLICY REQUIREMENTS	
Audit and Risk performance assessment	Medium Risk
EXTERNAL REGULATORY REQUIREMENTS	
NSW RMS DRIVES24 Audit	Medium Risk
VicRoads Audit	Medium Risk
Annual Compliance Audit Return (CAR)	Medium Risk
IMPROVEMENT PROGRAM	
Verifying the implementation of audit recommendations.	Medium Risk

4. Details on the preliminary scope and timings of these audits/reviews can be found in the attached Strategic Plan.
5. It is important to note the scope provided is a guide for where the audit may focus its attention. The final scope will be developed collaboratively with the relevant Alliance Managers and General Managers, where requested, and agreed to prior to the commencement of the audits/reviews.

6. In putting this audit plan together, consideration was given to the inquiry recommendations regarding completing certain audits on a recurring yearly basis. Audit and Risk is of the opinion that completing these audits on an annual basis, especially those where the audit results have been identified as low risks, to be onerous, time consuming, serve little purpose in showing real improvement, and expensive. However, to comply with the spirit of the Inquiry recommendations, Audit and Risk is proposing an improvement program, whereby audit recommendations are verified as being implemented. Implementation of the recommendations is where the true impact of the audits is realised and serves as a better indicator of progress within the City than repeated audits.
7. Audit and Risk will work on a basis of transparency, collaboration, and no surprises to achieve the implementation of this financial year's audit plan. To meet the new proposed working arrangement, Audit and Risk will be adhering to the following methodology:
  - a. An entrance meeting will be done with the Alliance Manager, Manager Audit and Risk and the audit provider to discuss the objectives, preliminary audit scope, timeframes etc.
  - b. The preliminary scope will be updated by the audit provider and finalised with the Alliance Manager and GM.
  - c. Prior to and during the engagement, information and documentation will be requested from Alliance Manager or their team members.
  - d. Fieldwork will be conducted by the audit provider on site.
  - e. Information discussed and provided will be analysed, and issues discovered will be discussed as part of a 'no surprises' approach to the audit.
  - f. Preliminary findings and recommendations will be developed.
  - g. Preliminary findings and recommendations will be discussed with the relevant Alliance Manager to ensure accuracy.
  - h. A draft report will be prepared and issued to Manager Audit and Risk.
  - i. Manager Audit and Risk will QA the report and once satisfied, provide it to the Alliance Manager and GM.
  - j. An exit meeting will be undertaken with the Alliance Manager and GM. Management comments including responsibilities and target dates, will be requested of the Alliance Manager in the exit meeting.
  - k. Final draft audit report with draft management comments will be presented to an ELT meeting to seek final management comments and approval.
  - l. The final audit report will be presented to the Audit and Risk Committee.
  - m. CGR system will be updated by Audit and Risk Officer with the findings, agreed recommendations, and timeframes.
  - n. Alliance Manager will be responsible for tracking progress on the implementation of the recommendations.
  - o. The recommendations within CGR will form part of the audit recommendation monitoring and implementation validation process.

8. The table below provides estimated timings for each step suggested below. Please note that the table below represents the full audit process. The Alliance will only be involved in the parts of the process highlighted in blue.

Milestone	Timeframe
Entrance meeting	X
Final scope provided and signoff	X + 1 week
Audit Fieldwork	X + 2 weeks
Discuss preliminary findings with Manager(s)	X + 5 weeks
Write draft report	X + 6 weeks
QA Review	X + 7 weeks
Draft Report to Alliance Manager and GM	X + 8 weeks
Exit Meeting and Management comments	X + 10 weeks
Draft report to ELT	X + 12 weeks
Final report to Risk and Audit Committee	Closest meeting

9. In addition to the audit work proposed in the draft Strategic Audit Plan, the Audit and Risk Team will also be working on:
- a. Developing and finalising Strategic Risks in collaboration with the ELT.
  - b. Reviewing and updating the operational risks in CGR.
  - c. Transferring all outstanding audit recommendations from the Excel audit log to the CGR system.
  - d. Updating CGR with the new audit recommendations from the FY21/22 and FY22/23 audits.
  - e. Preparing a 3-year Strategic Audit Plan (FY23/24 – FY26/27).
  - f. Preparing for the quarterly Audit and Risk Committee meetings.
  - g. Reviewing the current audit provider arrangements.
  - h. Professional training and development.
  - i. Other work as directed by the CEO and the ARC.

