



City of **Perth**

Agenda

Agenda Briefing Session

19 March 2024

Notice of Meeting

To the Lord Mayor and Councillors

The next Agenda Briefing Session will be held on Tuesday, 19 March 2024 in the Council Chamber, Level 9, 27 St Georges Terrace, Perth commencing at 5:00pm.

Michelle Reynolds

Chief Executive Officer

15 March 2024

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.

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.	Disclosures of Interests.....	5
6.	Public Participation	5
6.1	Public Questions	5
6.2	Deputations.....	5
7.	Confirmation of Minutes	5
8.	Questions by Members which due Notice has been Given.....	5
9.	Correspondence.....	5
10.	Petitions	5
11.	Planning and Economic Development Alliance Reports.....	6
11.1	Corporate Carbon Accounting.....	6
11.2	39 and 39A (Lots 52 and 53) Mount Street, West Perth - Proposed change of use from two Single Houses ('Residential') to Short Term Accommodation ('Special Residential') including associated works (DA-2023/5162)	30
12.	Community Development Alliance Reports	108
12.1	Events Plan 2024/25	108
12.2	Review of Policy 2.11 - Heritage Rate Concession and Heritage Adaptive Reuse Grant Scheme.....	119
13.	Infrastructure and Operations Alliance Reports	140
	Nil.	
14.	Commercial Services Alliance Reports	141
14.1	Parking Fee Increase	141
15.	Corporate Services Reports	148
15.1	Monthly Financial Statements - January 2024.....	148
15.2	Schedule of Accounts Paid - January 2024.....	206
16.	Chief Executive Officer Reports.....	273

16.1	Proposed Council Policy - New and Innovative Events/Activations.....	273
16.2	Cathedral Square Placemaking Proposal.....	280
17.	Committee Reports.....	286
	Nil.	
18.	Motions of which Previous Notice has been Given	286
19.	Matters for which the meeting may be closed	287
19.1	CEO Key Performance Indicators update report - Q2 2023/24 (1 October 2023 - 31 December 2023)	287
20.	Urgent Business	288
21.	Closure	288

1. Declaration of Opening

2. Acknowledgement of Country/Prayer

3. Attendance

3.1 Apologies

3.2 Leave of Absence

3.3 Applications for Leave of Absence

This item will be dealt with at the Ordinary Council Meeting.

4. Announcements by the Lord Mayor

5. Disclosures of Interests

6. Public Participation

6.1 Public Questions

This item will be dealt with at the Ordinary Council Meeting.

6.2 Deputations

7. Confirmation of Minutes

This item will be dealt with at the Ordinary Council Meeting.

8. Questions by Members which due Notice has been Given

This item will be dealt with at the Ordinary Council Meeting.

9. Correspondence

This item will be dealt with at the Ordinary Council Meeting.

10. Petitions

This item will be dealt with at the Ordinary Council Meeting.

11. Planning and Economic Development Alliance Reports

11.1 Corporate Carbon Accounting

Responsible Officer	Dale Page – General Manager Planning and Economic Development
Voting Requirements	Simple Majority
Attachments	Attachment 11.1A – Emmissions Summary Report ↓

Purpose

To seek Council endorsement of the City of Perth’s 2022/23 Corporate Emissions Inventory and establish 2022/23 as the baseline year for future emission reductions.

Recommendation

That Council ENDORSES the 2022/23 Corporate Emissions Inventory as the City’s baseline year for future emission reductions.

Background

1. The City's *Sustainability Strategy 2022-2032* was endorsed by Council at the 26 April 2022 Ordinary Council Meeting.
2. Initiative 1.1 is to 'work towards net zero emissions as an organisation through a planned approach to emissions avoidance, reduction, and off-setting'.
3. Corporate Carbon Accounting was included as a project in the City's 2023/24 Corporate Business Plan, with a specific deliverable to establish and present a carbon accounting baseline to Elected Members.

Discussion

Emissions Inventories

4. Emissions inventories (or greenhouse gas inventories / carbon accounting) involve quantifying sources of greenhouse gas emissions generated by the operations of an organisation.
5. The City's first inventory has been completed in line with the Australian Government's Climate Active methodology, as this is current best practice in Australia and follows the standard to achieve Carbon Neutral certification if desired.
6. The inventory is an operational inventory and therefore does not include any community, commercial or industrial emissions, rather only those that are generated by City of Perth activities.
7. Emissions sources are categorised into three scopes:
 - a. **Scope 1:** Direct Emissions (e.g., combustion of fuel in vehicles, refrigerant gases)
 - b. **Scope 2:** Indirect Emissions (e.g., electricity purchased)
 - c. **Scope 3:** Indirect Emissions / Supply Chain Emissions (e.g., flights taken, waste generated)
 - Quantified - data supplied
 - Non-quantified - data unavailable, uplift optionally applied.
8. When considering 'Net Zero', it generally includes only Scope 1 and 2 emissions. Scope 3 emissions can be optionally included.

Emissions Boundary

9. The first step in establishing an emissions inventory is identifying the emissions boundary.
10. It is up to the discretion of each organisation as to which emission sources are included in their inventory; this is known as the emissions boundary.
11. Best practice; examples from other Australian Capital Cities; and advice from WALGA were considered in the development of this boundary.
12. The City of Perth operational emissions boundary is set out in Table 1 below and at Attachment A.

Table 1: City of Perth Operational Emissions Boundary

Scope	Quantified	Non-Quantified	Excluded
Scope 1	<ul style="list-style-type: none"> Natural gas Transport fuels (diesel, petrol) Stationary fuels (diesel, petrol) Refrigerants 		
Scope 2	<ul style="list-style-type: none"> Electricity (operational control, tenanted sites) 		
Scope 3	<ul style="list-style-type: none"> Flights Accommodation Taxi Paper Water Staff Commute Fertiliser Western Power streetlighting 	<ul style="list-style-type: none"> Road maintenance Food and Catering ICT Equipment Courier Services City run events (diesel, water, electricity, waste) Lubricants Waste generated from City properties Waste supplier transport emissions Work from home 	<ul style="list-style-type: none"> Resident and street waste disposal Major capital works projects Contractor vehicle usage Sponsored events (third party) Business travel by public transport

2022/23 Emissions Inventory

13. Utilising the above emissions boundary, the emissions inventory for 2022/23 is detailed in Table 2 below and in the attached Emissions Summary Report (Attachment A).

Table 2: City of Perth 2022/2023 Emissions Inventory

Emissions Scope	Emissions Source	Emissions (Tonnes CO ₂ e)
Scope 1	Refrigerants	182
Scope 1	Natural gas	28
Scope 1	Diesel	1234
Scope 1	Petrol	277
Scope 2	Electricity	3816
Scope 3	Western Power streetlighting	716
Scope 3	Non-Quantified	1186
Scope 3	Quantified	231
TOTAL		7670

14. The City proposes this inventory (2022/23) is utilised as the City's baseline reference year for future emissions reductions. If future targets were to be set, 2022/2023 would be the baseline reference year.

Due to differing emissions boundaries and operations of local governments, comparisons and benchmarking emissions between local governments can prove difficult. However, where possible comparisons between the City of Perth’s emissions and other Australian cities have been provided in the attached report for reference (Attachment A).

Next steps

15. The City will undertake a project to identify all electrical and water meters and establish single line diagrams and submeters to allow the City to properly monitor and manage energy and water consumption for all relevant assets.
16. The City will progress a project to develop a Net Zero Plan. This plan will outline the steps to be taken to move the City towards net zero over a period of four years, while setting a long-term estimate to achieve Net Zero.
17. The City will progress development of asset specific projects, such as energy efficiency, solar and batteries to reduce the financial and carbon cost produced by each asset as prioritised in the carbon accounts and Net Zero Plan.

Consultation

18. Specialist consultants (Kinesis) were engaged to assist the City with development of the emissions inventory and baseline.
19. Data inputs for the inventory were retrieved from a range of sources, including directly from the City’s suppliers. Service Units that assisted in data collection included Infrastructure and Operations, Commercial Services and Corporate Services.
20. Feedback from the Executive Leadership Team was sought in the development of the emissions boundary.

Decision Implications

21. If Council approves the recommendation, this will establish the 2022/23 inventory as the City’s emissions baseline.

Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Sustainable
Related Documents (Issue Specific Strategies and Plans):	Sustainability Strategy 2022-32 <i>Initiative 1.1 – Work towards net zero emissions as an organisation through a planned approach to emissions avoidance, reduction, and off-setting</i>
	Sustainability Action Plan 2023-24 <i>‘establish baseline data and develop a process to measure and track the City’s operational greenhouse gas emissions’</i>
	Corporate Business Plan 2023/24-2026/27 <i>‘Corporate Carbon Accounting’</i>

Legislation, Delegation of Authority and Policy	
Legislation:	<p>Section 3.1 (1a) of the Local Government Act 1995 states ‘the general function of a local government must be performed having regard to the following- the need:</p> <ul style="list-style-type: none"> (i) <i>To promote the economic, social, and environmental sustainability of the district; and</i> (ii) <i>To plan for, and to plan for mitigating, risks associated with climate change; and</i> (iii) <i>In making decisions, to consider potential long-term consequences and impacts on future generations’</i>
Authority of Council/CEO:	<p>In accordance with Section 2.7 of the Local Government Act 1995, Council must govern the local government’s affairs, is responsible for the performance of the local government’s functions and determining Council policies.</p>
Policy:	<p>Nil.</p>

Financial Implications

Nil.

Further Information

Nil.

CITY OF PERTH EMISSIONS SUMMARY REPORT

Prepared by Kinesis for City of Perth
February 2024



**CITY OF
PERTH**



Contents.

1.	Executive Summary.....	3
2.	Context	4
3.	Developing the emissions inventory	5
4.	Benchmarking comparable councils	13
5.	Inventory analysis and insights	15
6.	Process improvement	18
7.	Climate Active Carbon Neutral Standard for Organisations.....	19

1. Executive Summary

Context summary

This report has been developed within the context of the following key considerations:

- City of Perth strategic context**
 The City of Perth adopted a Sustainability Strategy in April 2022. This study delivered the key initiative of establishing baseline data and developing a process to measure and track the City's operational greenhouse gas emissions.
- Broader local government response**
 Australia and the WA Government have committed to achieving net zero emissions by 2050. Local governments are taking the lead by undertaking carbon accounting and setting pathways to net zero emissions, often seen as a first step towards climate action.

Emissions inventory

This study provides the baseline operational emissions inventory for the City of Perth for the financial year 2022-23 (Figure 1 and Table 6). Operational emissions are emissions generated through council's assets and activities. This report does not cover community emissions which are emissions generated by the community in the Perth local government area. The inventory is compliant with the Climate Active Framework which has been used by other metropolitan councils to undertake emissions inventory assembly and reporting. The total emissions in FY23 was 7,670 tonnes CO₂e. Electricity consumption accounts for 50% of emissions. 18% of total emissions were from transport fuel use. Supply chain emissions contributed to 28% of total emissions. This Scope 3 includes emissions from Western Power operated streetlighting, which accounts for 9% of total emissions. The remaining 3-4% of emissions were from refrigerants, stationary fuel use and natural gas.

Mechanism to resolve data issues, on-going inventory management, streamlined reporting and tracking programs impact towards net zero emissions

Kinesis' sustainability and utilities data monitoring and reporting software (CCAP Integrated) was used to assemble and analyse the City's emissions inventory. Through this process several data gaps and issues were identified. Licensing an emissions tracking platform will enable the City to resolve these data issues, on-going inventory management, streamline reporting and certification and tracking the impact of the sustainability strategy and action plan towards net zero emissions.

TOTAL EMISSIONS BY EMISSIONS SOURCE

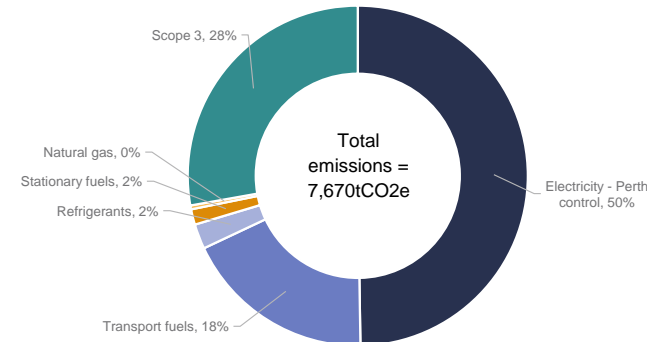


Figure 1: City of Perth total FY23 operational emissions by source

2. Context

City of Perth Strategic Context

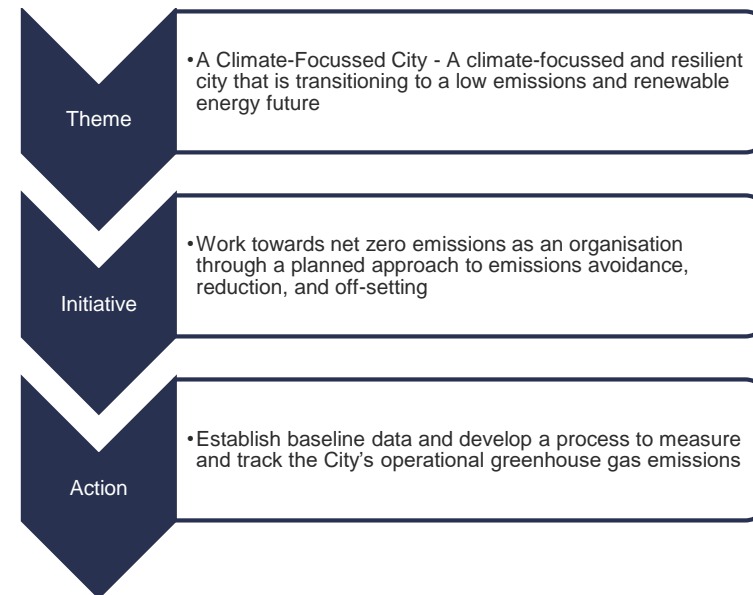
The City of Perth adopted a Sustainability Strategy in April 2022. The Sustainability Strategy contained eight themes, including “A Climate-Focussed City - A climate-focussed and resilient city that is transitioning to a low emissions and renewable energy future”. Within the themes are initiatives. Initiative 1.1 under A Climate-Focussed City is to “Work towards net zero emissions as an organisation through a planned approach to emissions avoidance, reduction, and off-setting”.

In early 2023, a Sustainability Action Plan was developed to implement the Sustainability Strategy. To implement initiative 1.1 of the Sustainability Strategy, 1.1a of the Sustainability Action Plan is to “Establish baseline data and develop a process to measure and track the City’s operational greenhouse gas emissions”. The City is now seeking to establish a complete emissions baseline and to develop a process for avoiding, reducing, tracking emissions, to advise Elected Members on the pathway to achieve net zero emissions as an organisation.

Broader government context

Australia and the WA Government have committed to achieving net zero emissions by 2050. Local governments across Australia are already demonstrating leadership by declaring climate emergencies and taking more aggressive climate action. Perth’s metropolitan council peers Sydney, Melbourne, Subiaco and Adelaide have been certified carbon neutral. Some councils in WA have committed to net zero emissions targets for their operations as detailed below:

- Augusta-Margaret River Shire Council – Net zero by 2030
- Denmark Shire Council – Net zero by 2050 (50% reduction by 2030)
- East Fremantle Town Council – Net zero by 2030
- Fremantle City Council – Net zero target for 2030
- Greater Geraldton City Council – Net zero by 2030
- Kalamunda City Council – Net Zero by 2035
- Melville City Council – Net zero by 2030
- Mundaring Shire Council – No target
- Swan City Council – Net Zero by 2050
- Victoria Park Town Council – Net zero by 2030
- Vincent City Council – Net zero by 2030



3. Developing the emissions inventory

In this study, Kinesis worked closely with the City of Perth team to develop an appropriate emissions inventory that is aligned with the City of Perth's strategic requirements and is compliant with the Climate Active Carbon Neutral Standard for Organisations (hereby referred to as the Climate Active framework).

The Climate Active framework is based on international standards and tailored to the Australian context. The Australian and international standards that form the basis for the Organisation Standard are listed in Climate Active Carbon Neutral Standard for Organisations. The following principles are considered best practice and is incorporated in the Climate Active framework when developing an organisation's emissions inventory (also referred to as carbon account in Climate Active documentation).

- *Relevance*: ensure the greenhouse gas inventory of an organisation appropriately reflects the greenhouse gas emissions attributable to that organisation and serves the decision-making needs of users – both internal and external.
- *Completeness*: account for and report all greenhouse gas emissions sources and activities within the defined boundary of the organisation. Disclose and justify all exclusions.
- *Consistency*: use consistent methodologies to allow for meaningful comparisons of greenhouse gas emissions over time. Transparently document any changes to the data, boundary, methods or any other relevant factors in the time series.
- *Transparency*: compile, analyse and document greenhouse gas information clearly and coherently so that auditors and the public may evaluate its credibility. Disclose any relevant assumptions and make appropriate references to the calculation methodologies and data sources used.
- *Accuracy*: ensure the quantification of greenhouse gas emissions is unbiased (not systematically over or under actual emissions) and uncertainties are reduced as far as practicable. Achieve sufficient accuracy to enable users to make decisions with reasonable assurance as to the integrity of the reported information. Where uncertainty is high, use conservative values and assumptions.

