



City of **Perth**

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# Agenda

Agenda Briefing Session

3 December 2024

Notice of Meeting

To the Lord Mayor and Councillors

The next Agenda Briefing Session will be held on Tuesday, 3 December 2024 in the Council Chamber, Level 9, 27 St Georges Terrace, Perth commencing at 5:00pm.

**Michelle Reynolds**

Chief Executive Officer

29 November 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](mailto: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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**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 Hay Street – William to Elder Streets – Revitalisation Final Concept

Responsible Officer	Robert Farley – A/General Manager Planning and Economic Development
Voting Requirements	Simple Majority
Attachments	Attachment 11.1A – Hay Street Revitalisation - William to Elder - Streetscape Revitalisation - Final Concept Plan <a href="#">↓</a> Attachment 11.1B – Hay Street - William to Elder - Streetscape Revitalisation - Cost Options <a href="#">↓</a> Attachment 11.1C – Hay Street - William to Elder - Streetscape Revitalisation - Draft Concept Plan - Consultation Summary - Key Stakeholders <a href="#">↓</a>

### Purpose

To present the final Concept Plan for Hay Street – William to Elder – Streetscape Revitalisation for approval.

### Recommendation

That Council:

1. APPROVES the conversion of Hay Street between William and Elder Street from one-way to two-way with appropriate supporting works.
2. APPROVES Option 1, as set out in **Attachment B**, as the first stage of the revitalisation of Hay Street between William and Elder Street.
3. ENDORSES the staging of future works for the revitalisation of Hay Street between William and Elder Street, with the works identified in the Final Concept Plan, as set out in **Attachment A**, being appropriately accommodated within the City's Long Term Financial Plan.

## Background

1. The Two-Way Street Program has been progressively implemented since the mid-2000s to improve the legibility of city streets and the movement of vehicles
2. The City has successfully converted streets to two-way operation, many of which supported major developments such as Elizabeth Quay and Perth City Link to proceed. The program has also enabled the Public Transport Authority to expand their CAT bus services.
3. Hay Street from William Street to Elder Street is the last remaining one-way street in Central Perth and sits within a residential growth area as identified in the City's Local Planning Strategy.
4. Since the street was last upgraded from 2003-2007, ad hoc changes to on-street parking, the lack of a holistic lighting treatment, a mix of materials and finishes and lack of consistent tree canopy has resulted in a cluttered and poor-quality public realm.
5. Enhancing the streetscape and converting traffic to two-way will align Hay Street (from William to Milligan) with the recent investments made by the City in the East End Revitalisation.
6. At the 30 July 2024 meeting, a draft Concept Plan was approved for the revitalisation of Hay Street (William to Elder) for the purposes of community consultation.

## Discussion

7. The Hay Street - William to Elder Streetscape Revitalisation project has a dual focus of improving the public realm to encourage investment and activation, while also improving the road network.
8. It is proposed that the implementation of the revitalisation concept plan will be staged. This will enable the progressive improvement to the public realm and managing the impact on businesses during construction. Stage 1 will focus on the conversion of the street from one-way to two-way.
9. Options on the extent and cost of works to be included in stage one has been investigated and are included in Attachment 0.0B, with Option One recommended.
10. Future project stages will encompass the following key elements:
  - a. *Addressing current challenges*: Issues such as obstructed parking bays, insufficient footpath space, poor tree health, and inconsistent street lighting.
  - b. *Design enhancements*: Emphasis is placed on expanding footpaths, increasing tree canopy coverage, enhanced lighting and improving both personal and road safety.
  - c. *Parking*: Community feedback requesting additional parking has been thoughtfully integrated into the design changes. This approach ensures that common issues such as awning damage, and visibility out of driveways with the new two-way traffic are carefully managed.
  - d. *Urban greening*: 57 existing trees to be retained and up to 74 new street trees to be planted.
11. Overall project objectives include:
  - a. Strategic alignment with other City strategies and plans.
  - b. Greater amenity to support the future growth of the West End of Central Perth.
  - c. Improved permeability and safety achieved through the conversion of the street to two-way traffic.

- d. Revitalised public realm befitting of a central city street in a capital city.

### Parking – Future Stages

- 12. There is a significant amount of off-street parking bays, with 1,354 spaces available along Hay Street within three multi-storey car parks. Therefore, detailed analysis of the existing on-street parking was undertaken to understand what opportunities were available to improve the streetscape and footpath widths.
- 13. High demand for some on-street parking locations was observed and retained where possible to support local businesses. The following changes are proposed in the future:
  - a. The existing ten (10) loading areas along the street will be adjusted to accommodate eight (8) fit-for-use bays to provide convenient locations for loading activities.
  - b. The number of short-term bays is currently 16 comprising a mix of 5-minute (12) and 15-minute bays (4). In the final Concept Plan, all these short-term bays will be converted to 10 bays with a 15-minute limit. These short-term bays are predominantly located outside the hotels and QV1.
  - c. The final Concept Plan includes 21 one-hour parking bays, mainly near Elder Street.
- 14. In addition to the broader streetscape revitalisation, feedback regarding coach parking has also been addressed. Due to limited kerbside space in Central Perth, exclusive coach parking is not feasible. Furthermore, where coach bays have been provided, for example in East Perth, they typically have only a 40% occupancy rate.
- 15. The City has the following provisions to manage coach parking in Hay Street:
  - a. *Flexible parking options*: Coaches are permitted to use pick-up/drop-off bays across Central Perth and may also double park for these purposes.
  - b. *Designated coach layover areas*: The City has designated layover areas around the city, and coach companies can contact the City for information on these locations.
  - c. *Bus stops for passenger exchange*: Coaches are permitted to drop off and pick up passengers at bus stops.
  - d. *Reserved coach bays*: The City can be contacted to reserve bays specifically for coach use or assistance in locating suitable locations to drop off/pickup and layover areas.
- 16. In addition to the parking data analysis, the following has been used to inform the final Concept Plan:
  - a. Pedestrian volumes, activity, and desire lines.
  - b. Street tree health assessment by a specialised consultant.
  - c. Universal access and inclusion assessment by a specialised consultant
  - d. Traffic data and modelling.
  - e. Best practice and lessons learnt from previous projects.
  - f. Alignment with the City's Design and Construction standards.
  - g. PTA and Main Roads WA feedback.
- 17. The following key considerations will also underpin the detailed design:
  - a. Ease of ongoing maintenance.
  - b. Crime prevention through environmental design.