## Consultation

Nil.

## Decision Implications

10. The approval of the draft FY22/23 Audit Plan allows for the timely completion of the audits.



## Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Prosperous
Related Documents (Issue Specific Strategies and Plans):	Nil

Legislation, Delegation of Authority and Policy	
Legislation:	<i>Local Government (Audit) Regulations 1996.</i>
Authority of Council/CEO:	As the Committee has no delegated authority, Council is required to approve the proposed Strategic Audit Plan for FY22/23.
Policy:	Nil.

## Financial Implications

11. The financial implications of the recommendation(s) are accommodated within the existing budget.

Account Number	1003-100-10-10001-7230	Consultancy and Professional Fees.
Account Description	Internal Audit – Consultancy and Professional Fees	
Total Budget	\$304,422	
Budget – This report	\$304,422	
Remaining Budget	\$304,422	
Budget Impact	Nil.	

## Further Information

12. At the Audit and Risk Committee meeting held 12 September 2022, Committee members queried the need to complete another audit on the owners and occupiers roll (the roll) following the completion of the same audit in 2021. The following is advised:
  - a. It has been verified that the Inquiry into the City of Perth recommended one emergency audit of the roll prior to the 2020 election and then **an** audit on the roll thereafter.
  - b. The August 2021 roll audit by KPMG cost \$38,522.00 (inc GST) and identified five areas for improvement (four high and one medium). The then Internal Audit and Risk Manager advised the Audit and Risk Committee in December 2021 that the areas were addressed and completed. KPMG independently verified the implementation of the recommendations.
  - c. Although in accordance with the Inquiry a further audit is not required, Council can decide to include it in the 2022/23 Strategic Audit Plan. The Chief Executive Officer's rationale for inclusion in the 2022/23 Plan is:
    - i. Consideration of the key findings resulting from the City of Perth Inquiry.
    - ii. An additional good governance measure in advance of the 2023 local government ordinary election.
13. Following the Audit and Risk Committee meeting held 12 September 2022, the following changes to timing in the 2022/23 Plan have been made:
  - a. The Work, Health and Safety Audit has been brought forward from Q3 to Q2 as LGIS have advised that they will conduct this audit in December 2022.
  - b. The Commercial Parking Audit has been brought forward from Q4 to Q3 to allow completion prior to the new financial year.
  - c. As a result of the above (in part) the Internal Grievance and Complaints Handling Audit has reverted back to Q4 (from Q2) as previously reported to Council in June 2022.









17. Motions of which Previous Notice has been Given

Nil.

## 18. Matters for which the meeting may be closed

*In accordance with Section 5.23(2)(f) of the Local Government Act 1995, the following Items 18.1 to 18.5 and their attachments are confidential.*

### 18.1 Procurement and Contracting Internal Audit Report - August 2022

Responsible Officer	Michelle Reynolds – Chief Executive Officer
Voting Requirements	Simple Majority
Attachments	Confidential Attachment 18.1A – Procurement and Contracting Internal Audit - August 2022

### 18.2 Misconduct and Fraud Audit Report - August 2022

Responsible Officer	Michelle Reynolds – Chief Executive Officer
Voting Requirements	Simple Majority
Attachments	Confidential Attachment 18.2A – Misconduct and Fraud Audit Report - August 2022

### 18.3 Review of Decisions of Council, Committee and CEO Audit Report

Responsible Officer	Michelle Reynolds – Chief Executive Officer
Voting Requirements	Simple Majority
Attachments	Confidential Attachment 18.3A – Review of Decisions of Council, Committee and CEO Internal Audit Report - August 2022

### 18.4 Expenditure, Interests and Gifts Register Audit Report

Responsible Officer	Michelle Reynolds – Chief Executive Officer
Voting Requirements	Simple Majority
Attachments	Confidential Attachment 18.4A – Expenditure, Interests and Gifts Register Audit Report - August 2022

### 18.5 Outstanding Audit Recommendations as at 31 July 2022

Responsible Officer	Michelle Reynolds – Chief Executive Officer
Voting Requirements	Simple Majority
Attachments	Confidential Attachment 18.5A – Internal Audit Log as at 31 July 2022 Confidential Attachment 18.5B – Additional Audit Recommendations

## 19. Urgent Business

## 20. Closure