These principles are based on those outlined in the GHG Protocol – Corporate Standard (WBCSD and WRI, 2004) and international standards, including the AS ISO 14064 and ISO 14040 series.

Kinesis and the City of Perth used the CCAP Integrated platform that incorporates these principles to develop the City of Perth's emissions inventory.

Developing the emissions inventory involves the following steps:

1. Establish the emissions boundary
2. Set a base year
3. Collect data on identified emissions sources
4. Calculate the City of Perth's emissions inventory

The Climate Active framework provides clear guidance to develop the emissions boundary as detailed below.

1. ESTABLISH THE EMISSIONS BOUNDARY

Defining the emissions boundary is the first step to developing the emissions inventory. The emissions boundary refers to the coverage and extent of the emissions inventory. The boundary is established using a set of criteria to identify emissions sources and which of the identified sources are to be included or excluded. The process followed to establish the emissions boundary was:

- Identify all emissions that the City of Perth has direct control or ownership of using the control approach. The control approach is explained further below.
- Identify all emissions that are a consequence of the City of Perth's activities but are outside of its direct ownership or control.
- Determine which emissions are relevant (including all emissions deemed relevant by the Climate Active framework) by applying the relevancy test to all identified emissions. The relevancy test is explained further below.
- Consider if any emission sources should be identified within the emissions boundary but not quantified in the emissions inventory.

Identify all emissions that the City of Perth has direct control or ownership of using the control approach.

The control approach sets the basis for determining what emissions are considered to be under the direct control of the organisation.

1. Financial control, whereby the organisation reports 100 per cent of operations over which it has 'the ability to direct the financial and operating policies of the latter with a view to gaining economic benefits from its activities' (GHG Protocol – Corporate Standard (WBCSD and WRI, 2004)); or
2. Operational control, whereby the organisation reports 100 per cent of the operations over which it has 'the full authority to introduce and implement its operating policies' (GHG Protocol – Corporate Standard (WBCSD and WRI, 2004)).
3. Equity share approach, which requires an organisation to account for greenhouse gas emissions according to its share of equity in the operations.

The most common approach for organisations seeking certification through the Australian Government is the operational control approach and this is what has been used for the City of Perth as well. A full list of assets and activities that are within the City of Perth's operational control has been identified in collaboration with the City team and uploaded into CCAP Integrated. An export of these assets in excel format is provided to the City of Perth team as an attachment to this report.

Identify all emissions that are a consequence of the City of Perth's activities but are outside of its direct ownership or control.

The following emissions sources are deemed to be a consequence of the City of Perth's activities but fall outside its direct ownership or control. As such, they have been excluded from the inventory.

- Resident and street waste disposal
- Major capital works projects
- Sponsored events (third party)
- Business travel by public transport

Determine which emissions are relevant (including all emissions deemed relevant by the Climate Active framework) by applying the relevancy test to all identified emissions. The relevancy test is explained further below.

To help differentiate between different emissions sources, emissions may be classified into the following scopes (adapted from the GHG Protocol – Corporate Standard (WBCSD and WRI, 2004)):

- Scope 1 emissions include all direct greenhouse gas emissions from sources that are within the City's control boundary. These could be emissions from fuel use, refrigerants and on-site electricity generation.
- Scope 2 emissions include purchased electricity, heat, cooling and steam (i.e. energy produced outside the City's control boundary but used within the City's assets and activities).
- Scope 3 emissions are all indirect emissions that occur as a result of the activities of the City, but occur from sources outside the City's control boundary.

The criterion of relevance (adapted from the *GHG Protocol – Corporate Standard* (WBCSD and WRI, 2004)), ensures the emissions inventory appropriately reflects the emissions of the organisation and meets the expectations of the City of Perth's internal and external stakeholders

All emissions identified as occurring as a consequence of the City of Perth's operational activities must be considered for relevance using the relevance test below. This includes emissions which the City has direct control over as well as emissions that are not under the City's direct control.

The Climate Active framework deems the following emissions sources to be relevant for all organisations without exception and should be included in the emissions inventory.

- All stationary energy and fuels used in buildings, equipment, machinery or vehicles in the City of Perth's control (e.g. natural gas, fuels used in generators or vehicles).
- All electricity consumed by buildings, equipment, machinery, or vehicles in the City of Perth's operational control

All other direct and indirect emissions identified as arising as a consequence of the City of Perth's operational activities must be assessed for relevance under the following relevance test.

Emissions sources are relevant when any two of the following conditions are met (adapted from the GHG Protocol – Corporate Standard (WBCSD and WRI, 2004)):

- the emissions from a particular source are likely to be large relative to the City's electricity, stationary energy and fuel emissions
- the emissions from a particular source contribute to the City's greenhouse gas risk exposure (i.e. will the impacts of climate change pose a serious risk to the viability of this emission source over a timeframe suitable to the City)
- the emissions from a particular source are deemed relevant by key stakeholders
- the responsible entity has the potential to influence the reduction of emissions from a particular source
- the emissions are from outsourced activities that were previously undertaken within the City's boundary or from outsourced activities that are typically undertaken within the boundary for comparable organisations (e.g. If the City was previously performing waste collection services and has outsourced it to contractors, the emissions from waste trucks would still be deemed relevant)

Important note: All emissions assessed as relevant must be included within the City's emission boundary. Emissions that are determined as not relevant can be excluded from the emissions boundary.

Rationale for including Western Power Streetlighting in City of Perth's emissions boundary

The City of Perth has included Western Power operated streetlighting under Scope 3. This is consistent with WALGA's Emissions inventory Guide. City of Perth is currently involved in a program to assume ownership over these assets progressively and replace them with more efficient modern lights. As this occurs these emissions will steadily shift into Scope 2 emissions for the City.

Non-quantification of relevant emissions

Relevant emission sources must be quantified unless justification can be provided to demonstrate that quantification would not be technically feasible, practicable or cost effective relative to its significance. The City is encouraged to include, measure and report as many emissions sources as possible. The following methods can be used if primary data cannot be sourced:

- taking an initial measurement as a basis for projecting emissions for future years of that source; or
- estimating and projecting an emissions source (e.g. using input-output analysis tools, approximation through extrapolation or applying an uplift factor to the carbon account).

An emission source that constitutes 1 per cent or more of the total carbon account is considered to be material under the Climate Active framework. Emissions sources that are relevant but estimated to constitute less than 1 per cent of the total carbon account can be non-quantified. In applying the 1 per cent materiality threshold, the total amount of emissions to be non-quantified must not exceed 5 per cent of the total emissions.

Important note: Under the Climate Active framework non-quantified emission sources must be included within the emissions boundary and disclosed as non-quantified. Non-quantified emissions do not need to be included in the emissions inventory under the Climate Active framework. That is, estimates of the non-quantified emissions are not required. Where needed an uplift factor has been estimated for relevant non-quantified emissions sources as detailed below and included in the City of Perth's inventory.

The following sources emissions have been assessed as relevant, are captured within the emissions boundary, but are not measured (quantified) in the emissions inventory. They have been non-quantified due to one of the following reasons:

1. Immaterial: <1% of individual items and no more than 5% collectively
2. Cost effective: Quantification is not cost effective relative to the size of the emission but uplift applied
3. Data unavailable: Data is unavailable but uplift applied. Developing a data management plan is recommended for these sources.
4. Maintenance: Initial emissions non-quantified but repairs and replacements quantified.
5. Included elsewhere: The emissions contribution is included as part of another emissions category in the inventory and can't be isolated.

	1 Immaterial	2 Cost effective (but uplift applied)	3 Data unavailable (but uplift applied)	4 Maintenance	5 Included elsewhere
Courier services	No	Yes	No	No	No
Event waste and council waste	No	No	Yes	No	No
Food and catering	No	Yes	No	No	No
Lubricants	No	Yes	No	No	No
ICT equipment	No	No	No	No	Yes (in total electricity use)
Road maintenance	No	No	No	Yes	No
On-site diesel generators	No	No	No	No	Yes (in total diesel use)
City run events	No	No	No	No	Yes (electricity only)
Work from home	Yes	No	No	No	No

Table 1: Rationale for non-quantifiable emissions

For emissions sources that fall under reasons 2 or 3, uplift factors have been applied by analysing the proportional emissions contribution of these sources relative to the total emissions for other comparable metropolitan councils including Sydney, Melbourne and Adelaide. Brisbane has been excluded due to its size compared to other Local Governments in Australia. Where more than one council reported a value, the average fraction of emissions was used to calculate an uplift based on the current emissions portfolio for Perth. This is provided below.

	Melbourne	Sydney	Adelaide	Perth (Estimate)
Courier services (tonnes CO2e)	264 (2%)	97 (1%)	102 (1%)	104 (1%)
Event waste and council waste (tonnes CO2e)	1,487 (14%)	707 (6%)	2,186 (19%)	968 (11%)
Food and catering (tonnes CO2e)	N/A	77 (1%)	264 (2%)	110 (1%)
Lubricants (tonnes CO2e)	7 (<1%)	N/A	N/A	5 (<1%)
Total (tonnes CO2e)	10,676	12,143	11,573	8,672

Table 2: Pro-rata estimation of relevant non-quantifiable scope 3 emissions sources

Source:

Melbourne: [City of Melbourne Ongoing cert Year 10 FY2020-21 PDS.pdf \(climateactive.org.au\)](#)

Adelaide: [City of Adelaide Climate Active FY 2021-22 Corporate Inventory Public Disclosure Statement October 2022 v2 signed.PDF](#)

Sydney: [Guidance - Organisations - Public Disclosure Statement \(climateactive.org.au\)](#)

Note on data collection process improvement: It is recommended that the City pursue data collection processes to better estimate and clearly quantify the following emissions sources:

- Event waste and council waste
- ICT equipment
- On-site diesel generators
- City run events

This will require coordination with internal and external stakeholders and the use of CCAP Integrated as a mechanism to collect relevant fine grain data that would help quantify these sources clearly. A detailed table of emissions sources and data quality can be found on the following page.

Data quality issues with specific examples and suggested improvements

Table 3: Data quality issues with specific examples and suggested improvements

Emission Source	Quality	Confidence	Improvements	Examples
Electricity	Actual	Moderate	Improved metering to identify tenancy and asset mapping. In some circumstances submetering may be required, at minimum each NMI should be traceable to specific assets.	<ul style="list-style-type: none"> Unable to separate tenancy electricity usage that would be deemed as scope 3 Unable to separate electricity usage between the Goldrich Street carpark and residents in apartments. Unable to benchmark car parks and hurdles towards evidence based energy efficiency or solar PV measures. Unable to separate out electricity use between streetlights and parks/ reserves.
Natural gas	Actual	High	Improve metering to identify which assets use gas and how much. At minimum each MIRN or LPG purchase should be traceable to specific assets.	<ul style="list-style-type: none"> Unable to identify assets using gas.
Diesel (stationary)	Actual	Moderate	Identify end uses for fuel (e.g. vehicle vs stationary)	<ul style="list-style-type: none"> Unable to identify end uses for fuel purchased. Specifically, if fuel was used in stationary or transport purposes or in events. Data needed to robustly inform/ validate fleet transition program to low emissions alternatives.
Diesel (transport)	Actual	Moderate	Identify end uses for fuel (e.g. vehicle vs stationary)	<ul style="list-style-type: none"> Unable to identify end uses for fuel purchased. Specifically, the impacts of vehicles used for commuting and private use purposes. Data needed to robustly inform/ validate fleet transition program to low emissions alternatives.
Petrol (stationary)	Actual	Moderate	Identify end uses for fuel (e.g. vehicle vs stationary)	<ul style="list-style-type: none"> Unable to identify end uses for fuel purchased. Specifically if fuel was used in stationary or transport purposes or in events. Data needed to robustly inform/ validate fleet transition program to low emissions alternatives.
Petrol (transport)	Actual	Moderate	Identify end uses for fuel (e.g. vehicle vs stationary)	<ul style="list-style-type: none"> Unable to identify end uses for fuel purchased. Specifically, the impacts of vehicles used for commuting and private use purposes. Data needed to robustly inform/ validate fleet transition program to low emissions alternatives.
Refrigerants	Actual	Moderate	Maintain spreadsheet of refrigerant using equipment and top ups provided and conduct an audit of refrigerant using equipment	<ul style="list-style-type: none"> Unable to identify top up amount Limited internal intelligence on number of units.
Courier services	Estimated	Moderate	No Improvement required	<ul style="list-style-type: none"> Primary data relating to emissions source not available. Based on spend data.
Event waste and council waste	Estimated	Low	Collect data on volume of council waste and waste generated by council events. Preferably record waste by weight rather than volume to avoid estimations for conversion to emissions.	<ul style="list-style-type: none"> Primary data relating to emissions source not available. Based on spend data.
Food and catering	Estimated	Low	Identify total catering costs	<ul style="list-style-type: none"> Primary data relating to emissions source not available. Based on spend data.
Lubricants	Estimated	Moderate	No Improvement required	<ul style="list-style-type: none"> Primary data relating to emissions source not available. Based on spend data.
Waste supplier transport	Estimated	Low	Collect data on fuel use and kilometre's driven by heavy fleet	<ul style="list-style-type: none"> Primary data relating to emissions source not available.
Accommodation	Estimated	High	No Improvement required	
Commuter travel	Estimated	Low	No Improvement required	
Fertiliser	Actual	High	No Improvement required	<ul style="list-style-type: none"> Primary data relating to emissions source not available. Based on spend data.
Flights	Actual	High	No Improvement required	
Office paper	Actual	High	No Improvement required	
Taxi	Actual	High	No Improvement required	
Water	Actual	High	No Improvement required	

The final emissions boundary is provided below:

Note: This boundary was compared against peer local governments to check

Scope	Quantified	Non-quantified	Excluded
Scope 1	<ul style="list-style-type: none"> Natural gas Transport fuels (Diesel, petrol) Stationary fuels (Diesel, petrol) for council operations Refrigerants 		
Scope 2	<ul style="list-style-type: none"> Electricity (City of Perth operational control and tenant use) <p>*Note: Tenant use is included as there is currently insufficient data to differentiate between tenant and City of Perth operations. Ideally tenant electricity use should be categorized as scope 3 but this is currently a data gap.</p>		
Scope 3	<ul style="list-style-type: none"> Western Power Streetlighting Flights Accommodation Taxi Paper Water Staff commute Fertilizer 	<ul style="list-style-type: none"> Road maintenance Food and catering ICT equipment Courier services City run events (diesel, waste, electricity, water) Lubricants Waste generated from council properties Work from home Waste supplier transport vehicles 	<ul style="list-style-type: none"> Resident and street waste disposal Major capital works projects Sponsored events (third party) Business travel by public transport Contractor vehicle usage

Table 4: Emissions boundary for the City of Perth

2. SET A BASELINE YEAR

According to the principle of consistency, the emissions inventory must allow for meaningful comparison of emissions over time. A baseline year provides a starting point for these emission comparisons. Through this study, the City of Perth has compiled the data to calculate its emissions inventory for the FY23 financial year.

3. COLLECT DATA ON IDENTIFIED EMISSIONS SOURCES

The table below provides the list of emissions sources included in the emissions inventory and where the quantified data was sourced from.