- c. Relevant Australian Standards and *Disability Discrimination Act (DDA) 1995*.
- d. Traffic modelling.
- e. Road Safety Audits.
- f. PTA and Main Roads WA requests and approval requirements.

## Consultation

- 18. Community Engagement was undertaken on the Draft Concept Plan from 1 August – 16 August 2024.
- 19. The following engagement tools were used:
  - a. Letter Drop – letters were hand delivered to properties along Hay Street from William to Elder Street.
  - b. Meetings – all key stakeholders e.g., hotels, QV1, Central Park and Wesley were contacted to arrange face to face meetings.
  - c. Signboards – 13 signboards with QR codes linking to the Engage Perth website were installed along the length of the street.
- 20. A total of 277 survey responses were received at the close of the consultation period.
- 21. Key themes from the feedback on Engage Perth included:
  - a. Perceived congestion from changes to traffic movement.
  - b. Suggestions to fully pedestrianise the street (including removing all parking).
  - c. Suggestion to create a bicycle friendly street (including removing all parking).
  - d. Requests for more loading zones and pick up and drop off.
  - e. Current poor perceptions of safety.
  - f. Overall support for the project including requests for decluttering and more greening.
- 22. The City gathered feedback from key stakeholders on Hay Street, including hotels and major property owners. All stakeholders expressed support for the revitalisation project, recognising that significant public realm improvements would enhance street activation and attract business investment. However, the Holiday Inn, His Majesty's Theatre, and QV1 raised concerns about potential congestion from the two-way street conversion. Additionally, several stakeholders, including the Australian Hotels Association WA and various hotels, requested more parking and better access to loading areas—concerns that have been addressed in the final concept plan.

## Decision Implications

- 23. If Council supports the recommendation, detailed design will commence.
- 24. If Council does not support the recommendation, the project will not progress to the next stage of design.

## Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Liveable
Related Documents (Issue Specific Strategies and Plans):	Corporate Business Plan 2022/23 - 2025/26 Local Planning Strategy Urban Greening Strategy 2023 – 2036 Transport Strategy Two Way Streets Program Urban Forest Plan 2016 Street Tree Guide Sustainability Strategy 2022-2032 Sustainability Implementation Plan Social, Health and Wellbeing Strategy 2023 – 2033 Public Lighting Framework Walking in the City Plan 2025 – 2035 Bike Plan 2025 - 2035

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

## Financial Implications

25. Since the allocation of \$7 million in the LTFP for the Hay Street – William to Elder Streets project in 2021 there have been significant cost increases in Perth including:
- a. Increased actual construction costs. These cost increases have been identified from current work on Hay Street two-way conversion in East Perth at a cost of \$10 million which includes new street lighting, modifications to ~50% of the kerb lines, additional new paving where required and additional street trees.
  - b. Construction cost escalation remains above CPI because of lingering supply chain challenges and capacity to deliver in an overheated civil infrastructure market.
  - c. Major construction traffic management regimes have significantly increased costs following State Government implementing the Main Roads Western Australia (MRWA) State Road Traffic Management Company Registration Scheme (Registration Scheme as of 1 July 2024. This requires all traffic management activities on state roads to be completed by registered traffic management

companies which has resulted in specified increased pay rates which are now typically 30-40% greater when compared to the previous tendered rates.

26. The following project options have been developed to inform the scope of stage one of the implementation, with consideration of other priorities and internal resources. As part of a mid-year review and update of the Long-Term Financial Plan (LTFP), these options account for known revenue changes and adjusted cash flow timings. This process has enabled an assessment of the City's short-term, medium-term, and long-term sustainability for each option discussed below.
27. It is important to note that the below costings are based on 2024 figure, further stages will require a review of market costs given the likelihood of cost escalations in outer years.
28. **Option 1:** \$4 million – two-way street conversion which requires modifications to the intersections including some additional lighting and signs and line marking.
29. **Option 2:** \$11 million – includes new street lighting throughout and replacement of existing poorly performing street trees. Option 2 can be accommodated within current financial parameters by adjusting some other project timelines to reflect realistic financial and delivery capacity.
30. **Option 3:** \$14 million – Includes new kerb alignment, retention of existing paving and new paving where required, additional street trees and replacement of existing poorly performing street trees and additional way-finding signage.

**Option 3** can be accommodated within overall LTFP financial parameters by adjusting the timing of several other major discretionary projects to reflect realistic financial and delivery capacity. All projects with existing notional allocations can be accommodated over the ten-year life of the LTFP.