Scope	Emissions source	Consumption data provider	Notes on data collection process	Emissions factor source
Scope 1	Natural Gas	Alinta	Emailed Alinta requesting billing data for total gas consumed by MIRN in the financial year. CCAP Integrated has in built estimation processes to apportion billing data to the financial years. These estimation methodologies are provided as an attachment to this report.	Australian National Greenhouse Accounts Factors (dcceew.gov.au) Table 5 and Table 6
Scope 1	Transport fuel – Diesel and Petrol	Fuel Cards, Bulk Fuel Purchase.	Emailed fleet for report detailing consumption of L of fuel for each vehicle. Fleet requested report from IT, data source was Hansen.	Australian National Greenhouse Accounts Factors (dcceew.gov.au) Table 9
Scope 1	Stationary fuel – Diesel and Petrol	City of Perth	Emailed fleet for report detailing consumption of L of fuel for each vehicle. Fleet requested report from IT, data source was Hansen. NTF were included in this report. Additional consumption was also detected in a Ledger Account Transaction report from finance.	Australian National Greenhouse Accounts Factors (dcceew.gov.au) Table 8
Scope 1	Refrigerants	AMS	Used cost code to determine suppliers (10097-7268). Emailed AMS for a list of refrigerant charges. Kinesis then estimated refrigerant leakage as per section 3.1 Estimating industrial process emission – refrigerant leakage provided in Australian National Greenhouse Accounts Factors (dcceew.gov.au) page 29 to 30.	Australian National Greenhouse Accounts Factors (dcceew.gov.au) Table 10,11,23 and 24 High-GWP Refrigerants California Air Resources Board for R438-a
Scope 2	Electricity	Alinta	Emailed Alinta requesting billing data for total kWh used by NMIs in the financial year. CCAP Integrated has in built estimation processes to apportion billing data to the financial years. These estimation methodologies are provided as an attachment to this report.	Australian National Greenhouse Accounts Factors (dcceew.gov.au) Table 1
Scope 2 (Scope 3 for WP)	Electricity	Synergy	Emailed Synergy requesting a list of total kwh used by NMIs in the financial year. CCAP Integrated has in built estimation processes to apportion billing data to the financial years. These estimation methodologies are provided as an attachment to this report.	Australian National Greenhouse Accounts Factors (dcceew.gov.au) Table 1
Scope 3	Flights	Corporate Travel Management	Used account nature listing (7913) to determine suppliers. Emailed CTM for report, additional incidental expenditure excluded.	Climate Active Inventory V8.0
Scope 3	Flights	Globetrotter	Used account nature listing (7913) to determine suppliers. Used AP for globetrotter travel. Viewed each invoice and determined the emissions source.	Climate Active Inventory V8.0
Scope 3	Accommodation	Corporate Travel Management	Used account nature listing (7913) to determine suppliers. Emailed CTM for report.	Climate Active Inventory V8.0
Scope 3	Accommodation	Globetrotter	Used account nature listing (7913) to determine suppliers. Used AP for globetrotter travel. Viewed each invoice and determined the emissions source.	Climate Active Inventory V8.0
Scope 3	Taxi	CabCharge	Used account nature listing (7913) to determine suppliers. Main supplier was cab charge. Additional incidental expenditure excluded.	Climate Active Inventory V8.0
Scope 3	Taxi	Globetrotter	Used account nature listing (7913) to determine suppliers. Some charges to globetrotter for an international car service. Viewed each invoice and determined the emissions source.	Climate Active Inventory V8.0
Scope 3	Paper	COS, Winc, Ball & Doggett	Used account nature listing (7246) to determine suppliers. Main suppliers emailed for paper consumption.	Climate Active Inventory V8.0
Scope 3	Water	Water Corp	Emailed Sustainability requesting report for Water Consumption. Report sourced from Watercorp.	Climate Active Inventory V8.0
Scope 3	Fertiliser	Various Suppliers	Emailed Parks Unit for information on fertiliser spend.	Climate Active Inventory V8.0
Scope 3	Staff commute	City of Perth Internal survey	Surveyed City of Perth employees on their mode of travel, fuel use and average commute distance. Survey results were pro-rata to City of Perth FTE to estimate staff commute emissions.	Climate Active Inventory V8.0

Table 5: Data management processes

4. CALCULATE EMISSIONS INVENTORY

For this study, the consumption data was loaded into the CCAP Integrated platform – an audit grade emissions monitoring and reporting platform that the City of Perth has had access to for the duration of this project. The platform centralised all the emissions data in the emissions boundary to simplify the inventory development, analysis and report creation process. All the emissions factors were pre-filled in CCAP Integrated from the listed sources above. The platform's inbuilt automated calculation processes were used to develop the inventory quickly. An export of the inventory from the platform has also been provided to the City of Perth team. The calculation and estimation methodologies in the back end of the platform have been documented and provided as an attachment to this report to the City of Perth team. The final inventory is provided below.

Inventory parent category	Inventory detailed source	Operational control	Unit	Consumption	Scope 1 emissions tonnes CO2e	Scope 2 emissions tonnes CO2e	Scope 3 emissions tonnes CO2e	Total emissions tonnes CO2e
Energy (buildings)	Electricity 25% Green power - zero emissions	City of Perth	kWh	8,759,549	-	3,538	278	3,816
Energy (buildings)	Natural gas	City of Perth	MJ	504,802	26	-	2	28
Fuel use	Diesel (stationary)	City of Perth	L	22,629	61	-	15	76
Fuel use	Diesel (transport)	City of Perth	L	342,171	930	-	228	1,158
Fuel use	Petrol (stationary)	City of Perth	L	12,485	29	-	7	36
Fuel use	Petrol (transport)	City of Perth	L	83,152	192	-	49	241
Refrigerants	Refrigerants	City of Perth	kg	104	182	-	-	182
Scope 3 Energy (WP Street Lighting)	Electricity	Western Power	kWh	1,301,249	-	-	716	716
Scope 3 (Non-quantified)	Courier services	City of Perth	kgCO2e	103,901	-	-	104	104
Scope 3 (Non-quantified)	Event waste and council waste	City of Perth	kgCO2e	967,946	-	-	968	968
Scope 3 (Non-quantified)	Food and catering	City of Perth	kgCO2e	109,526	-	-	110	110
Scope 3 (Non-quantified)	Lubricants	City of Perth	kgCO2e	4,694	-	-	5	5
Scope 3 (Quantified)	Accommodation	City of Perth	Nights	47	-	-	1	1
Scope 3 (Quantified)	Commuter travel	City of Perth	km	10,399	-	-	1	1
Scope 3 (Quantified)	Fertiliser	City of Perth	\$	81,017	-	-	34	34
Scope 3 (Quantified)	Flights	City of Perth	km	211,692	-	-	61	61
Scope 3 (Quantified)	Office paper	City of Perth	kg	5,475	-	-	6	6
Scope 3 (Quantified)	Taxi	City of Perth	km	4,274	-	-	1	1
Scope 3 (Quantified)	Water	City of Perth	kL	74,789	-	-	127	127
Total**					1,420	3,538	2,713	7,670

Table 6: Final City of Perth Emissions Inventory for FY23

* Note: The following Scope 3 (Non-quantified) emissions sources were not able to be estimated using robust methodologies and have not been included in the inventory - Road maintenance, city run events, ICT equipment, work from home and contractor vehicle usage including waste supplier transport. No uplift factor has been applied to estimate the emissions from these sources in the inventory.

**Numbers may not add up due to rounding.

4. Benchmarking comparable councils

Given the variation in size and jurisdictions of different metropolitan councils across Australia, like for like benchmarking of the City of Perth to other metropolitan councils is difficult. Additionally, Council's have settled upon different boundaries, including and excluding different emission sources. This makes simple comparison more difficult.

However, to provide an indication of how Perth compares to other cities, Kinesis has benchmarked the:

- Electricity use (Figure 2)
- Total emissions (Figure 3)
- Market based electricity emissions (Figure 4)
- Total emissions per FTE (Figure 5)

Across City of Perth, City of Subiaco, City of Adelaide. Note Perth data is from FY23. Other councils is from FY22 as it is the most recent year of data available.

Perth's electricity use and emissions are lower than Adelaide but higher than Subiaco.

Figure 4 benchmarks the market based electricity emissions. Adelaide has renewable energy power purchase agreements that result in their electricity emissions being zero or close to zero. Subiaco also procures 33% Green power according to disclosures. Perth currently procures 25% greenpower. It is recommended that Perth procures 100% renewable energy by either expanding its greenpower procurement or entering into a suitable power purchase agreement.

FY23 ELECTRICITY USE BENCHMARKING OF METROPOLITAN COUNCILS

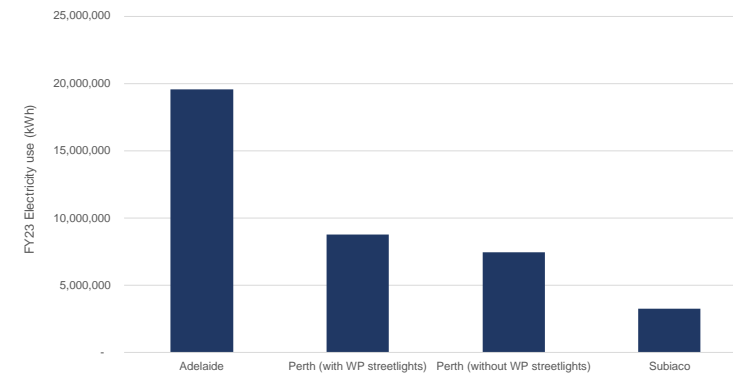


Figure 2: FY23 electricity use benchmarking of Subiaco, Adelaide and Perth

FY23 EMISSIONS BENCHMARKING OF METROPOLITAN COUNCILS

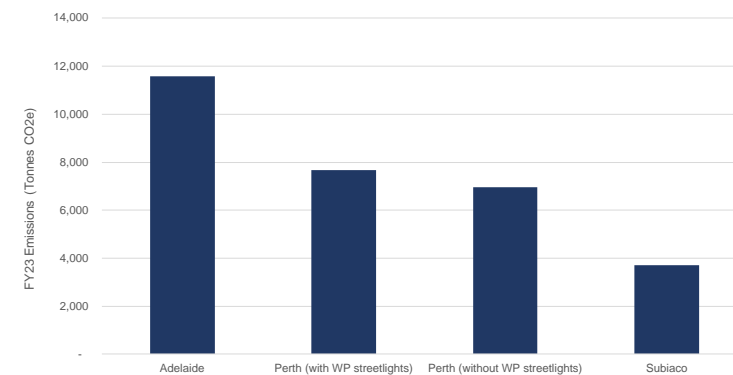


Figure 3: FY23 total emissions benchmarking of Subiaco, Adelaide and Perth

FY23 MARKET BASED ELECTRICITY EMISSIONS BENCHMARKING OF METROPOLITAN COUNCILS

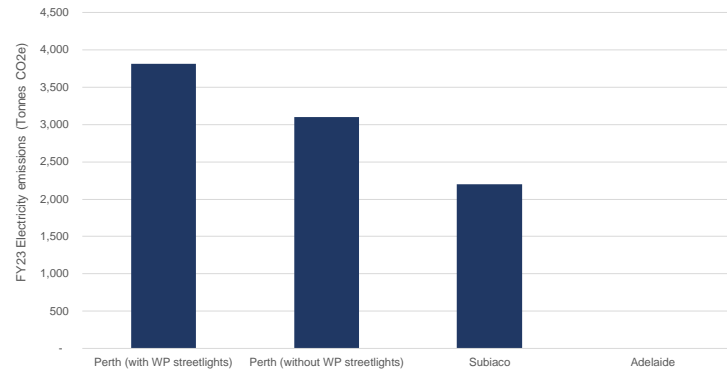


Figure 4: FY23 market based electricity emissions benchmarking of relevant metropolitan councils

FY23 EMISSIONS BENCHMARKING OF METROPOLITAN COUNCILS BY FULL TIME EQUIVALENT EMPLOYEES

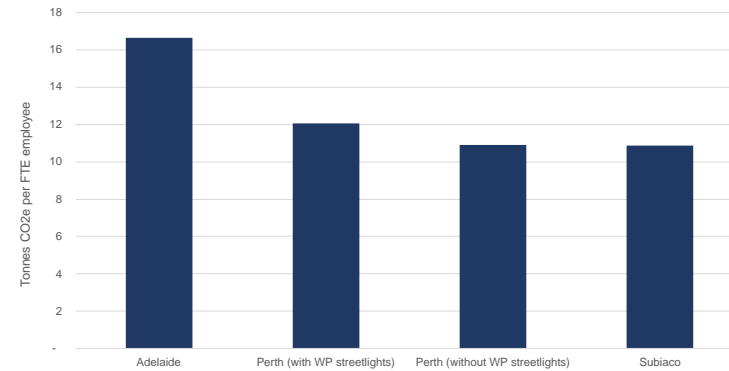


Figure 5: FY23 emissions per FTE employee benchmarking of relevant metropolitan councils

Figure 5 shows that on an Emissions per FTE basis, Perth's emissions intensity per employee is lower than Adelaide and comparable to Subiaco. Please note that emissions per FTE employee is a more accurate benchmark than per resident population. Resident population size is not the only factor that influence the level of council services and resulting resource use and emissions. Other factors such as businesses, visitors and jobs in the local government area would also influence the level of council services and resulting resource use and emissions.

Additionally, emissions per FTE employee is a standard metric that is used in the [CDP Climate Change 2023 Reporting Guidance document](#).

5. Inventory analysis and insights

The City of Perth's total emissions is 7,670 tonnes of CO₂e of total emissions. Figure 6 shows:

- 50% is from assets and activities in the City of Perth's operational control, this accounts for the 25% Greenpower the City of Perth purchases.
- 18% of total emissions is from transport fuel use (diesel and petrol)
- 2% of total emissions is from refrigerants
- 1% of total emissions is from stationary fuel use (diesel and petrol)
- <1% of total emissions is from natural gas use

Electricity use and transport fuels contribute to nearly 70% of total emissions. To explore targeted efficiency opportunities, the contributors to these emissions sources are interrogated further in the next page.

The next largest emissions contributor is Scope 3 emissions making up 28% of total emissions or 2,132 tCO₂e. Figure 7 shows:

- 45% of scope 3 emissions is estimated to be from event waste and council waste
- 33% of scope 3 emissions is from Western Power operated streetlights. Western Power streetlighting accounts for 9% of total emissions.
- 6% of scope 3 emissions is from water use
- 5% of scope 3 emissions is estimated to be from food and catering
- 5% of scope 3 emissions is estimated to be from courier services
- 3% of scope 3 emissions is from flights
- 2% of scope 3 emissions is from fertilizer
- The remaining 1% of scope 3 emissions is from other sources including office paper, lubricants, accommodation, employee commuter travel and taxi.

TOTAL EMISSIONS BY EMISSIONS SOURCE

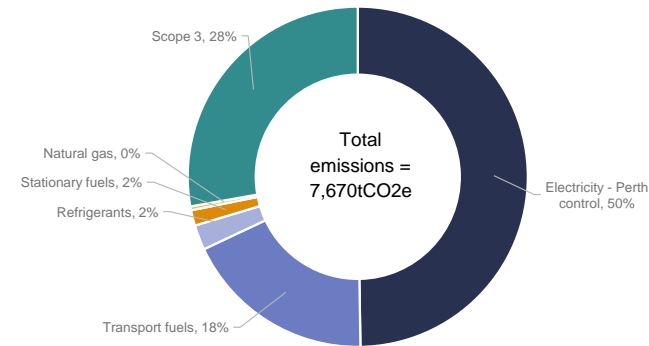


Figure 6: City of Perth FY23 total operational emissions by source, Western Power streetlighting included to avoid large uplift once replacement program is completed.

SCOPE 3 EMISSIONS BY EMISSIONS SOURCE

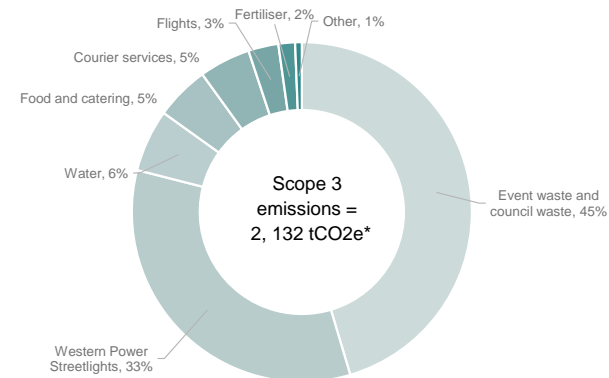


Figure 7: Scope 3 emissions by source

* Excludes derivative emissions from scope 1 and 2 sources

Electricity use is the largest contributor to emissions, 3,816 tCO₂e or 50% of total City of Perth emissions. To develop a targeted approach to reducing electricity emissions, Figure 8 provides a breakdown of the top 20 electricity emissions contributors. Key observations include:

- The top 20 assets contribute to 83% of total electricity emissions.
- Council House is the top electricity emissions contributor making up over 16% of electricity emissions. The City of Perth is already actively looking to introduce energy efficiency measures in this asset.
- 9 car parks are in the top 20 electricity emissions contributors. As such, developing a focused approach to introducing energy efficiencies in car parks through like for like benchmarking will also be useful and is provided in the next page.
- The Other category contains 87 assets. Individually they contribute less than or equal to 1% of the City's electricity emissions. Combined they contribute to 15% of the City's electricity emissions.
- There are currently several data gaps relating to the mapping of meters (NMI) to assets and knowledge of which meters (NMIs) are recording tenant usage. Please see Table 3 for more detail.

Western Power streetlighting makes up 16% of electricity emissions. This is not within the City of Perth's operational control and has not been included in Figure 8.

Transport fuel use contributes to 18% of total emissions or 1,400 tCO₂e. Diesel use contributes to 83% of transport fuel emissions and petrol use contributes to the remaining 17%. To develop a targeted approach to reducing transport fuel emissions, Figure 9 provides a breakdown of the top transport fuel emissions contributors by vehicle type. Key observations include:

- Heavy vehicles contributes to 73% of transport fuel emissions. Light vehicles contribute to the remaining 27% of transport fuel emissions.
- Heavy rubbish trucks contribute to 42% of transport fuel emissions.
- Heavy road sweepers contribute to 20% of transport fuel emissions
- Light tray top Utes contribute to 12% of transport fuel emissions
- Crew cab Utes contribute to 8% of transport fuel emissions
- The light fleet transition plan will address 27% of transport fuel emissions. Addressing the remaining 73% of transport fuel emissions from the heavy fleet will require broader, more holistic investigation.

TOP 20 ELECTRICITY EMISSIONS CONTRIBUTORS

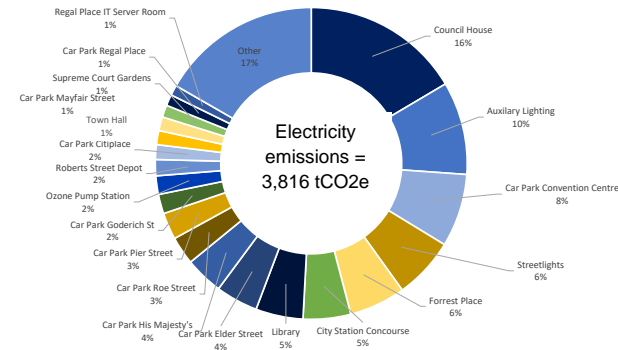


Figure 8: Top 20 electricity emissions contributors, excluding Western Power.

TRANSPORT FUEL EMISSIONS CONTRIBUTORS BY VEHICLE TYPE

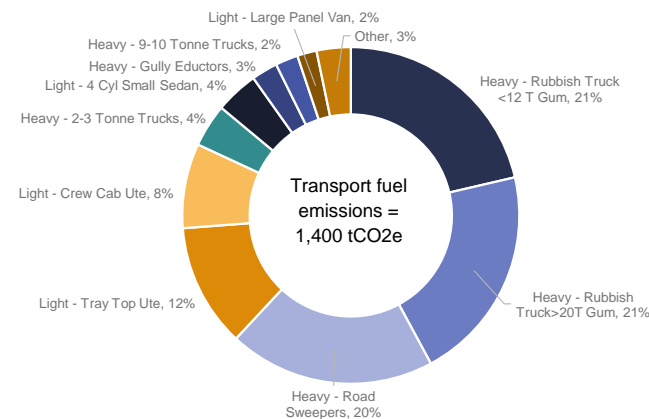


Figure 9: Transport fuel emissions contributors by vehicle type

Benchmarking electricity use in car parks

There are 9 car parks are in the top 20 electricity emissions contributors. As such, we explored developing a focused approach to introduce energy efficiencies in car parks.

The City's car parks team provided the number of car bays in each car parking asset. As a first step, we sought to see if the number of car bays in a car parking asset was a key factor for electricity use. The correlation analysis shown in Figure 10 shows that this is true. That is electricity use increases in larger car parking assets with more car bays.

At the same time, it is important to note that there are nuances with each car park that can influence their electricity use including whether they are open air or enclosed, number of security cameras, number of gates, the availability of EV chargers, some carparks NMI may also be bundled with adjacent buildings as with the Golderich Street car park and has been identified as data issues that require resolution for evidence based energy efficiency and solar PV strategies. See Table 3 for more detail. As such, doing perfect like for like benchmarking is challenging but still the average electricity use per car bay is provided in Figure 11 to identify relatively large and high energy consuming car parking assets.

The following car parking assets have above average electricity use intensity and can be further interrogated to identify efficiency opportunities. In some cases, there may be genuine reasons for this higher electricity use and this study does not advise to compromise amenity or safety for lower electricity use and emissions.

- Golderich street car park – 238% higher than average
- Roe street car park – 82% higher than average
- His Majesty's car park – 79% higher than average
- Convention centre car park – 51% higher than average
- Elder street car park – 23% higher than average
- Regal place car park - 18% higher than average
- Pier street car park - 14% higher than average

CORRELATION ANALYSIS – ELECTRICITY USE VS NUMBER OF CAR SPACES

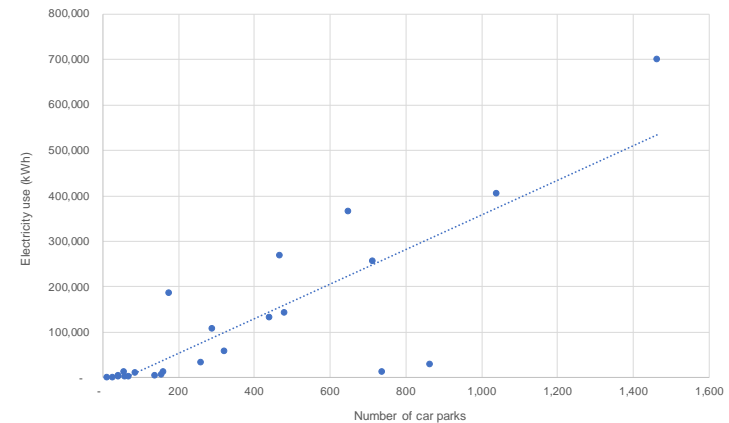


Figure 10: Electricity use in car parks is correlated to number of car spaces

BENCHMARKING CAR PARKS IN TERMS OF ELECTRICITY USE PER CAR SPACE

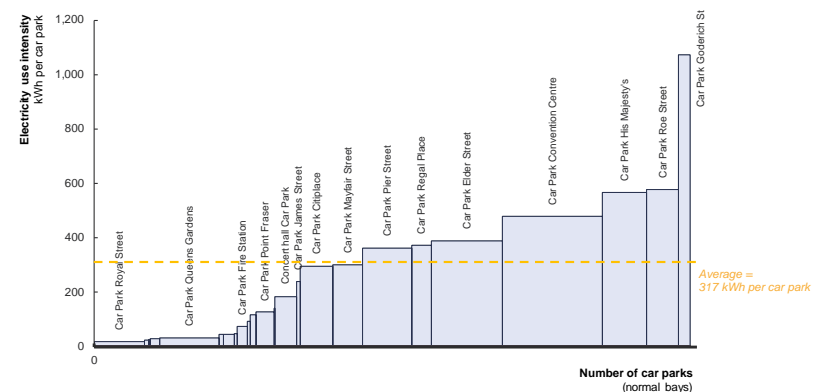
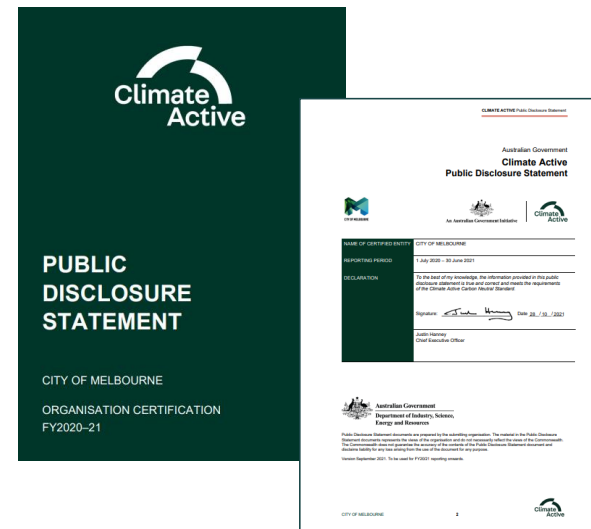


Figure 11: Benchmarking car parks based on electricity intensity of car parks in the Y axis and the size of car parks in the X axis

6. Process improvement

The City of Perth requested Kinesis to identify areas of improvement in the City's collection and management of data for the purposes of future carbon accounting, with the aim of improving transparency, consistency, comparability, completeness, and accuracy of future emissions inventories. The City also sought recommendations for data management solutions for the City to monitor and track its emissions on a periodic basis. The following were identified as key areas for consideration:

- This study has helped develop a data process to collect all relevant data for an emissions inventory and build out the inventory for FY23 in accordance with the Climate Active framework. The City needs a mechanism to do this in an on-going manner to keep track of its emissions through the identified sustainability actions. Through this study, we have established the data sources and processes to collect all relevant inventory data. Adopting an emissions monitoring platform would be beneficial for council to maintain its inventory.
- There is a need to improve the metering intelligence particularly within car parks, parks, reserves and leased properties. In general, Kinesis identified many meters that could not be mapped to an asset. Detailed data improvement notes are provided in Table 3. This information will be needed as the City of Perth pursues energy efficiency opportunities. Additionally, during this engagement, Kinesis can also work with internal teams to collect other relevant metadata for the meters in question such as connection to toilets, security cameras, etc.
- The City of Perth can commit to a carbon neutral target across scope 1 and 2 emissions by 2029 and demonstrate leadership by further committing to a net zero target by 2040. Through the deliverables in this study, the City of Perth is well positioned to undertake Climate Active Certification like its metropolitan council peers (Sydney, Melbourne, Subiaco and Adelaide). Other certifications are also available for council to explore.
- For continued compliance with Climate Active certification, the City should improve data collection processes to better estimate and quantify the following emissions source: Event waste and council waste, ICT equipment, on-site diesel generators, city run events.



7. Climate Active Carbon Neutral Standard for Organisations

The following existing Australian and international standards and Australian legislation provide the basis for the Climate Active Carbon Neutral Standard for Organisations. These documents provide further detailed information on the emissions inventory development.

- Australian Standard (AS) ISO 14064 series, including:
 - AS ISO 14064.1:2006 – Greenhouse gases Part 1: Specification with guidance at the organisation level for the quantification and reporting of greenhouse gas emissions and removals
 - AS ISO 14064.2:2006 – Greenhouse gases Part 2: Specification with guidance at the project level for quantification and reporting of greenhouse gas emission reductions and removal enhancements
 - AS ISO 14064.3:2006 – Greenhouse gases Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions
- International Standard ISO 14040 series, including:
 - ISO 14040:2006 – Environmental management – Life cycle assessment – Principles and frameworks
 - ISO 14044:2006 – Environmental management – Life cycle assessment – Requirements and guidelines
 - Other international standards that are based on the ISO 14040 series, including PAS 2050:2011 – Specification for the assessment of the life cycle greenhouse gas emissions of goods and services
 - ISO 14065:2013 – Greenhouse gases – Requirements for greenhouse gas validation and verification bodies for use in accreditation of other forms of recognition
- The British Standards Institution's (BSI) Specifications, including:
 - BSI's PAS 2060:2014 – Specification for the demonstration of carbon neutrality
- The Greenhouse Gas (GHG) Protocol standards, including:
 - GHG Protocol – A Corporate Accounting and Reporting Standard (2004)
 - The GHG Protocol for Project Accounting (2005)
 - GHG Protocol – Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011)
 - GHG Protocol – Product Life Cycle Accounting and Reporting Standard (2011)
 - GHG Protocol – Scope 2 Guidance (2015)
- The National Greenhouse and Energy Reporting Act 2007 (NGER Act) and supporting legislation and documentation, including:
 - National Greenhouse and Energy Reporting Regulations 2008
 - National Greenhouse and Energy Reporting (Measurement) Determination 2008
 - National Greenhouse and Energy Reporting (Audit) Determination 2009
 - National Greenhouse and Energy Reporting Technical Guidelines
 - National Greenhouse Accounts Factors

11.2 39 and 39A (Lots 52 and 53) Mount Street, West Perth - Proposed change of use from two Single Houses ('Residential') to Short Term Accommodation ('Special Residential') including associated works (DA-2023/5162)

Responsible Officer	Dale Page – General Manager Planning and Economic Development
Voting Requirements	Simple Majority
Attachments	<p>Attachment 11.2A – Attachment 1 - Location Map ↓</p> <p>Attachment 11.2B – Attachment 2 - Development Plans ↓</p> <p>Attachment 11.2C – Attachment 3 - Operational Management Plan ↓</p> <p>Attachment 11.2D – Attachment 4 - Parking Study ↓</p> <p>Attachment 11.2E – Attachment 5 - Applicant's Response to Submissions (Initial) ↓</p> <p>Attachment 11.2F – Attachment 6 - Applicants Response to Submissions (Further) ↓</p>

Purpose

For Council to determine a development application for a change of use from two Single Houses ('Residential') to Short Term Accommodation ('Special Residential') including associated works at 39 and 39A (Lots 52 and 53) Mount Street, West Perth.

Recommendation

That Council, in accordance with the provisions of the City Planning Scheme No. 2, the Metropolitan Region Scheme and the *Planning and Development (Local Planning Scheme) Regulations 2015 – Deemed Provisions for Local Planning Schemes*, APPROVES the application for the change of use from two Single Houses ('Residential') to Short Term Accommodation ('Special Residential') including associated works at 39 and 39A (Lots 52 and 53) Mount Street, West Perth as indicated on the Metropolitan Region Scheme Form One dated 9 June 2023 and as per the revised plans and details received on 12 February 2024 subject to:

1. All guest and operational management measures as outlined in the 'Operational Management Plan' received on 12 February 2024 being implemented by the owner/operator(s) on an ongoing basis, to the satisfaction of the City.
2. All external noise being limited after 10pm and complying with the Environmental Protection (Noise) Regulations 1997.
3. Acoustic screens being installed along the eastern and western ground level pedestrian access points, with final details being submitted for approval by the City prior to applying for a building permit, with the acoustic screens being installed prior to the commencement of the use.
4. The Waste Management Plan prepared by Lateral Planning (dated 30 June 2023), being implemented by the building owner/operator(s) on an ongoing basis to the satisfaction of the City.
5. Any new or modified air-conditioning condensers and external building plant/services being located or screened so they cannot be viewed from any location external to the site including from above (for rooftop plant) and to minimise any visual and noise impact on the adjacent properties, with details of the location and screening of such plant and services being submitted for approval by the City prior to applying for a building permit.

Background

1. The subject sites are located to the west of the Mitchell Freeway, south of Parliament House and east of Kings Park and have a combined total site area of 339m². A location map is at Attachment A.
6. The area is characterised by a mix of permanent residential and short-term accommodation properties. Two properties to the north of the subject sites comprise the Mountway Holiday Units and Riverview on Mount Street Hotel. Most other surrounding properties are developed with permanent residential in a multiple dwelling (apartment) configuration.
7. The subject sites currently accommodate two seven-level single dwellings, including four car parking bays per dwelling, arranged in a tandem configuration.
8. A development application was received in June 2023 for the change of use from two single dwellings to a short stay accommodation development containing 19 rooms across both the dwellings.

Landowner	Lihong Li, Jingyang Hong and Huiqing Li
Applicant	
Zoning	(MRS Zone) Urban and MRS Clause 32 Area Parliament House Precinct (City Planning Scheme Precinct) Precinct 10 – West Perth (City Planning Scheme Use Area) Residential R-160
Approximate Cost	\$250,000

9. Proposed works to the building include:
 - a. Modification to the existing staircase in the front setback area and provision of a ramp for universal access
 - b. Modification to the lower level of the building to provide one (1) universally accessible unit in accordance with the requirements of the National Construction Code ('NCC') for Class 3 buildings, including provision of an outdoor terrace fronting Mount Street
 - c. Provision of a reception area
 - d. Installation of six (6) bike racks and six (6) lockers for guest / staff use
 - e. Construction of a bin storage platform on the lower level
 - f. Various internal modifications to create self-contained rooms and to satisfy the requirements of the NCC for Class 3 buildings
 - g. Removal of the existing crossover to 39A Mount Street and reinstatement of the verge / footpath.

Discussion

10. The application has been assessed against the requirements of City Planning Scheme No. 2 (CPS2) and associated local planning policies.

Land Use

11. The site is located in the Residential R-160 area of the West Perth Precinct (P10) under CPS2.
12. The Statement of Intent for the West Perth Precinct states that *"The West Perth Precinct will accommodate two primary functions. The Precinct will be developed as one of several residential*

quarters, accommodating a range of housing types along with support facilities, and also provide a secondary business area adjacent to the city centre. It is envisaged that this Precinct will continue to develop as a living and working environment set in spacious landscaped surroundings, reflecting the original concept for this area of a garden office/residential district. The amenity, character and general environmental quality of the Precinct should be maintained and enhanced.”

13. In the use group table in Schedule 3 of CPS2, the use group ‘Special Residential’ is a Contemplated ‘C’ use in the Residential R-160 area of the West Perth Precinct.
14. The proposed ‘Special Residential’ use is considered generally consistent with the Precinct Statement of Intent as it provides for a type of residential accommodation.
15. However, consideration needs to be given to the potential amenity impacts on adjoining properties and the immediate locality given the difference in nature/impacts between permanent and short-term residential accommodation.

Considering impacts on amenity

16. An Operational Management Plan was submitted with the application, which included detail on the short-term accommodation (generally); staff training and development; guest services; health and safety; community engagement; compliance and regulation; check in; access to the property; check out; manager’s details; use of premises; on-site register; monitoring guest behaviour; complaints management; maintenance; guest guide portal; and manager’s guide and responsibilities.
17. Noting the potential impact of the use on local amenity, the application was advertised in accordance with clause 33 of CPS2 and the Deemed Provisions.
18. Following community consultation, the applicant submitted amended plans reducing the number of individual short-term rooms from 19 to 13 - six rooms at 39 Mount Street and seven rooms at 39A Mount Street. The existing dwellings each have four designated bedrooms and a study capable of use as an additional (fifth) bedroom. The revised design provides for closer alignment with the potential maximum occupancy of the existing single houses.
19. A revised Operational Management Plan was also submitted by the applicant in response to comments received during the community consultation period, and discussions with City staff.
20. Following an additional round of community consultation on the revised plans, the plans were further amended to provide acoustic screening along the pedestrian access into the properties and to restrict access to one of the rooms (Room 3) for the eastern property (No. 39 Mount Street).
21. The Operational Management Plan was also further amended to ensure that new guests are met and greeted on arrival by the management team; minimum stay/nights are implemented; and complimentary transportation services are implemented.
22. Based on the issues raised by the adjoining properties, it is recommended that any approval is made subject to a condition that requires the revised Operational Management Plan to be implemented at all times by the owner/operator, to the satisfaction of the City. The Operational Management Plan will assist in addressing potential amenity impacts on the adjoining residential properties.