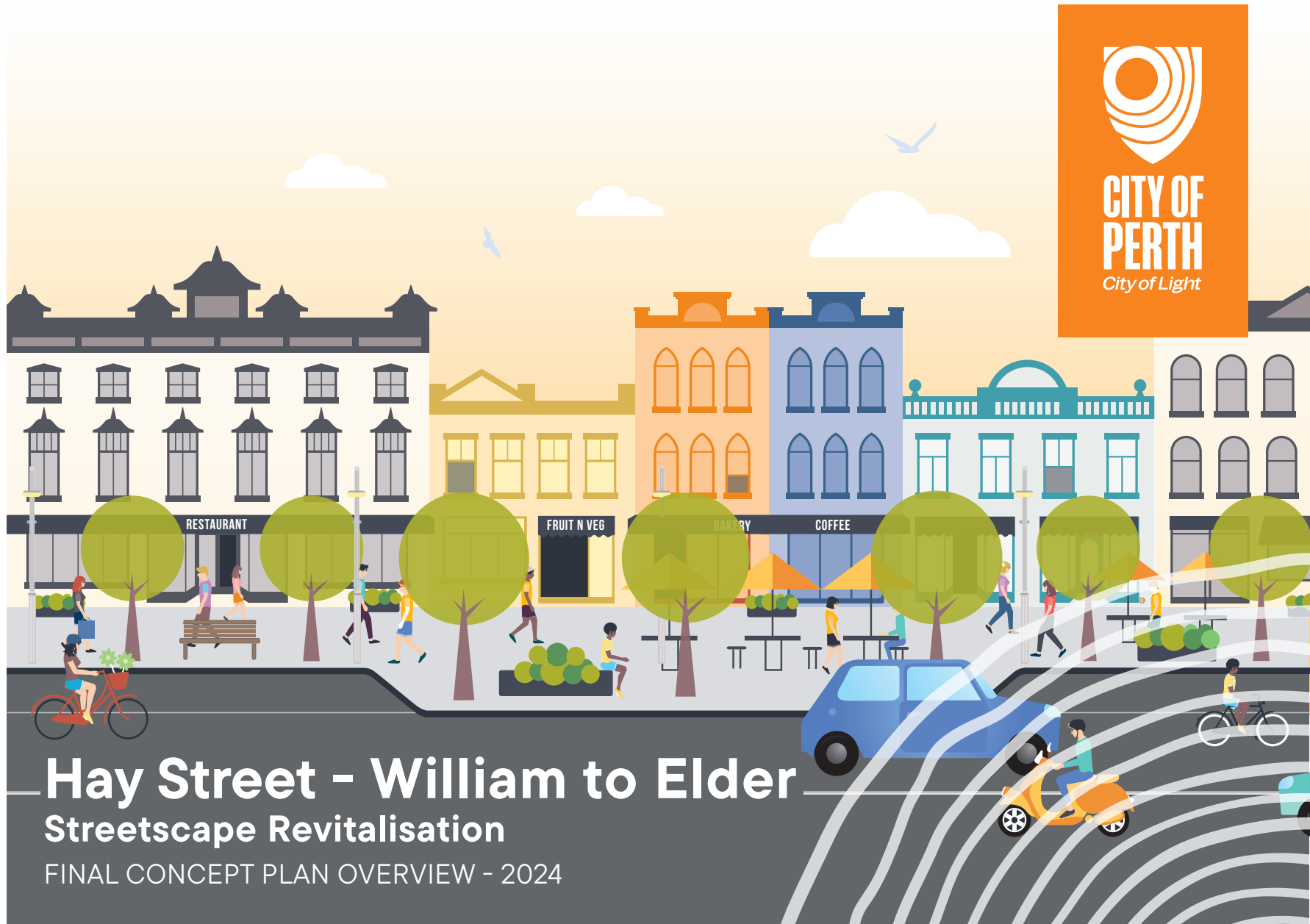
**Option 3** budget is the maximum amount available under the modified LTFP.

31. **Option 4:** \$20.6 million - additional \$6 million allowance for substantial renewal and high-quality enhancement of the streetscape – including granite kerbing, public art, heritage interpretation signage, feature lighting, additional street trees and planters.

Option 4 cannot be accommodated within overall LTFP financial parameters and funding pool without removing some other project and deferring the timing of other discretionary projects that currently have notional funding.

## Further Information

Nil.





## Acknowledgment of Country

The City of Perth acknowledges the traditional custodians of the land that we are situated on, the Whadjuk people of the Nyoongar nation and Aboriginal people from other lands. We celebrate the continuing traditions, living culture, and the spiritual connection to Boorloo and the Derbarl Yerrigan. We offer our respects to Elders past and present.