Built Form

23. The development application proposes external works to the two single dwellings on the site. The external works include:
- the removal of the existing garage and associated door at 39A Mount Street and construction of an accessible unit
 - installation of a front fence to the proposed accessible unit
 - the alteration of the existing stair access, allowing for one staircase to access both 39 and 39A Mount Street and installation of glass balustrading
 - installation of acoustic screening along the side boundaries with adjoining residential properties
 - installation of two fire indicator panels.
24. The subject sites fall within the area covered by the CPS2 Mount Street Design Policy 6.5. The policy prescribes building design requirements including street level and location of entry, materials, front fencing, acoustic privacy, external additions, and other related elements.
25. The proposed modifications are considered to align with the applicable requirements of the policy including:
- The use of complimentary materials to the existing dwellings on site
 - The installation of an open style fence
 - Additional landscaping within the verge area
 - The addition of acoustic screens to enhance privacy between the dwellings and the adjoining properties
 - Relocation of non-essential external fixtures from the front of the building.
26. Overall, it is considered that the proposed modifications to the external elements of the building will not have a detrimental impact on the Mount Street streetscape; however, a condition is recommended to be imposed on any approval - ensuring any external fixtures to the building be appropriately screened or relocated so they are not visible.

Car Parking

27. The development application proposes the removal of existing car parking bays on site, with one car bay remaining on site for staff use only. A loading/unloading bay is also proposed to be provided within the existing garage of 39 Mount Street.
28. Whilst residential car parking is controlled under CPS2 Parking Policy 5.1, non-residential/tenant parking is controlled by the Perth Parking Policy 2014 (PPP). 'Special Residential' parking is considered tenant parking in the context of the PPP.
29. Tenant parking is defined by the PPP as:
- *"Tenant parking means all parking available on a site for the use of tenants/occupants/owners of that site in support of their use of that site and their visitors; except;*
 - *Parking bays associated with private residential purposes; and*
 - *Special purpose bays."*

30. The PPP prescribes maximum tenant parking bays only and does not require a minimum number of car bays to be provided on site for occupants/visitors. Based on this, the applicant opted to not provide any car parking bays for guests.
31. During the initial community consultation period, concern was raised regarding the lack of car parking on site and the implications on street parking. In response, the applicant observed the availability of on-street car parking bays in the afternoon and evening, over a period of two weeks. This survey of activity found that, during this time, the occupation of the public car bays never reached 100% occupation, with parking bay occupation ranging from 21% occupied to 74% occupied.
32. Mount Street has a two-hour parking restriction between Monday to Friday from 8:00am to 6:00pm, except for residents with parking permits. The subject site would not be capable of obtaining a residential parking permit if the change of use is approved and proceeds.
33. The subject site is located in close proximity to the CBD, with a pedestrian bridge connecting Mount Street to Mount Street East, across the freeway. A number of buses, including high frequency and the Blue CAT are also located close to the site, providing direct public transport into and out of the CBD.
34. The applicant submitted additional justification supporting the removal of car parking bays on site and the revised Operational Management Plan was further amended to ensure that at time of booking, any prospective guests are advised that there is no on-site parking provided. Complimentary transportation services will, however, be made available for guests, directly from the airport or their preferred pick-up location.
35. Given the additional information provided by the applicant/operator, it is considered there would be little demand (if any) for on-site parking, and the proposal for no tenant car parking is supported.

Previous Development Approvals

36. At its Ordinary Meeting held on 25 June 2013, the Council considered a development application for the construction of a six-level development containing 20 serviced apartments and seven car parking bays on the subject sites. The Council resolved to conditionally approve the development. The development did not proceed.
37. At its Ordinary Meeting held on 9 December 2014, the Council considered a development application for the construction of two seven-level residential dwellings, including eight parking bays. Council resolved to conditionally approve the development.
38. Building permits were granted in April 2016 for the construction of the two single dwellings on the subject sites.

Consultation

39. The City undertook community consultation on two occasions.
40. The initial consultation period was for a period of 14 days, with letters sent to owners and occupiers of the surrounding properties. The consultation period commenced on 30 June 2023 and concluded on 14 July 2023, with a total 17 objections being received.
41. The main areas of concern outlined in the submissions have been summarised and addressed under common themes below:

Issue	Response
<p>Land Use</p> <ul style="list-style-type: none"> <i>Hostel type accommodation does not suit the street.</i> <i>Given the building is currently residential, it would not be required to have a fire detection, reporting or notification system. Given the potential transient/short term tenancy, and the potentially high fuel load, a fire detection reporting and notification system complete with a Fire Indication Panel, smoke /heat detection devices, manual call points, warning system and sounders would seem prudent and required.</i> 	<p>The proposed land use has been discussed in more detail in the Land Use section of the report.</p> <p>The issues raised have been used to inform recommended conditions of approval, with a view to minimising any potential impacts of the proposal.</p> <p>Any upgrades required to the building, will be assessed as part of a subsequent building permit, with fire detection being a requirement of the Building Code of Australia.</p>
<p>Proximity to adjoining property</p> <ul style="list-style-type: none"> <i>Only one metre separates the property from the adjoining properties</i> <i>Either an apartment or the reception area will directly look into the balcony of the adjoining properties.</i> 	<p>The development proposes minor alterations to the existing built form of the property.</p> <p>The existing setbacks between the buildings will be maintained.</p> <p>An acoustic screen has been proposed along both sides of the existing property to minimise any noise and views into the adjoining properties.</p> <p>A condition has been imposed which requires the installation of the acoustic screens prior to the commencement of the use on site.</p>
<p>Waste</p> <ul style="list-style-type: none"> <i>Extremely concerned about the number of bins and the regularity of pick-ups.</i> 	<p>A Waste Management Plan was submitted with the development application.</p> <p>The Waste Management Plan shall be implemented by the owner/operator of the site, on an ongoing basis to the satisfaction of the City.</p>
<p>Parking and traffic congestion</p> <ul style="list-style-type: none"> <i>Parking is already at a huge premium on Mount Street, given the restaurant/café across the street and the 37 apartments at 40 Mount Street having no on-site parking.</i> <i>We are often unable to accommodate visits from guests due to the limited street parking.</i> <i>We also experience unusually high traffic congestion for a residential area, at all hours of the day and night, due to the high number of taxis/Ubbers/UberEats/trade & bin</i> 	<p>Under the Perth Parking Policy, no minimum number of car parking bays is required to be provided on site.</p> <p>The applicant/operator has revised the Operational Management Plan to include complimentary transport to the premises and to advise prospective tenants that there is no car parking on site.</p> <p>Due to the anticipated clientele, proximity to public transport and the CBD, and advice from operators to their clients that no parking is available on site, it is not anticipated that the</p>

<p><i>trucks servicing the already existing short-term accommodation and their guests.</i></p>	<p>use will result in an increased demand for on-street car parking bays.</p>
<p>Noise and nuisance</p> <ul style="list-style-type: none"> • <i>The ‘rules’ for occupants are unrealistic and unable to be properly policed. Other than removal from the property, what will the consequences be for an occupant who breaches these rules and unfairly impacts the amenity of residents.</i> • <i>There is no monitoring of the accommodation after 5.30pm except for an afterhours number, this provides no guarantee to surrounding residents that noise, antisocial behaviour will be controlled for surrounding premises.</i> 	<p>The applicant has submitted an Operational Management Plan which provides details regarding management of the premises to ensure that any impacts to adjoining properties are minimised.</p> <p>Furthermore, the operator has advised that all prospective tenants will be vetted prior to confirmation of stay being granted. This will further minimise the potential for amenity impacts to adjoining properties.</p>
<p>Existing short-term accommodation</p> <ul style="list-style-type: none"> • <i>There are over 370 short-term stay rooms already existing within 100 metres.</i> • <i>There are already in excess of 1000 short stay apartments in the immediate area.</i> 	<p>The number of existing short-term properties within close proximity of the site is not a valid planning consideration.</p>
<p>Property values</p> <ul style="list-style-type: none"> • <i>The potential opportunity will come at a significant cost and impact to the amenity of existing residents of Mount Street, who have paid a premium to live in the street.</i> • <i>We do not see how such development will not unfairly impact the value of our properties.</i> 	<p>Whilst potential impact on investment and property values are understandably of high importance to individual landowners and occupants, the City is not able to consider these in the assessment of the planning merit of any planning proposal.</p>
<p>Use of rear terraces</p> <ul style="list-style-type: none"> • <i>There are two large terraces sit above the storerooms at Camilla (37, Mount St) and are included on our strata plan but are only accessible via 39 and 39(a) Mount Street.</i> 	<p>The applicant has advised that the proposed change of use does not include the use of the rear terrace area.</p> <p>Amended plans have been submitted which prohibit access onto this area.</p>

42. In response to the comments received, the City received revised plans and additional information from the applicant.
43. Submitters who provided comments during the initial consultation period were invited to review the additional information and submit any comments on the revised proposal within 14 days.
44. Eight (8) submissions were received which reiterated previous comments made and their objection/s to the proposal.

Decision Implications

45. Should Council refuse the application, or should the applicant disagree with any conditions of approval, 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)	Liveable
Related Documents (Issue Specific Strategies and Plans):	The proposed change of use will provide an alternative type of accommodation than currently provided for on site.

Legislation, Delegation of Authority and Policy	
Legislation:	<i>Planning and Development Act 2005</i> <i>Planning and Development (Local Planning Schemes) Regulations 2015</i> <i>City Planning Scheme No. 2</i> <i>Metropolitan Region Scheme</i> <i>City of Perth Act 2016</i> <i>Perth Parking Policy 2014</i>
Authority of Council/CEO:	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> . However, in accordance with delegation 9.2(2)(b) the application is referred to Council, noting the nature of the objections received during public consultation.
Policy:	Special Residential (Serviced and Short-Term Accommodation) Policy 3.9

Financial Implications

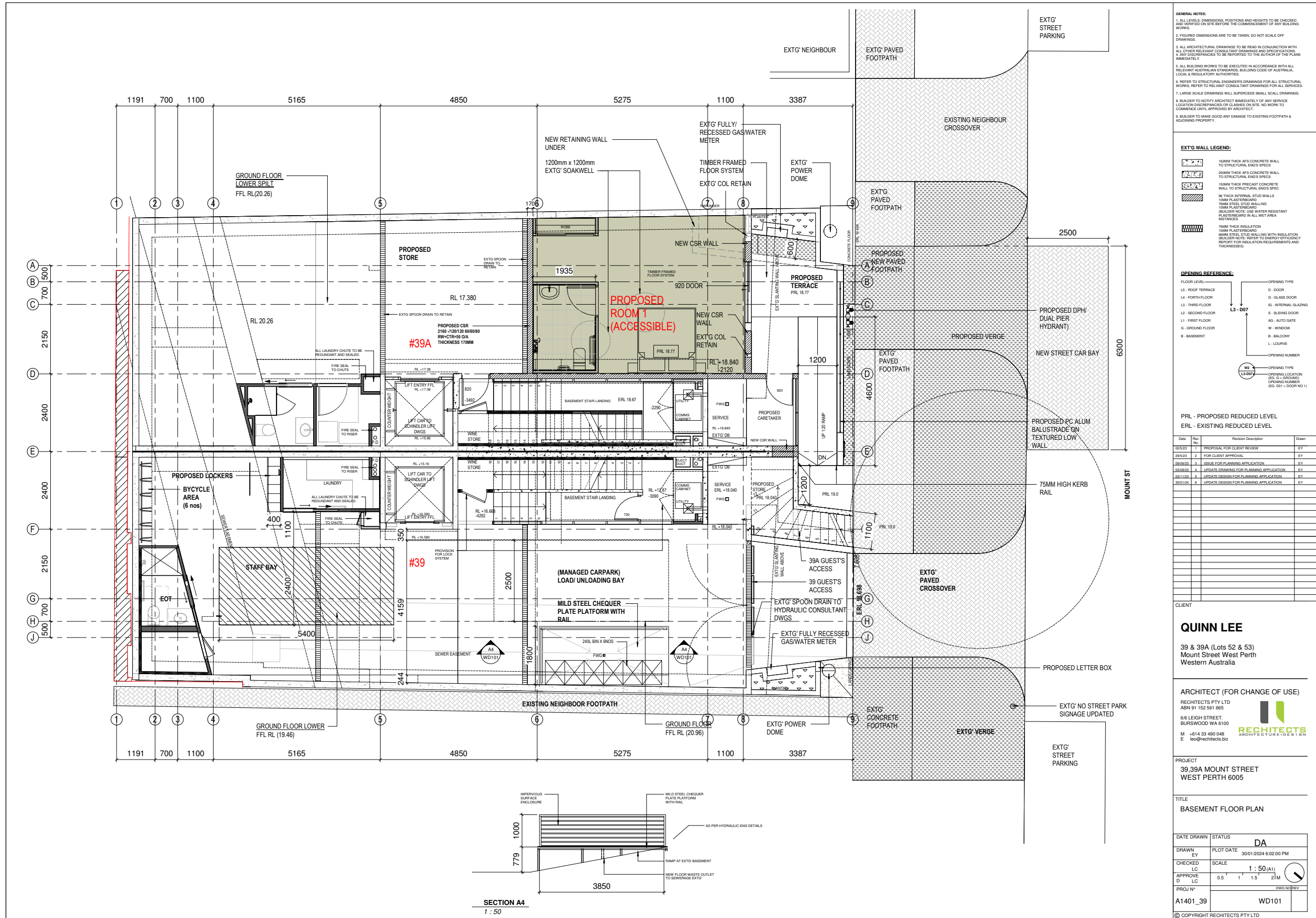
Nil.