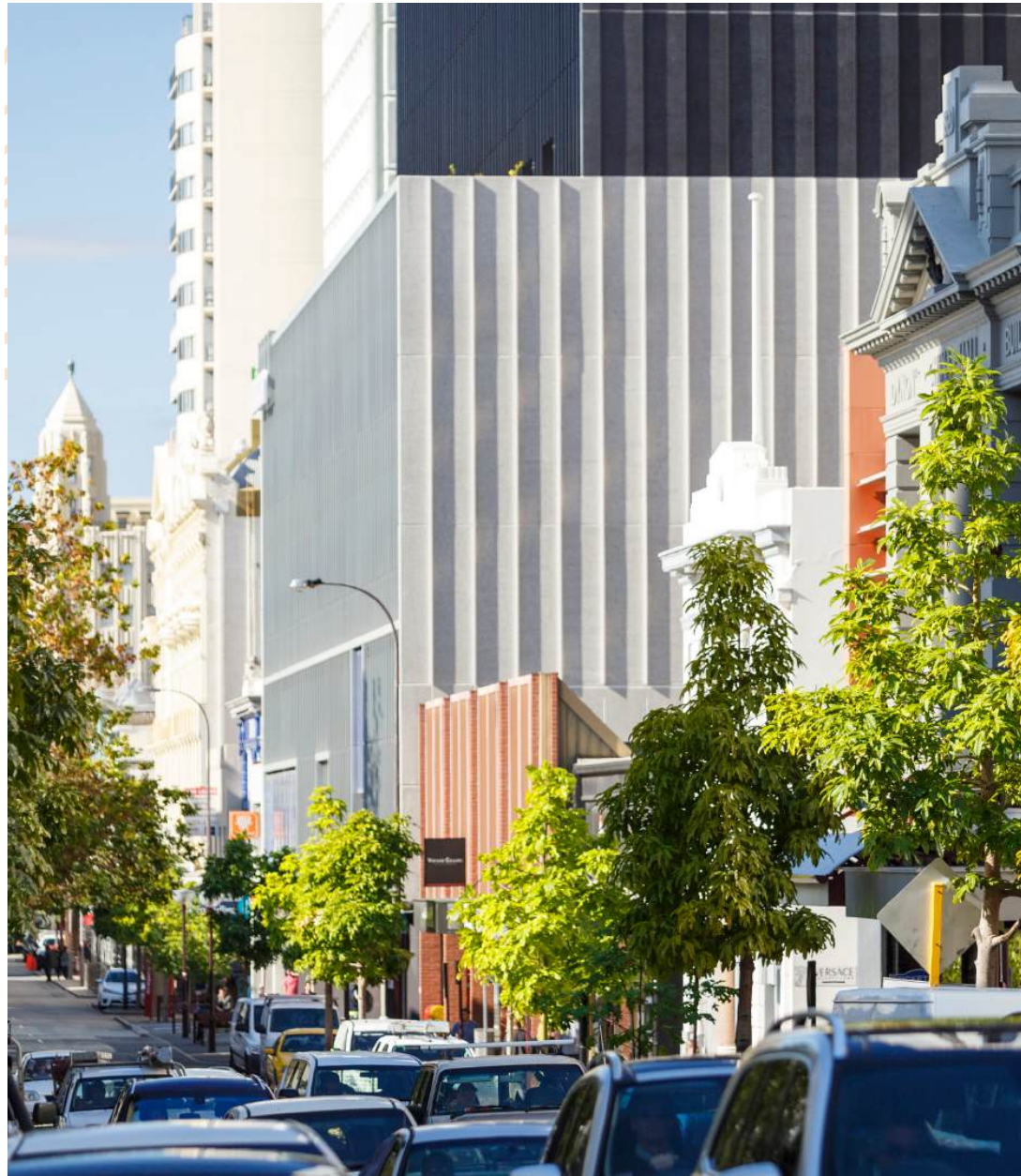
*Nyoongar Translation*

*The City of Perth kaditj kalyakool moondang-ak kaaradj midi boodjar-ak ngala nyinny, Whadjuk Noongar yoongar wer bandany Aboriginal yoongar yooarme boodjar-ool. Ngalangwoola Boorloo wer Derbal Yerrigan kalyakoort, wongin kadadjiny wer, wirn-yoodan. Ngalang kaditj Birdiya koora wer yeyi moondang-ak kaaradjiny.*

### **Disclaimer**

The information provided within this study does not claim to be comprehensive. The study is a snapshot in time. The City of Perth does not accept any responsibility or liability for any loss or other consequence which may result from any reliance on the information contained in this study.

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# Introduction

## Purpose of this document

The city's streets play a central role in creating its vibrancy. Streets are the city's most extensive, visible, and important public spaces. They serve as the arteries of the city, facilitating not only traffic but also fostering community interaction. Streets connect the city's fabric and help to unify its perceived image and overall experience.

Hay Street is designated as a 'City Avenue' within the city's street network hierarchy. Work completed in 2021 on Hay Street from Pier Street to Victoria Avenue, has significantly improved the pedestrian environment and permeability with the introduction of two-way traffic. The next stage of enhancement proposed for Hay Street is from William to Elder Streets; this area constitutes the physical scope of this study.

This document outlines the current conditions, key issues, and opportunities which have informed the development of a concept plan.



**“Streets often account for 80% of public open space in cities.”**

- Gehl Architects

## Strategic Context

The following high level diagram outlines the relationship between various endorsed strategies which will underpin the Hay Street Project:



## Two Way Streets Program

Following the rollout of various projects in the 1990s as part of the State Government's Perth City for People – Central Perth Access Plan, it became evident that the City's one-way street system was having a negative impact on pedestrian amenity and the local economy.

The Two-Way Street Program was developed in the early 2000s. The program ensures pedestrians and placemaking are prioritised by:

- Creating destinations, rather than fast-moving routes for vehicles passing through.
- Providing permeability, legibility, choice of routes, and ease of access for city residents and businesses.

The City of Perth's Two-Way Streets program is a key strategic move that will continue to drive the transformation of public space in the city.



Publication: Two-way Streets Program



City of Perth's Two-Way Streets Program

### Benefits of Two-Way Streets:



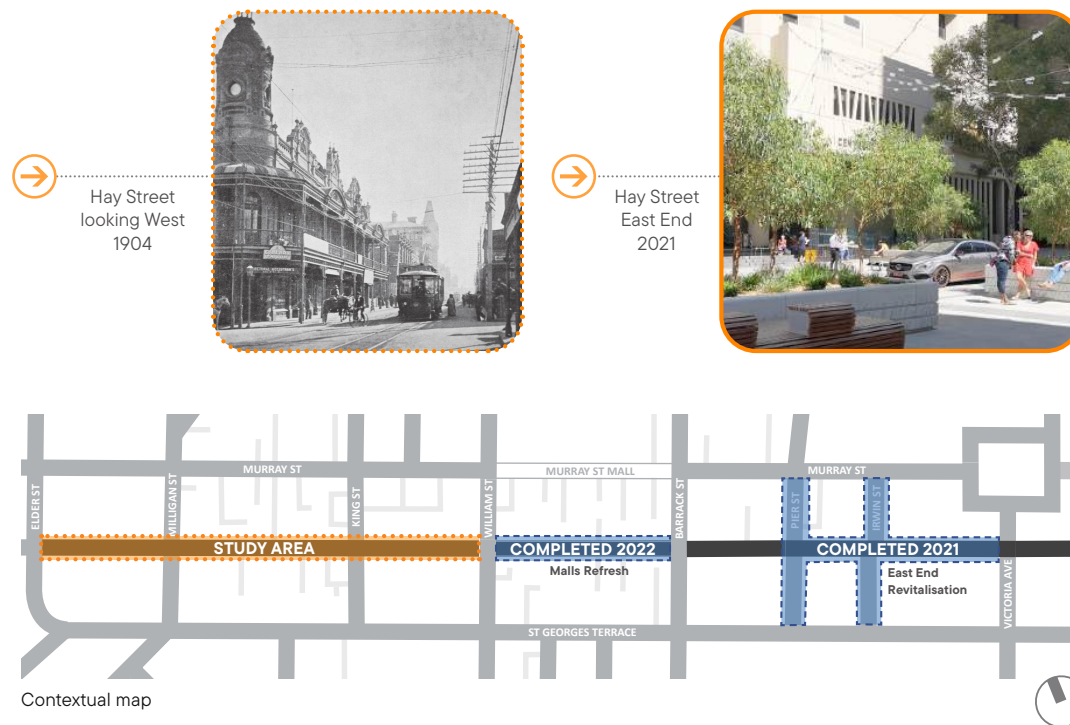
## Context and History

The land in and around Central Perth holds immense cultural significance for the traditional owners, the Whadjuk Nyoongar people. Tom Bennell, a Whadjuk/Balardong Custodian, referred to Perth as Beerit, signifying pathways, owing to its vital role in meetings, travel, and trade.

The ridge line, known as Byerbrup, stretches from Mt. Eliza (Gatagup – the place down by the hillside, serving as the primary camp for the Whadjuk Nyoongar people) to Heirisson Island (Matagarup – the place of holes, recognised as a productive fishing spot). This ridge line essentially corresponds to the approximate location of present-day Hay Street (Hocking Planning and Architecture, 2011) (Collard and Jones, 2014).

At only 16 metres wide, Hay Street was built in the 1830's as part of the township's original urban structure and is one of the few streets that extends outside City of Perth boundaries. Its narrowness was intentional as it was seen as a 'back street' to service the more important prestigious St Georges Terrace. This function persists even today.

The street was named after Robert William Hay, the Permanent Under Secretary for Colonies. The portion east of Barrack Street was once called Howick Street. The section between William and Barrack Street was made a pedestrian mall in 1972, which was one of the first in Australia.



# Hay Street Today

## Current Snapshot

Traditional fine grain development, narrow tenancies, two or three-storey historic facades, transparent shop fronts, and awnings are typical of Hay Street - William to Elder. Landmark buildings include His Majesty's Theatre, The Melbourne Hotel and QV1. Frequent pedestrian connections through laneways and arcades are provided within the street block.

The following characteristics define the street today:

- East/west route (pedestrians)
- Narrow in scale with its own microclimate
- One-way traffic west bound
- Mixed landuse with limited evening economy
- Service function
- CAT bus route
- Heritage buildings
- Permeable city grid
- Colonnaded walkways
- Indirect and inconsistent footpaths
- Bookended by the freeway

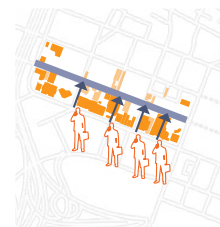
### Hay Street - William to Elder



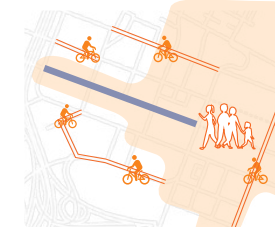
Permeable grid



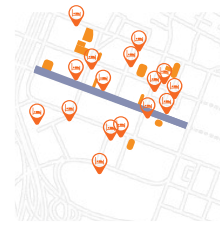
Well connected to public transport



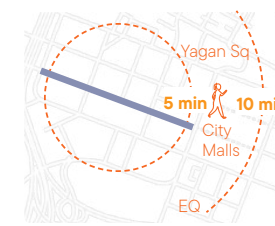
Strong relationship to the Terrace



Bike connections and Pedestrian Priority Zone\*



Hotels and apartments



Walking distance

#### Central Perth Profile

**190,000 +**  
Daily visitors

Method of travel to work - ABS 2021

16.4%	1.4%	23%

Residential population increase

5672	6451	12375
2016	2023	2036

Common dwelling type

70%  
1 and 2 bedroom apartments

29 Hotels /  
4747 hotel rooms  
in 2020

Data extracted from Local Planning Strategy 2023

\*Pedestrian Priority Zone - Perth Parking Management Act

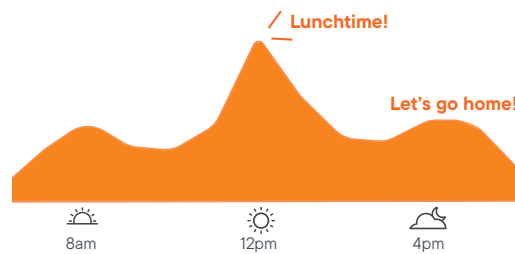
## Pedestrians

Hay Street experiences significant pedestrian activity on weekdays, with the highest concentrations observed just west of William Street.

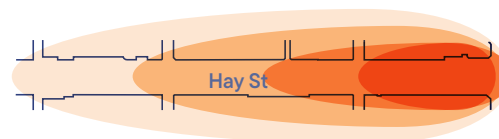
The footpaths along the street are typically narrow and convoluted, largely due to a significant portion of the street being allocated to kerbside parking and the associated clutter it brings. Colonnades delivered as part of the Hay Street Widening Policy has produced mixed results.

During weekdays, there are distinct peaks in pedestrian activity during the morning, lunchtime, and early evening highlighting that office workers in the area are the primary users of the street.