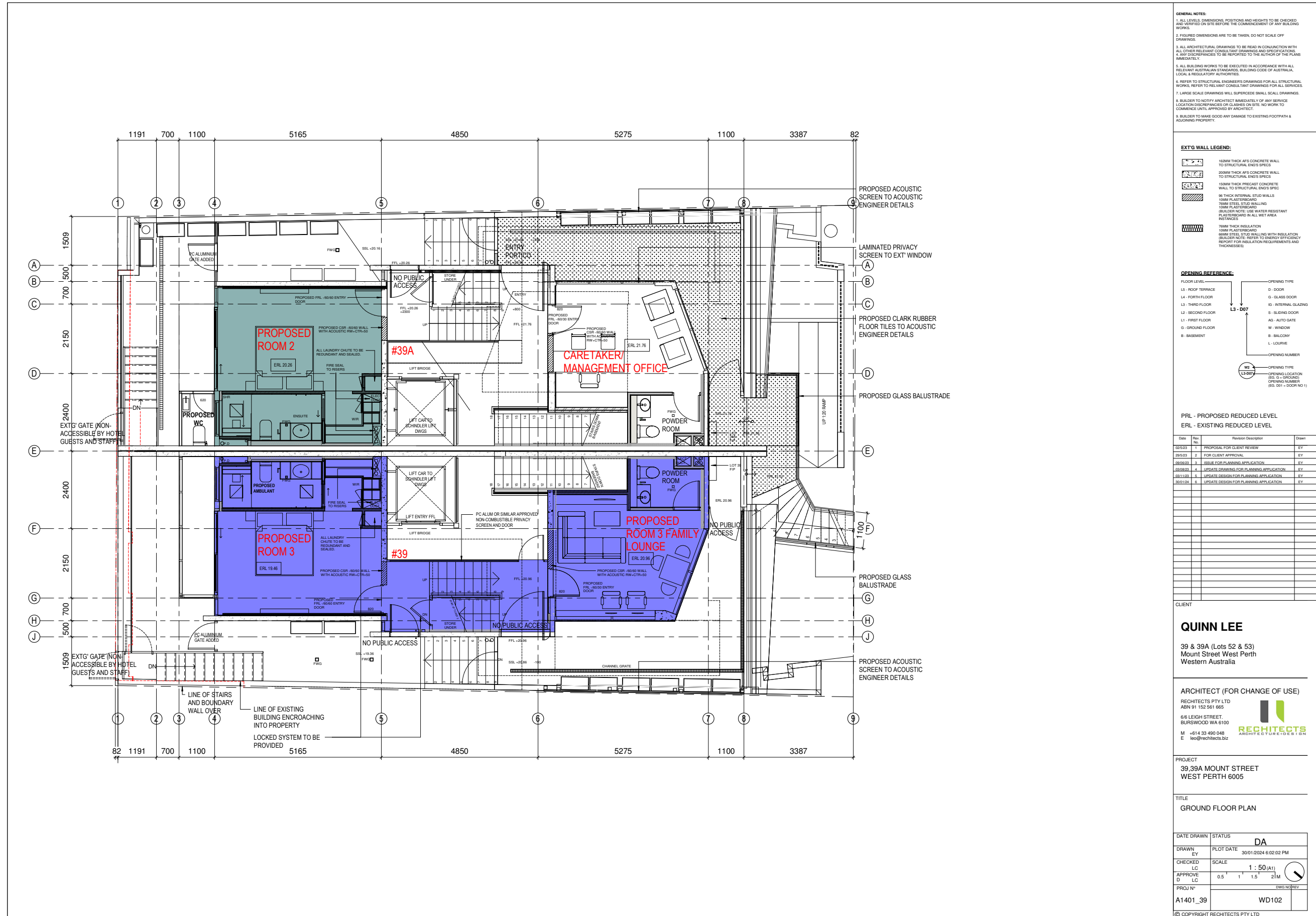
Further Information

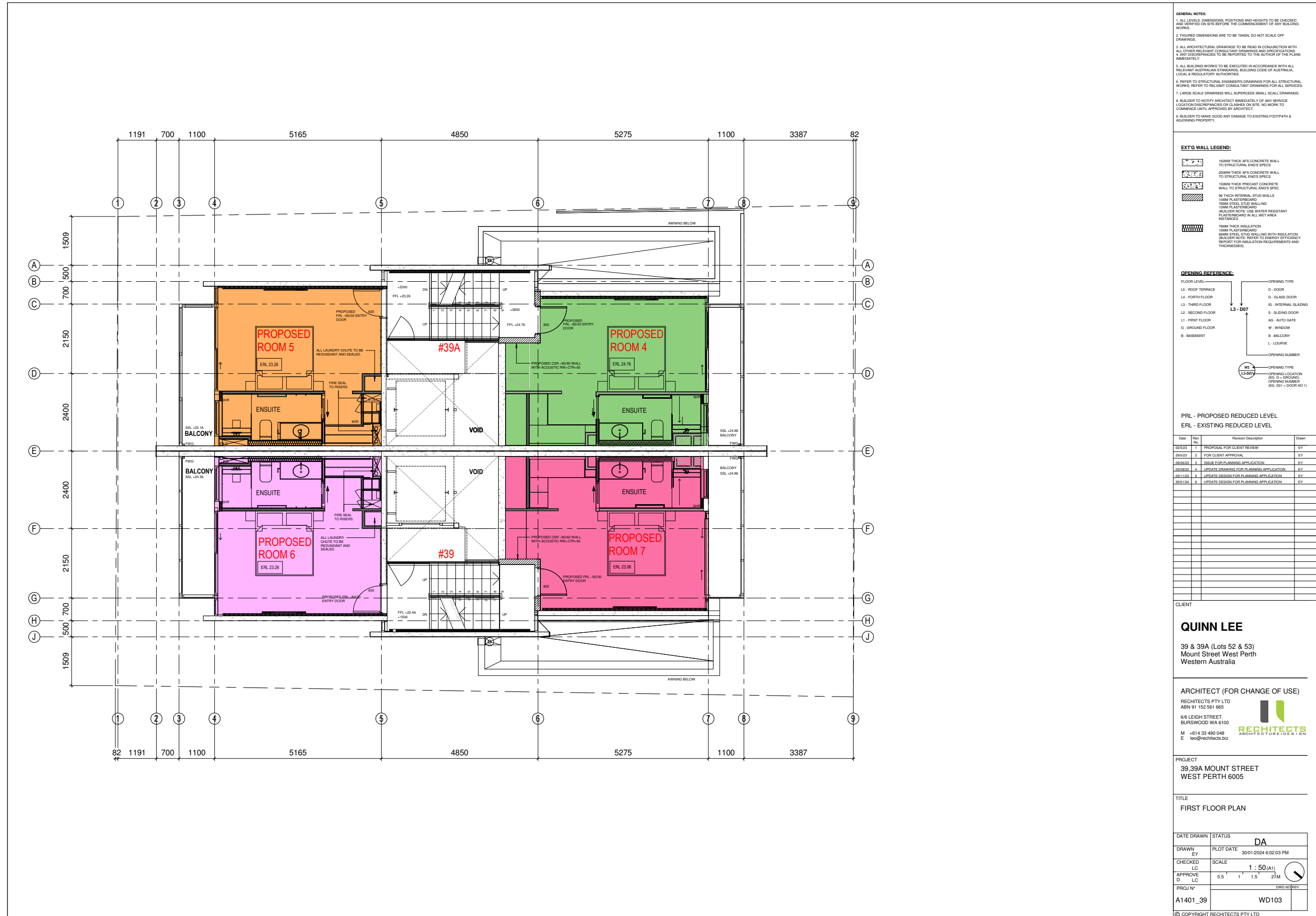
Nil.

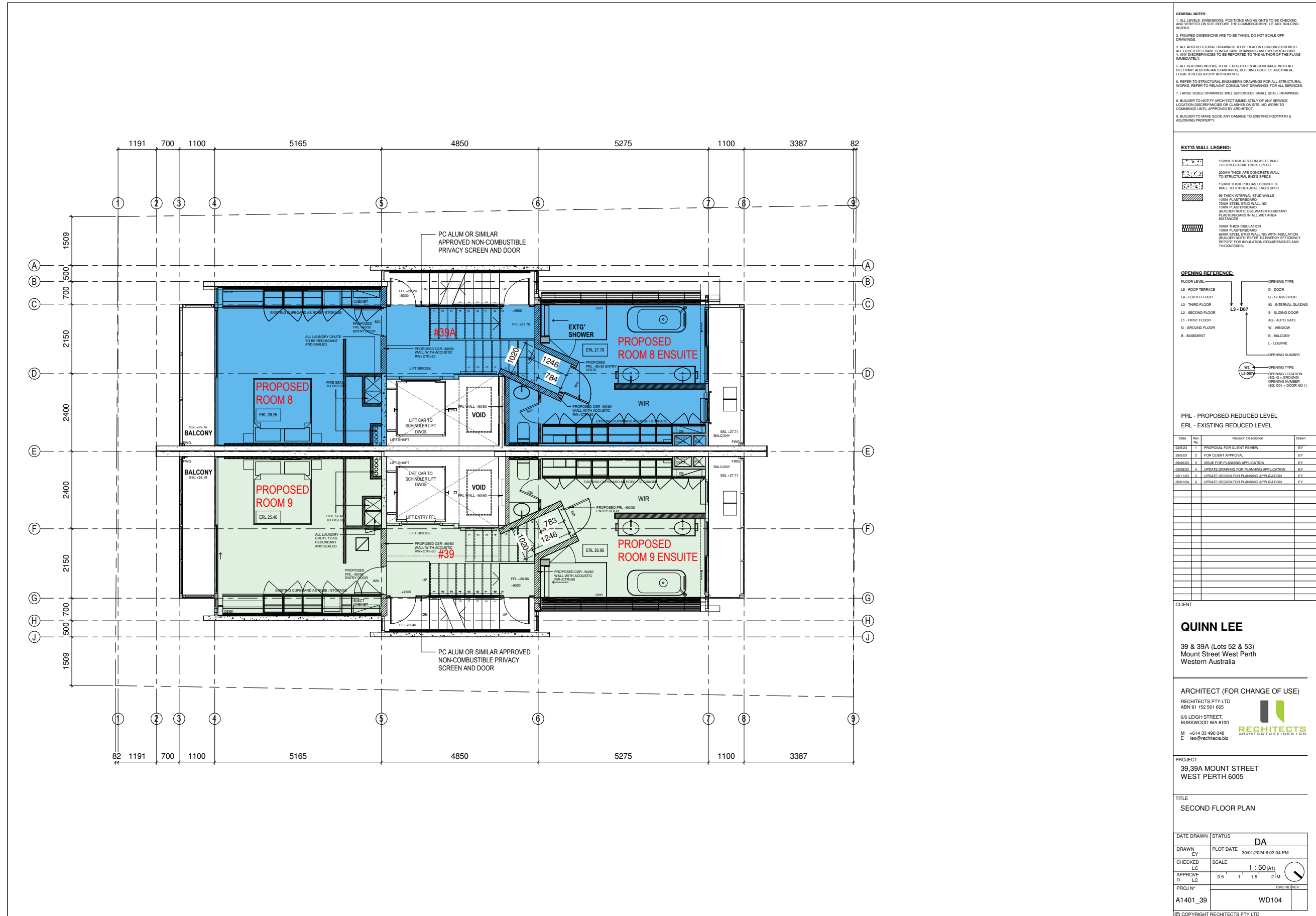
Attachment 1 – Location Plan











12. Community Development Alliance Reports

12.1 Events Plan 2024/25

Responsible Officer	Kylie Johnson – General Manager Community Development
Voting Requirements	Simple Majority
Attachments	Attachment 12.1A – Draft Events Plan 2024/25 ↓ Attachment 12.1B – Event Plan 2023/24 Attendance Summary ↓

Purpose

To present the City of Perth Events Plan 2024/25 for Council approval.

Recommendation

That Council APPROVES the Events Plan 2024/25, noting:

- a. a draft version of the Events Plan is attached to this report which will be formatted (including structurally) and graphically designed following acceptance before it is made available; and
 - b. minor typographical amendments, that do not affect the materiality of the document, may also be made to improve the presentation and/or make corrections.
-

Background

1. The 2025 Events Strategy outlines the City's vision to facilitate, support and deliver great opportunities throughout the year for community interaction and enjoyment.
2. The Events Plan 2023/24 delivered the biggest festive and summer season on record, attracting over 650,000 people to the city and resulting in Perth being a vibrant, iconic destination (attendance breakdown provided in Attachment 12.1B).

Discussion

3. The Events Plan 2024/25 builds on the success of 2023/24 and has been drafted through undertaking a review of the current annual events calendar and post-event impact reporting, and feedback from Elected Members and key stakeholders.
4. Through the delivery of the Events Plan 2024/25, the City looks to own Christmas and own Summer.
5. The proposed Plan outlines the scope, scale and budget of City-led events, which were workshopped with Elected Members at an Engagement Session on 12 March 2024.
6. New elements proposed in the Plan include additional City of Light shows and midnight fireworks at Elizabeth Quay as part of the New Year's Eve celebrations. These are will also be subject to additional sponsorship.
7. The proposed plan does not include a rooftop firework in Northbridge for New Year's Eve. Retention will require additional sponsorship approx. \$140,000.
8. Marketing of the 2024/25 Events Plan has been incorporated into the City's overall Marketing Plan.

Consultation

9. The development of the 2025 Events Strategy involved in-depth workshops with over 60 industry stakeholders from hospitality, tourism, State Government agencies, other Local Governments, events professionals and community groups.
10. Throughout the delivery of the 2023/24 Events Plan, the City conducted visitor surveys and debriefs with key stakeholders. This feedback informs the Events Plan 2024/25 and ensures it provides a program of activity which is aligned to community expectations and complimentary to third-party event programming.

Decision Implications

11. If Council does not support the recommendation to approve the Events Plan 2024/25, the City will not be able to meet community expectations to deliver on key events and outcomes.
12. The budget is structured on the minimum requirement to deliver the scale of event outlined in the Events Plan 2024/25 however increased costs in services and securing additional incoming sponsorship may impact budget estimates.
13. If Council defers the decision on supporting the recommendation to approve the Events Plan 2024/25 planning will be critically delayed for the procurement of key contracts required.

Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Liveable
Related Documents (Issue Specific Strategies and Plans):	2025 Events Strategy The City has a vision for Perth to be ‘the events heart of WA’. Events generate significant economic, social and community benefits for all who live, work, visit, study and invest in the city.

Legislation, Delegation of Authority and Policy	
Legislation:	Section 8 (1) of the <i>City of Perth Act 2016</i> . (e) to promote awareness of the facilities and events provided or facilitated by the City of Perth and encourage the community to make use of or participate in them
Authority of Council/CEO:	The recommendation is made to Council in line with both: <ul style="list-style-type: none"> • section 2.10 (a) of the <i>Local Government Act 1995</i> whereby under the role of Councillors; represents the interests of electors, ratepayers and residents of the district; and • section 2.7 of the <i>Local Government Act 1995</i> which provides that Council is to be responsible for the performance of the local government’s functions and oversees the allocation of the local government’s finances and resources. <p>The future decision to budget for events in the Events Plan will have significant financial implications. Planning and resource allocation will commence prior to (but subject to) the budget. Council oversight and direction is warranted prior to investment of resources.</p>
Policy:	Council Policy 4.10 – Incoming Sponsorship The incoming sponsorship forecasts contained within the Events Plan will be actively pursued in line with the policy scope. Projected incoming sponsorship is variable and outside of the City’s control.

Financial Implications

The financial implications of the recommendation(s) are subject to the 2024/25 budget adoption. The total cost to deliver the program is detailed in the Events Plan 2024/25 (Attachment 12.1A).

Further Information

15. Nil.

12.2 Review of Policy 2.11 - Heritage Rate Concession and Heritage Adaptive Reuse Grant Scheme

Responsible Officer	Kylie Johnson – General Manager Community Development
Voting Requirements	Simple Majority
Attachments	Attachment 12.2A – Council Policy 2.11 - Heritage Rate Concession ↓ Attachment 12.2B – Heritage Adaptive Reuse Grants Guidelines ↓

Purpose

To present the review of Council Policy 2.11 – Heritage Rate Concession and Heritage Adaptive Reuse Grant Scheme.

Recommendation

That Council:

1. **REVOKES** Council Policy 2.11 – Heritage Rate Concession as at 30 June 2024.
2. **SUPPORTS** the continuation of the Heritage Adaptive Reuse Grant Scheme and revisions to update the eligibility and assessment criteria, and funding milestones as follows:

Eligibility and Assessment Criteria

- a. Inclusion of ground floor within scope of areas that are eligible if combined with an upper floor or basement project or, if at the discretion of the City, the ground floor project will provide a substantial adaptive reuse benefit that would otherwise not be realised.
- b. Amendment of the requirement that places must have been vacant for at least three years to 12 months.
- c. Adjustment of the 25% increase in gross leasable area to be preferred, not compulsory.

Funding Milestones

- d. Amendment of funding milestones to provide a higher proportion of payment at Milestone 2 – completion of works.

Background

1. At the Ordinary Council Meeting held 31 May 2023, Council resolved:

That Council:

1. AMEND Council Policy 2.11 – Heritage Rate Concession as attached; and
 2. APPROVE allocation of \$200,000, subject to the approval of the Budget by Council, in the FY23/24 budget to fund a Heritage Conservation Grant Program to support property owners to conserve, revitalise and enhance heritage properties
2. The amended Council Policy 2.11 – Heritage Rate Concession provided continuation of the Heritage Rate Concession Program for a further one year for existing Heritage Rate Concession recipients located outside the Adaptive Reuse Zone. The Concession was provided to 194 applicants in FY23/24 at a total value of \$151,992 in foregone rates revenue. The one-year extension ceases on 30 June 2024.
 3. The Heritage Conservation Grants were open from September – December 2023, resulting in 12 applications that have been assessed and is provided for Council consideration at 27 February 2024 Ordinary Council Meeting.
 4. The Heritage Adaptive Reuse Grant Scheme was approved by Council at 21 December 2021 Ordinary Council Meeting with funding of \$4m over three years, commencing FY22/23. The Heritage Adaptive Reuse Grants have been open since mid-2022 with no applications received.

Discussion

5. The current status of the Heritage Rate Concession Program, Heritage Conservation Grant Scheme and Heritage Adaptive Reuse Grants was discussed with Elected Members at the 6 February EMES. Discussion included:
 - a. Continuation of the Heritage Adaptive Reuse Grant Scheme with amendments to the Grant Guidelines to support additional applications, including:
 - Inclusion of ground floor within scope of areas that are eligible if combined with an upper floor or basement project or, if at the discretion of the City, the ground floor project will provide a substantial adaptive reuse benefit that would otherwise not be realised.
 - Amendment of the requirement that places must have been vacant for at least three years to 12 months.
 - Adjustment of the 25% increase in gross leasable area to be preferred, not compulsory.
 - Amendment of funding milestones to provide a higher proportion of payment at Milestone 2 – completion of works.
 - b. An overview of the Heritage Rate Concession Program in its current format, its focus on maintenance requirements, eligibility and effectiveness compared to grant programs and other incentives, in particular the Heritage Conservation Grant program introduced in FY23/24.
 - c. Continuation of the Heritage Conservation Grants for FY24/25 as part of the Sponsorship Program.
6. A review of Council Policy 2.11 – Heritage Rate Concession has been undertaken with a recommendation to revoke the Policy and cease the Heritage Rate Concession Program.
7. The rationale for ceasing the Heritage Rate Concession Program is that it is inequitably applied, impacts rates revenue and focuses on standard maintenance only.

8. Conclusion of the Heritage Rate Concession Program will result in approx. \$152,000 in otherwise foregone rates revenue, noting that in FY23/24 \$200k was allocated to a new Heritage Conservation Grant Program.
9. Simultaneously, proposed amendments to the Heritage Adaptive Reuse Grant Scheme as described in point 5 a) are intended to support greater uptake of the Scheme amongst property owners.
10. Heritage support for FY24/25 is proposed to be achieved through the Heritage Adaptive Reuse Grant Scheme (continuing) with proposed amendments, and continuation of the Heritage Conservation Grants, subject to the FY24/25 budget.

Consultation

Nil.

Decision Implications

11. If Council supports the recommendation, the Heritage Rate Concession Program will cease to be available to all heritage property owners from FY24/25 and the Heritage Adaptive Reuse Scheme will continue with amended criteria and funding milestones to support greater uptake amongst property owners.

Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Liveable
Related Documents (Issue Specific Strategies and Plans):	Heritage Strategy 2020-2024 The Strategy sets out the heritage vision and objectives of the City. This includes the City's statutory heritage work and community engagement initiatives.


Legislation, Delegation of Authority and Policy	
Legislation:	<i>Planning & Development (Local Planning Scheme) Regulations (2015)</i> and <i>Heritage Act 2018</i> provide definitions of terms and guidance for the Policy.
Authority of Council/CEO:	Section 2.7(2)(b) of the <i>Local Government Act 1995</i> provides it is the role of Council to determine the local government's policies.
Policy:	Council Policy 2.11 Heritage Rate Concession (to be revoked).

Financial Implications

12. Conclusion of the Heritage Rate Concession Program on 30 June 2024 will increase rates revenue to a value of approximately \$152,000 for FY24/25.

Further Information

13. Questions and responses forming part of the Agenda Briefing Session held 20 February 2024 are as follows:

	Question	Response
1.	<p>12.3 Attachment B. This section in the guidelines</p> <ul style="list-style-type: none"> • Properties that are nonrateable, rates exempt or properties that will cease to be rateable after completion of the Adaptive Reuse works; and <p>does this preclude a strata company applying for works to common property (which are not rateable)?</p>	<p>Attachment B is the existing Heritage Adaptive Reuse Guidelines.</p> <p>This highlighted section relates to places that are non-rateable (e.g. churches, universities) rather than strata buildings which comprise rateable lots as well as common areas.</p> <p>Eligibility of a project proposed by a strata building would depend on the nature of the project against essential criteria, including whether proposed works include above or below ground floor areas, the activation of vacant or underutilised spaces, and result in an increase in leasable floorspace.</p> <p>Based on these existing essential criteria, projects for works to common areas only would not typically be eligible. These types of works would be directed toward a Heritage Conservation Grant.</p>
2.	<p>12.3 Attachment B. This answer</p> <p></p> <p>What if my project does not involve upper floor activation? Can I still receive a Heritage Grant from the City of Perth?</p> <p>Yes. A project does not have to include upper floor activation. This specific program relates to the activation of vacant and underutilised spaces of heritage buildings in the CBD.</p> <p>may need to be clarified to be closer to this statement:</p> <p><i>Eligibility and Assessment Criteria</i></p> <p>a. Inclusion of ground floor within scope of areas that are eligible if combined with an upper floor or basement project or, if at the discretion of the City, the ground floor project will provide a substantial adaptive reuse benefit that would otherwise not be realised.</p>	<p>Noted.</p> <p>Attachment B is the existing Heritage Adaptive Reuse Guidelines.</p> <p>Following Council’s consideration and decision on suggested amendments to the Heritage Adaptive Reuse Grant Program, the Guidelines will be updated to reflect revised terms, and approved by the CEO.</p>

13. Infrastructure and Operations Alliance Reports

Nil.

14. Commercial Services Alliance Reports

14.1 Parking Fee Increase

Responsible Officer	Steve Holden – General Manager Commercial Services
Voting Requirements	Absolute Majority
Attachments	Attachment 14.1A – Pricing Matrix 2024 ↓

Purpose

This report is for Council to endorse proposed Parking Fee Increases in line with the City of Perth Parking Purpose Statement.

‘Deliver strong and sustainable surpluses to support the City of Perth in the delivery of infrastructure and services to its residents and businesses’.

Recommendation

That Council AGREE to amend the adopted 2023/24 Schedule of Fees and Charges to increase the parking fees effective 1 May 2024, as outlined in Attachment A, subject to completion of the statutory local public notice provisions.

Background

1. Parking revenue is vital to the City as an enabler for investment in infrastructure, event activation and to moderate increases in rates, amongst other things.
2. The continuation of free night parking in 2023/24 is approximately \$5.1M in lost revenue.
3. The continuation of three hours free parking at three select carparks in 2023/24 is approximately \$4.2M in lost revenue.
4. A proposal to increase parking fees was presented to Elected Members at an Engagement session on 13 February 2024, with the proposed increase to commence on 1 May 2024.

Discussion

5. In the boom gated off-street carparks, proposed modest increases to parking fees are considered balanced and necessary to offset the increasing cost of operating the business, noting that due to different technology in these car parks, payment by App is not yet available.
6. Cost of operations has risen by 6.96% (\$4.1M) which includes ongoing payment of the Perth Parking Levy.
7. In non-boom gated and on street parking locations, users of the Payment App are paying an 11.5% user fee in addition to the cost of parking.
8. It is proposed to align the cost of a parking transaction at the meter by increasing fees by 11.5% (rounded to nearest 10c) to achieve parity against the total cost of using the Payment App which aims to encourage the adoption of the Parking App to 50%, providing added support for the implementation of reduced meters in the City.
9. A reduction of physical parking equipment will achieve a significant cost saving over time and leverage off modern technology solutions which provide a greater user experience.
10. Projected increase in revenue for FY 23/24 commencing May is \$700K assuming the App Payment uptake achieves 50%.
11. Projected increase in revenue for FY 24/25 is \$4.3M assuming a 50% user rate of the Payment App.
12. The City currently provides over \$10M in free parking incentives introduced to drive visitation back into the City.
13. A return to \$5 night parking will generate income estimated at \$3.5M and create turnover within our facilities currently reaching capacity.
14. As part of the review analysis (as provided at the 13 February 2024 Elected Member Engagement Session), the City's parking fees were benchmarked against other local parking providers. This comparison exercise both prior and post COVID show that City of Perth are in the main, below the competition.
15. As a result of lower than competitor pricing our carparks are at capacity.

Consultation

16. Nil

Decision Implications

17. If Council do not support the recommendation, there is a potential \$4.3M reduction to revenue in 2024/25 as well as not addressing parking capacity issues.
18. In the event that Council is supportive of the officer’s recommendation, then in accordance with s.6.19 of the Local Government Act 1995 it will be necessary to give local public notice of Council’s intention to increase the City’s parking fees and the date from which the new fees will take effect. Reg. 3A of the Local Government (Administration) Regulations 1996 requires that, where no other specific period of notice is required, then notice must be given for a period of not less than seven days. This means that the new provisions cannot come into effect until a full week after the local public notice is given.

Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Prosperous
Related Documents (Issue Specific Strategies and Plans):	City of Perth: Parking Business Plan 2021/22 – 2025/26. ‘Deliver strong and sustainable surpluses to support the City of Perth in the delivery of infrastructure and services to its residents and businesses’.

Legislation, Delegation of Authority and Policy	
Legislation:	Local Government Act 1995. Regulatory provisions – Sections 6.17 and 6.38 of the Local Government Act 1995.
Authority of Council/CEO:	Fee schedule changes are required to be endorsed by Council.
Policy:	Strategic Financial Planning and Budgeting Policy. CP 2.3 Strategic Financial Planning and Budgeting this proposal aligns with the policy to provide a financially responsible approach to managing the budget

Financial Implications

19. Financial implications of the recommendations will increase revenue to achieve approved budget.

Further Information

20. Nil.

15. Corporate Services Reports

15.1 Monthly Financial Statements - January 2024

Responsible Officer	Michael Kent – Chief Financial Officer
Voting Requirements	Simple Majority
Attachments	<p>Attachment 15.1A – Statement of Financial Activity P7 ↓</p> <p>Attachment 15.1B – Notes on Significant Variances P7 ↓</p> <p>Attachment 15.1C – Supplementary Notes to the Statement of Financial Activity P7. ↓</p> <p>Attachment 15.1D – Monthly Financial Statistics P7. ↓</p> <p>Attachment 15.1E – Statement of Financial Position P7. ↓</p> <p>Attachment 15.1F – Alliance Operating Variances P7 ↓</p> <p>Attachment 15.1G – Capital Variances P7 ↓</p> <p>Attachment 15.1H – Investment Report P7.pdf ↓</p> <p>Attachment 15.1I – Rates Monthly Debtors Report. ↓</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:

1. RECEIVES the following financial reports for the period ended 31 January 2024:
 - a) Statement of Financial Activity (SFA) - Attachment 15.1A.
 - b) Notes on Significant Variances - Attachment 15.1B.
 - c) Supplementary Notes to the Statement of Financial Activity - Attachment 15.1C.
 - d) Monthly Financial Statistics - Attachment 15.1D.
 - e) Statement of Financial Position - Attachment 15.1E.
 - f) Alliance Operating Variances - Attachment 15.1F.
 - g) Capital Variances - Attachment 15.1G.
 - h) Investment Report - Attachment 15.1H.
 - i) Rates Monthly Debtors Report - Attachment 15.1I.

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 Statement of Financial Activity (SFA) 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 supplementary 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 Significant Variances (Attachment 15.1B) 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. It is a statutory requirement to present a set of Monthly Management Accounts within two months of the end of the month to which they refer.
14. The SFA by Nature & Type - Attachment 15.1A presents a whole of organisation perspective on the attainment of revenue and expenditure targets overall - classified by nature and type.
15. The headline data from the SFA is shown in Table 1 below.

Table 1:

Item Details	Annual Budget	YTD Budget	Actual 23/24	Variance	F/ U
Operating Revenue	\$ 113.24 M	\$ 70.24 M	\$ 73.95 M	\$ 3.71 M	F
Rates Revenue	\$ 103.81 M	\$ 103.81 M	\$ 104.35 M	\$ 544 K	F
Cash Operating Exp.	\$ 177.26 M	\$ 101.56 M	\$ 94.59 M	\$ 6.97 M	F
Non-Operating Revenue	\$ 10.98 M	\$ 160 K	\$ 717 K	\$ 557 K	F
Capital - Infrastructure	\$ 27.83 M	\$ 12.86 M	\$ 11.58 M	\$ 1.28 M	F
Property, Plant & Equip.	\$ 32.72 M	\$ 8.71 M	\$ 5.76 M	\$ 2.95 M	F
Capital Contributions	\$ 15.00 M	\$ 0.00 M	\$ 0.00 M	\$ 0.00 M	F

16. Material operating revenue and expenditure variances from Attachment 15.1A are detailed (with explanatory comments) in the Notes on Significant Variances (Attachment 15.1B).
17. Each line item listed in the SFA by Nature & Type Attachment 15.1A can be cross referenced (using the Note reference) back to the relevant note.
18. Examining the SFA (Attachment 15.1A) in more detail; the aggregation of operating revenues and operating expenses reflects a year-to-date Net Cash Position from Operations of \$83.71M compared to a year-to-date budgeted surplus of \$72.48M. This is a favourable variance of \$11.23M at the end of the month.
19. Investing activities reflect a result of (\$16.86M) compared to a year-to-date budget of (\$21.41M). This is a favourable variance of \$4.55M. This is largely related to an accelerated start to the capital program, albeit a program that is heavily weighted to the tail end of the financial year.
20. Construction of infrastructure to month end is 8% under budget expectations at \$11.58M, against a \$12.86M year to date budget as noted at paragraph 15.
21. Acquisition of non-infrastructure to month end is \$5.76M against the year-to-date budget of \$8.71M.

22. Comments on significant capital variances are contained in Attachment 15.1G.
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 SFA for the period to 31 January shows that a rate yield of \$104.35M has been levied compared to the budget of \$103.80M after adjusting for interim rates.
25. The disclosed year to date SFA Closing Position of \$84.10M compares favourably to the projected budget closing position of \$70.63M - reflecting the combined impact of the favourable variances noted in this report for revenues, expenses, and financing activity.
26. Contributing to this difference are a very positive investment revenue performance and slower than anticipated operating cash outflows, and revised transfers from Reserves.
27. Key financial statistics at each month end are presented graphically in Attachment 15.1D as an alternative representation of the data.
28. Significant variances were identified and addressed in the statutory Mid-Year Budget Review considered by Council in the February 2024 agenda.
29. The Net Current Position Note (Attachment 15.1C) at month end indicates a year-to-date adjusted Net Current Position value of \$84.10M which is expected to reduce to the year-end projection .
30. Headline data from this month's Net Current Position report is shown in Table 2 below.

Table 2:

Item Details	June 2023 Actual	June 2024 Annual Budget	Jan 2024 Actual
Current Assets	\$ 210.21 M	\$ 179.63 M	\$ 281.75 M
Current Liabilities	(\$ 35.22 M)	(\$ 41.51 M)	(\$ 41.06 M)
Unadjusted Net Assets	\$ 174.98 M	\$ 138.12 M	\$ 240.69 M
Less Restricted Items	(\$ 142.82 M)	(\$ 132.59 M)	(\$ 156.58 M)
Adjusted Net Current Position	\$ 32.16 M	\$ 5.53 M	\$ 84.10 M

31. The Net Current Asset position at month end is favourably impacted by three major factors :
 - a. A higher value of reserve funds versus the projected year-end balance - which was adjusted in the mid-year budget review based upon planned (deferred) drawdown of funds.
 - b. A higher municipal cash balance due to a strong rates instalment collection profile.
 - c. A higher rates receivable balance representing the remaining rate instalment yet to fall due for collection.
32. As noted above, there is currently a higher value of reserve funds (restricted assets) at present, and this difference will remain until drawn down to make the capital contributions for the WACA Aquatic Facility and Perth Concert Hall when required (now expected for 2024/25 – so adjusted in the Budget Review).
33. The remaining variances are essentially timing differences attributable to 'unusual' but relatively predictable pattern of local government cashflows. That is, revenue is largely recognised at the beginning of the year - but cash collections and expenditure are phased across the whole year.

34. A Statement of Financial Position as at month end (showing 2022/23 Actual balances, the Revised 2023/24 Budget and the 2023/24 Year to Date Actual balances) is presented as Attachment 15.1E.
35. In line with recent local government financial management reporting changes, Attachments 15.1A to Attachment 15.3C form the portion of monthly management accounts that is a statutory obligation.
36. The remaining attachments 15.1D through to 15.1I are supplementary information provided to give Council additional transparency of the City's financial management performance.
37. Attachment 15.1F - Operating Variances and Attachment 15.1G - Capital Variances provide a more granular view of financial variances by alliance and service.
38. Attachment 15.1H - Investment Report for January 2024 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.
39. 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.
40. It also shows the impact of recent uplifts in investment rates and performance is currently comfortably ahead of the upward revision to the interest revenue budget in the 2023/24 annual budget. Further upwards adjustments were made in the mid-year budget review.
41. Attachment 15.1I - Rates Debtors provides a monthly update and analysis of rates collections by differential property rating category and overall. The 2023/24 rates notices were issued on 28 July. At the end of January, after the third instalment due date, 89% of the rates levied for 2023/24 have been collected.
42. As noted in Table 1, the rates yield is currently \$544K ahead budget. However, it is important to note that anticipated concessions will subsequently reduce the rate yield by approximately \$450K. A retrospective downwards interim rates adjustment of \$155K was processed in November.

Stakeholder Engagement

Nil.

Decision Implications

43. Council's acknowledgement of receiving the Statement of Financial Activity 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)	Well Governed
Related Documents (Issue Specific Strategies and Plans):	Nil.

Legislation, Delegation of Authority and Policy	
Legislation:	<p>Section 6.4(1) and (2) of the Local Government Act 1995 Regulation 34(1) of the Local Government (Financial Management) Regulations 1996</p> <p>This section of the Act and the related regulation prescribe the requirement to prepare and present to Council a Monthly Financial Report including a Statement of Financial Activity (SFA). That Statement of Financial Activity (SFA) should contain:</p> <ul style="list-style-type: none"> • Annual Budget estimates, and approved revisions to these for comparison purposes. • Actual amounts of income and expenditure to the end of the month of the SFA. • Material variances between the comparable amounts and commentary on reasons for these variances. <p>The Monthly Financial Report should also contain:</p> <ul style="list-style-type: none"> • A Statement of Financial Position at the end of the month. • An explanation of the composition of the Net Current Position at the end of the month to which the SFA relates. <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

44. 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

45. In November 2023, an entry was made in the City’s financial accounts for \$28.2M which relates to the de-recognition of the Perth Concert Hall (PCH) building, land, furniture and equipment assets following the City’s relinquishment to the state of the management order for the venue. As the facility is no longer controlled by the City, all residual values for the PCH associated assets must be removed from the City’s financial accounts. The written down (depreciated) values of the assets is required to be written out of the Statement of Financial Position, reducing the Net Equity by \$28.2M.
46. The depreciated value of the building was \$26.6M, furniture and equipment was \$1.3M, and land value was \$0.3M.
47. The total loss on disposal of \$28.2M is a non-cash cost and is therefore shown as a Loss on Disposal and also disclosed on the Statement of Financial Activity as a Non-Cash Amount excluded from Operating Activities.

15.2 Schedule of Accounts Paid - January 2024

Responsible Officer	Michael Kent – Chief Financial Officer
Voting Requirements	Simple Majority
Attachments	Attachment 15.2A – Schedule of Accounts Paid - January 2024 ↓

Purpose

For Council to note details of payments made under delegated authority for the month of January 2024.