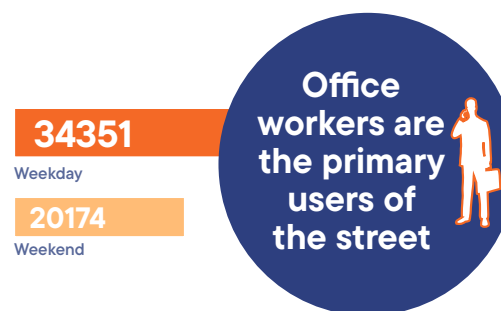
The presence of bus stops on William Street, between Murray and Hay Streets, contributes to the high pedestrian numbers at Hay Street. Pedestrian numbers notably decline sharply west of Shafto Lane, correlating with a decrease in the worker catchment area. Additionally, CAT bus services along Hay Street provide a convenient alternative to walking, further impacting pedestrian numbers.



Weekday peaks: Morning, noon, early evening



Pedestrian activity declines towards the West

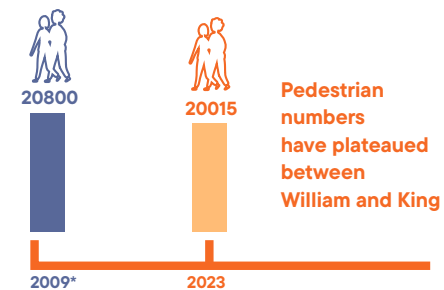


Pedestrian numbers - Hay Street - William to Elder



Hay Street experiences periods of overcrowding, with up to 14 pedestrians per minute per metre footpath width\*

\*The footpath width required to comfortably accommodate 12 pedestrians per minute per metre. Anything above this limit is considered overcrowding. - Source: Gehl Architects



\*Data extracted from Gehl Architects - Perth 2009 Public Spaces & Public Life

2009 vs 2023 Hay Street - William to King

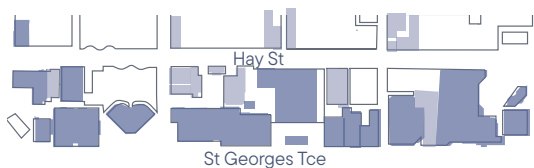
## Stationary Activity

Analysis was undertaken at lunchtime on a typical weekday to understand what other activities dominate Hay Street's public realm.

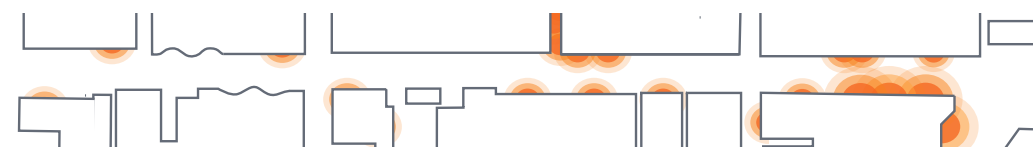
Common activities observed included people engaging in conversations, smoking outside their offices, or sitting in outdoor dining areas and on public seating. These types of activities indicate that people generally feel safe and enjoy being in the street.

However, these activities witness a significant decline after hours, as city workers depart, and businesses shut down for the day.

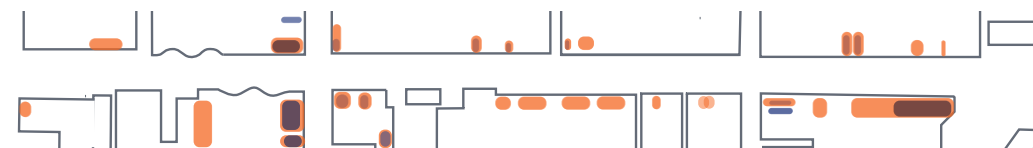
During the late evening and on weekends large sections of Hay Street become deserted due to a lack of residents and limited after-hours activity to attract people to the street.



Offices on Hay Street and St Georges Tce



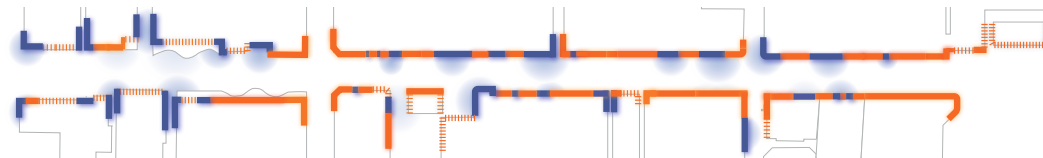
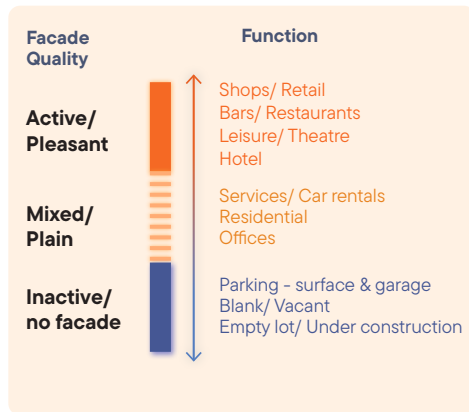
Activity hot spots Outdoor dining



Food & Beverage Day Night



Stationary activity count at 12 noon, Wednesday, 1 November 2023



Ground floor functions

Graphics adapted from Gehl Studio - Denver 16th Street Mall Study 2016



*“Studies from cities all over the world illuminate the importance of life and activity as an urban attraction. People gather where things are happening and spontaneously seek the presence of other people.”*

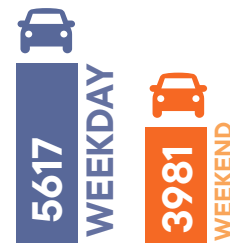
- Gehl Architects

## Vehicles

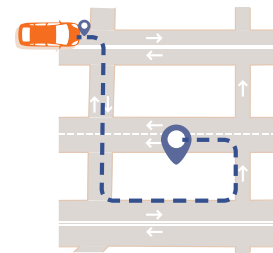
Hay Street, William to Elder, serves primarily as a one-way service corridor, with approximately 5150 vehicles per day.

While some vehicles are on local errands, others are passing through to different destinations. The latter is impacted by this section of Hay Street remaining one-way within a predominantly two-way street network. This generates additional vehicle journeys along Hay Street, and the poor legibility of the network results in up to 24 cars a day traveling the wrong way.

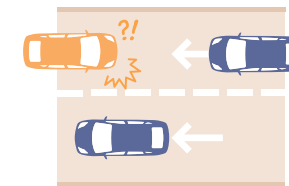
Waste services are well accommodated using laneways off Hay Street or serviced from parallel streets. However, where kerb collection does occur, it negatively impacts daily activities and pedestrian amenity along Hay Street.



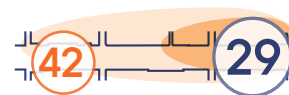
Average number of vehicles daily



Circulation issues caused by one way street



24 Average number of cars going in the wrong direction daily



Average speed increases where there is less activity



14 Properties put bins out for kerb collection



Number of bins for kerb collection on Hay Street



































































## 11.2 Draft Mount Street Character Area Local Planning Policy

Responsible Officer	Robert Farley – A/General Manager Planning and Economic Development
Voting Requirements	Simple Majority
Attachments	Attachment 11.2A – Mount Street Character Area Location Plan <a href="#">↓</a> Attachment 11.2B – Mount Street Character Area Local Planning Policy <a href="#">↓</a> Attachment 11.2C – Built Form Concept Images - Mount Street Character Area <a href="#">↓</a>

### Purpose

For Council to consider the preparation and advertising of the draft *Mount Street Character Area Local Planning Policy* (LPP).

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### Recommendation

That Council, in accordance with clause 4 of Schedule 2 of the *Planning and Development (Local Planning Schemes) Regulations 2015* (the Deemed Provisions), RESOLVES to prepare and advertise the draft *Mount Street Character Area Local Planning Policy* as shown in **Attachment B** to this report.

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## Background

### Location

1. The Mount Street Character Area is located in the Central Perth neighbourhood, bound by Malcolm Street to the north, the Mitchell Freeway to the east, Mounts Bay Road to the south and Cliff Street and Bellevue Terrace to the west. The Mount Eliza escarpment is a prominent feature within the character area. A location plan is provided as **Attachment A**.

### Current Local Planning Policy

2. The City's *Mount Street Design Policy* currently applies to the Mount Street Character Area. It is intended to be replaced by the draft Mount Street Character Area LPP.

### Local Planning Strategy

3. The City's Local Planning Strategy (Strategy) sets out the strategic direction for the future planning and development of the city, to be implemented via the new local planning scheme and supporting local planning policies. The Strategy was adopted by Council on the 13 December 2022 and endorsed by the Western Australian Planning Commission (WAPC) on 30 May 2023.
4. The Strategy identifies several character areas within the city, including the Mount Street Character Area. These areas have unique built and landscape elements that create a special sense of place.
5. The Strategy includes an action to refine existing and/or introduce planning provisions to ensure that important elements of built and landscape character in Mount Street are reinforced and enhanced in new development.

### Draft Local Planning Scheme No. 3

6. On 30 April 2024, the Council resolved to seek approval from the WAPC to advertise draft Local Planning Scheme No. 3 (LPS3). Draft LPS3 will replace all existing local planning schemes within the city.
7. There are approximately 100 local planning policies that support the existing local planning schemes. These are being replaced and consolidated into a set of new contemporary local planning policies, with key policies, including the draft Mount Street Character Area LPP, intended to be advertised concurrently with the draft LPS3.
8. Under draft LPS3, the Mount Street Character Area comprises zonings of Mixed Use for lots fronting Mounts Bay Road, and Residential for the remaining area. The maximum base plot ratio ranges from 3.5:1 to 2:1, with a maximum bonus plot ratio of 1:1 for lots north of Mount Street and 0.5:1 for lots south of Mount Street and Bellevue Terrace. The plot ratios align with the built form parameters proposed in the draft Mount Street Character Area LPP.

### State Government Planning Framework

9. The State Government requires the Residential Design Codes (R-Codes) to be applied across the city to ensure a consistent approach to residential development throughout the State.
10. Local governments can prepare local planning policies for residential development that amend or replace certain development provisions of the R-Codes. Some variations to the development provisions only require local government approval, and some require the approval of the WAPC.
11. A portion of the Mount Street Character Area is affected by the State Government's Parliament House Precinct Policy (PHPP) and associated *Metropolitan Region Scheme* Clause 32 which requires development applications within the area to be referred to the WAPC for determination. The City is unable to vary the provisions of the PHPP. It is currently under review by the State Government.

12. A portion of the Mount Street Character Area is also located in a bushfire prone area due to the proximity to Kings Park and Mount Eliza escarpment. New building and development in the bushfire prone area is required to address *State Planning Policy 3.7 Bushfires* and associated guidelines which seeks to manage and/or mitigate bushfire risk. These requirements are to be addressed in conjunction with the local planning framework.

## Discussion

13. The Mount Street Character Area includes the Mount Street Character Area identified in the Strategy as well as the mixed use area fronting Mounts Bay Road. The mixed use area has been included in the proposed Character Area as it is currently subject to the Mount Street Design Policy and requires similar built form considerations due to its location abutting the Mount Eliza escarpment.
14. The following character statement describes the unique elements of the Mount Street Character Area:  
*The Mount Street Character Area is a leafy inner city residential neighbourhood set within the steep slope of the Mount Eliza escarpment, with streets shaded by mature trees with large canopies. The area predominantly features low-medium rise apartment buildings, with side setbacks creating visual gaps through to the escarpment, the Swan River, Kings Park and city. Buildings along Mount Street West and Malcolm Street respond to the topography, with landscaped street setbacks. Buildings along Mounts Bay Road have a reduced or nil street setback. Building materials largely comprise of natural stone, cement render and painted render, with older lower rise buildings comprising of face brick, natural stone and red terracotta roof tile.*
15. This character statement informs the key objectives of the policy which are:
- To encourage low-medium scale residential development, along with medium scale mixed-use development along Mounts Bay Road, within a high quality landscaped setting.*
  - To preserve and protect the natural form of the Mount Eliza escarpment, ensuring development respects the visual prominence of the escarpment.*
  - To ensure the quality of landscaping and street interface is reflective of the importance of the area as a key gateway to the city and Kings Park.*