Recommendation

That Council:

- RECEIVES the Schedule of Accounts Paid for the period ended 31 January 2024 as attached as Appendix 15.2A.
- RECORDS in the Ordinary Council Meeting minutes the summary of accounts paid being:

Total Accounts Paid	
Municipal Fund	\$18,695,042.67
Trust Fund	0
Total - All Funds	\$18,695,042.67

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 an attachment to this report.
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 15.2A) contains the following payments made under Delegated Authority 2.14 - Payments from the Municipal & Trust Fund:

Schedule of Accounts Paid – January 2024		
Municipal Fund		
EFT & Cheque Payments	Direct Creditor Payments	13,203,107.22
Sub Total - EFT & Cheques		13,203,107.22
Direct Debits	Bank Charges and Merchant Fees	23,419.22
Sub Total - Direct Debits		23,419.22
Payroll	02/01/2024	1,811,359.60
	16/01/2024	1,845,204.62
	30/01/2024	1,795,658.34
Sub Total - Payroll		5,452,222.56
Corporate Cards		16,293.67
Sub Total - Cards		16,293.67
Total per Attachment 15.2A		18,695.042.67
Total Payments from Municipal Fund		18,695.042.67
Investments in Term Deposits		0
Trust Fund		
Trust EFT & Cheques		0
Total - Trust Funds		

Consultation

Nil.

Decision Implications

7. 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"> • Payee Name • Amount of the Payment • Date of the Payment • Sufficient information to identify the transaction
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

8. 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

Nil.

16. Chief Executive Officer Reports

16.1 Proposed Council Policy - New and Innovative Events/Activations

Responsible Officer	Peta Mabbs – Executive Director Governance and Strategy
Voting Requirements	Simple Majority
Attachments	Attachment 16.1A – Draft Policy - New and Innovative/Events Activations ↓

Purpose

This report is for Council to consider proposed Council Policy *New and Innovative Events/Activations*.

Recommendation

That Council:

1. ADOPTS the attached Council Policy *New and Innovative Events/Activations*.
 2. APPROVES minor typographical amendments, where the materiality of the policy is not affected, and placing the policy in future new templates may be made to improve the presentation and/or make corrections.
-

Background

1. Elected members provided feedback at an EMES in June 2023 regarding opportunities for improvement in the delivery of events and activations. This feedback has been used to inform the development of this proposed new approach (and supporting proposed policy) to deliver new and innovative events /activations in the City of Perth.

Discussion

2. The proposed policy sets out a new approach for the City to augment the existing grants and sponsorship framework and purchasing framework.
3. The settings within the proposed policy encourage new, unique or innovative ideas that complement the City's existing events calendar in order to promote year-round events and activations; and to foster arrangements for strategic partnerships.
4. A relationship-based approach will support the process with proponents, from ideation through to execution and acquittal.
5. The process provides for separation between the initial stage of idea/proposal formation; from the assessment process; and decision-making.
6. The proposed policy promotes the concept of working with a proponent exclusively where there is benefit to the City in doing so.
7. The policy provides the ability to support events and activations with access to City assets, resources, and funding.
8. The proposed policy has been developed to provide flexibility and minimise barriers to entry in order to encourage innovation where there is benefit to the City.

Consultation

9. Relevant and key internal stakeholders have been consulted during the development of the proposed policy. Externally, representatives of Lotterywest and WALGA have been consulted. In addition, legal advice has been sought to ensure the provisions of the proposed policy are sound.

Decision Implications

10. If Council supports, the proposed policy it will support progress being made on a key deliverable in the CBP for 2024/25.
11. The proposed policy enables a unique and fresh new way of working to be implemented by the City.
12. A marketing campaign to promote the new policy provisions will be delivered if adopted by Council.

Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Liveable
Related Documents (Issue Specific Strategies and Plans):	<i>2025 Events Strategy</i>

Legislation, Delegation of Authority and Policy	
Legislation:	<i>Local Government Act 1996</i> and associated Regulations
Authority of Council/CEO:	Council is required to approve the <i>New and Innovative Events/Activations Policy</i>
Policy:	CP2.2 Purchasing Policy CP 4.3 Outgoing Sponsorships and Grants CP 4.4 Incoming Sponsorships

Financial Implications

Nil.

Further Information

Nil.

16.2 Cathedral Square Placemaking Proposal

Responsible Officer	Peta Mabbs – Executive Director Governance and Strategy
Voting Requirements	Simple Majority
Attachments	Confidential Attachment 16.2A – Cathedral Square Placemaking Proposal - 2024 - 2026

Purpose

For Council to determine whether the City commits to a two-year placemaking proposal for Cathedral Square from 1 July 2024.

Recommendation

That Council APPROVES the CEO providing notice to Cathedral Square Precinct Partners of its intention to not participate in the Cathedral Square Placemaking Proposal for 2024/2026 (**Confidential Attachment A**) and related agreement.

Background

1. Since 1 November 2015, the City has been financially contributing to a placemaking arrangement for Cathedral Square.
2. The Cathedral Square precinct shared spaces are currently subject to an arrangement involving four parties. These include:
 - a. City of Perth
 - b. the Perth Diocesan Trustees
 - c. Mirvac (Old Treasury) Pty Ltd (i.e. the David Malcolm Justice Centre)
 - d. Old Treasury (No. 1) Pty Ltd and Old Treasury (No. 2) Pty Ltd (i.e. the Hotel)
3. The partners operate a mutually beneficial agreement focussing on placemaking (referred to as the “Agreement”). The Agreement has been in place since 2016 and was for an initial period of 2 years. The Agreement has been subject to a number of extensions, with the current arrangement expiring on 30 June 2024.
4. It is timely for Council to revisit this matter since its earlier resolution which gave rise to the 2016 Agreement.
5. A brief chronology is provided as follows:

2016 - Inaugural Agreement Established

6. The inaugural Agreement dates back to April 2016. The Agreement was signed by the then CEO and Lord Mayor. The Common Seal of the City of Perth is affixed to the Agreement, by authority of a resolution of Council.
7. The Agreement makes provision for a Management Committee, which comprises representatives from the precinct partners, and is designed to meet regularly to make decisions on behalf of the precinct partners. This approach has continued up until today.
8. The Agreement comprises a payment structure where all four parties pay equal quarterly contributions to provide for the delivery of placemaking services.
9. After the initial term of 2 years, the Agreement made provision to continue until one party provides 3 months prior written notice of termination to the other.

2017 – 2019 Agreement (Placemaking Services provided by the City of Perth)

10. In late 2017, a new Agreement was developed. This Agreement appointed the City of Perth to provide placemaking services for the period of 1 November 2017 to 31 December 2019.
11. Placemaking services included:
 - a. Development and delivery of activation and placemaking program for the Plaza precinct shared spaces with a focus on increasing awareness amongst a wider audience
 - b. Develop plan to increase earned media through digital promotion of event and marketing promotions
 - c. Management of social media and website content and analyse effectiveness of channels with view to developing best digital strategy for increasing awareness

- d. Acting as a conduit between plaza precinct partners in the development of plans for the general area
 - e. Working with partner marketing teams to understand opportunities to promote the overall precinct
 - f. Identifying and negotiating partnership opportunities relating to shared spaces
 - g. Managing hiring of the space to internal and external parties
 - h. Taking enquiries regarding events at the Plaza shared spaces, but not the individual entity spaces
 - i. Working cooperatively with the Management Committee to assist in utilising the external shared spaces in the Plaza and the surrounding precinct
 - j. Coordinating and implementing public relations for the Plaza and surrounding precinct in consultation with the Management Committee
 - k. Preparing an annual budget for approval by the Management Committee
 - l. Managing and monitor the annual budget against actual expenses
12. On 9 August 2019, prior to the expiry of the Agreement, the City wrote to the precinct partners, advising of a proposal for an extension of placemaking services under a new agreement with an increase of quarterly contributions. This proposal was not accepted by the precinct partners. The Management Committee opted to seek proposals from external placemaking providers.

2019 Deed of Variation (Placemaking Services provided by Assembly & Co)

13. In October 2019, the Management Committee resolved to award a new placemaking contract to an external party (Assembly and Co) effective 1 January 2020.
14. On 14 November 2019, a Deed of Variation was signed by the precinct partners.

2021 Further Extensions (Placemaking services provided by Assembly & Co)

15. On 20 April 2021, the City's CEO endorsed internally the placemaking plan and budget recommended, subject to:
- a. execution of the current agreement within 28 days
 - b. a review of placemaking agreement objectives in January 2022 to redefine the placemaking scope and resourcing requirements prior to the agreement expiry on 30 June 2022. No further agreements to be entered into without agreement from all parties on redefined objectives and resourcing requirements prior to the agreement expiry on 30 June 2022.
16. On 18 June 2021, the City's CEO wrote to the precinct partners about the City's concerns indicating that a significant revision of the current draft Agreement would be required for the City to consider it suitable for execution.

1 July 2022 to 30 June 2024 (Placemaking Services provided by Assembly & Co)

17. A further Agreement for the engagement of Assembly and Co was developed for the period 1 July 2022 to 30 June 2023. Provision was also made within the Agreement for an extension from 1 July 2023 to 30 June 2024. The current Agreement will lapse on 30 June 2024.

Discussion

18. The City has not been able to locate the Council resolution which authorised the inaugural Agreement for placemaking services at Cathedral Square. On this basis, and in light of the passage of time, it is appropriate for Council to re-visit this matter for the purposes of transparency and good governance ahead of any further proposal to extend is considered.
19. Payment of the City's contribution for placemaking services has been featured in the annual operational budget each year on the basis that the City has an agreement with its precinct partners.
20. A further agreement, referred to as the Civic Space Deed also exists for the purposes of security services, cleaning and maintenance.
21. Cathedral Square forms one small part of the entire City of Perth district. The City is still expected to deliver vibrancy and visitation outcomes throughout the district. The commitment for placemaking at Cathedral Square is unique - no other precinct within the district receives a guaranteed allocation to placemaking each year.
22. Activation levies are often considered for new precincts and developments in a bid to increase visitation whilst an area is new and establishing itself. The activation (and related costs) for placemaking services at Cathedral Square spans over 8 years at a cost of over half a million dollars (this represents the City's contribution only).
23. The City every year promotes a range of sponsorship and grant opportunities which may be accessed for the purposes of activating Cathedral Square.
24. A decision by Council at the March OCM will enable the CEO to notify the Cathedral Square precinct partners of its intentions beyond 30 June 2024, allowing for a 3 month notice period if necessary.
25. One of the precinct partners has recently proposed a new placemaking proposal (confidential attachment). The two year proposal provides for a management fee (\$100,000 per annum) and a placemaking activation fee (\$200,000 per annum). This cost is proposed to be equally shared amongst the four precinct partners.

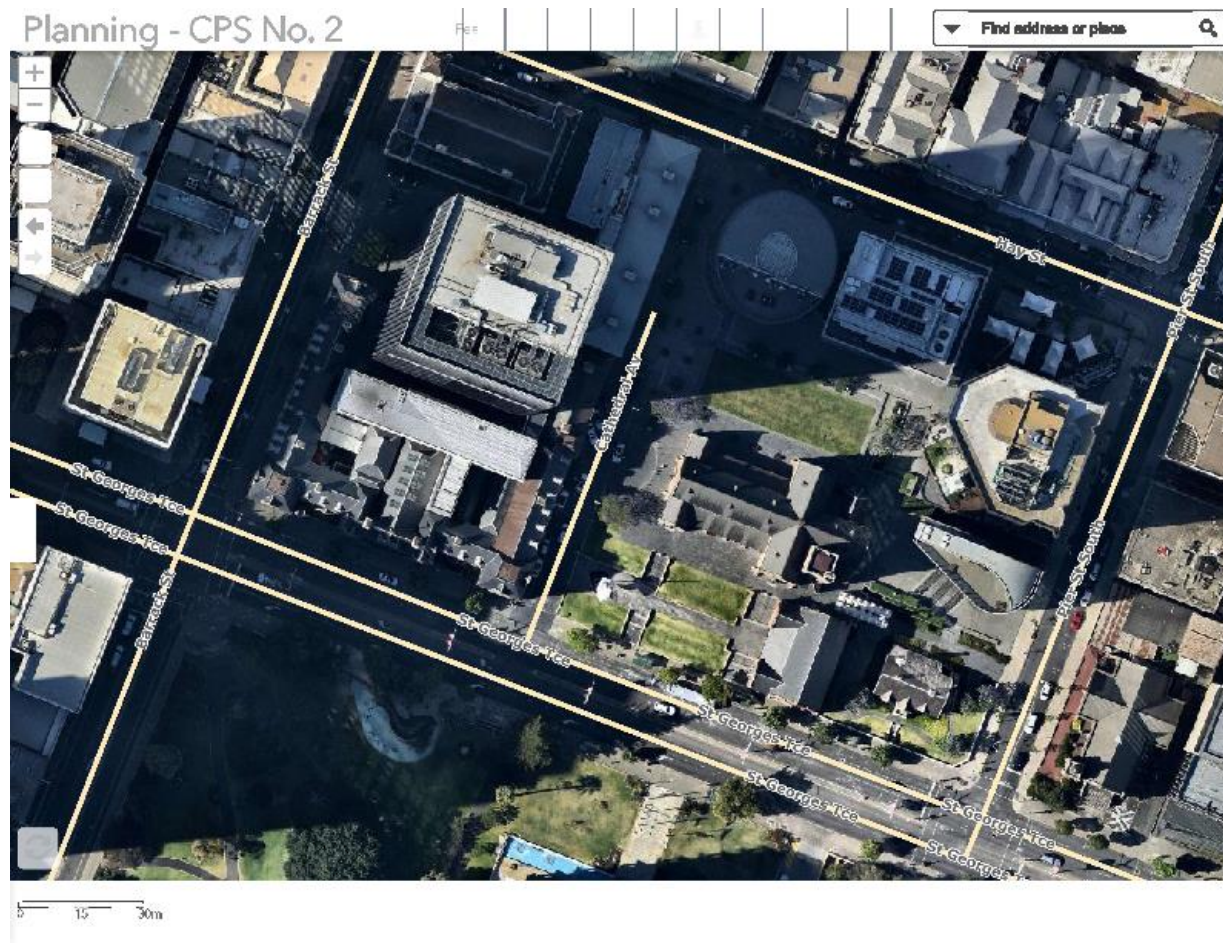
Consultation

26. As part of an elected member engagement session on 12 March 2024, a request was made to better understand the ownership of the shared space between the buildings; in addition to a better understanding what has been delivered through the placemaking arrangement.
27. The Cathedral Precinct land is owned by the Perth Diocesan Trustees.
28. The site is bordered by St Georges Tce to the south, Hay St to the north, Pier St to the east and Cathedral Ave to the west.
29. There are four buildings on the land:

- a. St George's Cathedral, 37 St Georges Tce.
- b. City of Perth Library, 573 Hay St.
- c. SAT building, 565 Hay St.
- d. Public Trustees building, 553 Hay St.

(The above buildings however don't align to the precinct partners which are party to the placemaking agreement which comprises the Hotel, David Malcolm Justice Centre, Library and the Cathedral.)

30. The Perth Diocesan Trust granted an easement in favour of the City and the public at large over the Plaza for 99 years from the date the City was granted a lease over the adjoining Library site.



31. In regards, to what has been delivered through the placemaking agreement, the 2022/2023 placemaking and activation strategy has been referred to. In summary, the following events and activations were featured:
- a. Blue Tree Project Takeover (June 2023 for 2 weeks) – talks and education focussing on mental health;
 - b. Historic Heartbeats (Feb 2023 for 3 weeks) – a lightshow involving music;
 - c. Stories in the Square (Feb 2023 for 3 weeks) – a series of performances both song and dance aligned to above;
 - d. Santa Storytime (Dec 2022 for 1 week);
 - e. Summer Yoga (Nov to Dec 2022 for 6 weeks) – complimentary;

- f. Picnics in the Square (Nov 2022 for 4 weeks) – ticketed event including performances and entertainment;
- g. Counter (Sep 2022 for 4 weeks) – a giant counter enabling people to be counted;
- h. Art Exhibition (July 2022 for 1 week); and
- i. Self Guided Heritage Tours (always on).

Decision Implications

32. Should Council support the officer’s recommendation, the CEO will notify precinct partners accordingly.

Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	A Well-Governed City
Related Documents (Issue Specific Strategies and Plans):	Nil.

Legislation, Delegation of Authority and Policy	
Legislation:	Nil.
Authority of Council/CEO:	Council.
Policy:	Nil.

Financial Implications

33. As outlined in paragraph 24.

Further Information

Nil.

17. Committee Reports

Nil.

18. Motions of which Previous Notice has been Given

This item will be dealt with at the Ordinary Council Meeting.

19. Matters for which the meeting may be closed

In accordance with Section 5.23(2)(a) of the Local Government Act 1995, the following Item 19.1 and its attachments are confidential.

- 19.1 CEO Key Performance Indicators update report - Q2 2023/24 (1 October 2023 - 31 December 2023)

Responsible Officer	Michelle Reynolds – Chief Executive Officer
Voting Requirements	Simple Majority
Attachments	Confidential Attachment 19.1A – CEO KPIs - 2023 / 2024 Attachment 19.1B – CEO KPI Update Report - Q2 2023/24 (1 October 2023 - 31 December 2023)

20. Urgent Business

This item will be dealt with at the Ordinary Council Meeting.

21. Closure