## Building Heights and Setbacks

16. The Strategy identifies the Mount Street Character Area as a medium scale residential and medium scale mixed use area within a landscaped setting, with an indicative height of up to 12 storeys.
17. The draft LPP remains consistent with the height and setback parameters set out in the current Mount Street Design Policy.
18. The maximum building heights are set out in 5 sub-areas to follow the topography of the area. Building height at the top of the escarpment steps down from 24m for lots along Malcolm Street to 19m for lots on the south side of Mount Street and Bellevue Terrace. At the bottom of the escarpment towards Mounts Bay Road, building heights are to be between 20.6m to 32m (measured from the Australian Height Datum). Images of the proposed built form are provided in **Attachment C**.
19. The building heights broadly align with the indicative heights of the Strategy. The Strategy states that the indicative building heights are a guide only and will be further investigated in the context of neighbourhood and character areas through the planning scheme review.
20. The building height controls under the Parliament House Precinct Policy will continue to apply to a portion of the area and need to be considered in conjunction with the building heights of the draft LPP.

21. The draft LPP retains street setbacks of nil for mixed use lots that front Mounts Bay Road, and 4.5m for the remaining residential area. A side setback of 3 metres applies to all lots. These setbacks reinforce the established built form and landscape setting of the residential area, with the side setbacks providing visual permeability between buildings and opportunity for views towards the escarpment and the Swan River.
22. The rear setback is generally consistent with the existing requirements, requiring a setback of 3m, except for lots that abut the escarpment. The rear setback for lots at the top of the escarpment is to a line defined in a feature survey in the draft LPP, typically being the setback of current buildings. Buildings at the bottom of the escarpment are required to be consistent with the setback of the existing buildings. This is to ensure protection of the escarpment.

#### Building Design

23. The draft LPP's building design provisions seek to enhance the character of the area and create high quality residential and mixed use buildings which complement the established streetscape and do not compromise the escarpment, and views to and from the surrounding area.
24. The provisions provide guidance on materials and finishes, vehicular access and car parking, fencing, and landscaping requirements.
25. Other requirements regarding the public realm interface, and articulation and detailing of buildings will be in accordance with the General Design Local Planning Policy and the R-Codes. Broadly these requirements will ensure that new development provide interaction with the street, respond to the topography and reflect existing built form qualities of the area.

#### Car Parking

26. The R-Codes Volume 2 require that car parking areas are not located within the street setback area, are not visually prominent from the street and are designed, landscaped, or screened to mitigate visual impacts.
27. The draft LPP requires car parking areas to be incorporated in a building. Screening is not considered sufficient as the parking areas will still be visible and detract from the landscaped setting of the area.
28. This modification to the R-Codes will require the approval of the WAPC.

#### Landscaping

29. The R-Codes Volume 2 does not include a requirement for landscaping within the street setback area or for a percentage of the site to be landscaped. It only requires 10% of the site area to be provided with deep soil area and a minimum tree requirement.
30. The draft LPP requires a minimum of 75% of the required street setback to be comprised of soft landscaping. This landscaping will contribute to the already established landscaping and mature street trees within the character area.
31. The definition of 'soft landscape' in the R-Codes is any landscaped area with a minimum soil depth of 300mm that contains in-ground planting including turf. The draft LPP proposes to increase the minimum soil depth to 1 metre which will provide sufficient soil depth for the landscaped area to be planted with large shrubs and small trees.
32. These modifications to the R-Codes will require the approval of the WAPC.

## Consultation

33. The draft LPP is required to be advertised for 21 days under the *Planning and Development (Local Planning Schemes) Regulations 2015* but, given its relationship with the draft LPS3, the draft LPP will be advertised concurrently for 90 days. Commencement of advertising is dependent on the WAPC providing consent to advertise the draft LPS3.

## Decision Implications

34. If Council supports the recommendation, the draft LPP will be advertised with draft LPS3 and the suite of key supporting policies.
35. If Council does not support the recommendation, draft LPS3 will be advertised without one of the supporting local planning policies and the Strategy will not be implemented.

## Strategic, Legislative and Policy Implications

Strategic Community Plan	
Strategic Pillar (Objective)	Liveable
Related Documents (Issue Specific Strategies and Plans):	<u>Local Planning Strategy</u> The draft Mount Street Character Area LPP is consistent with the planning direction of the Local Planning Strategy.

Legislation, Delegation of Authority and Policy	
Legislation:	Planning and Development (Local Planning Schemes) Regulations 2015 (Schedule 2 clause 4)
Authority of Council/CEO:	Under the LPS Regulations, the local government must resolve to prepare a local planning policy, which if supported, must be advertised in accordance with the Regulations.
Policy:	Nil.

## Financial Implications

36. An amount of \$59,500 has been set aside as part of the City's 2024/25 budget to advertise and undertake consultation on the new LPS3 and key supporting local planning policies.
37. This will enable community information sessions with information boards, hire of the City of Perth library auditorium, public notices, and advertisements in newspapers, as well as letters to all city ratepayers.

## Further Information

38. Nil.





































### 11.3 Modifications to Existing Planning Policies and Design Guidelines for Claisebrook Village and New Northbridge Normalised Redevelopment Areas

Responsible Officer	Robert Farley – A/General Manager Planning and Economic Development
Voting Requirements	Simple Majority
Attachments	Attachment 11.3A – Location Plan <a href="#">↓</a> Attachment 11.3B – Draft Local Planning Policies <a href="#">↓</a>

#### Purpose

For Council to:

- consider modifications to two overarching planning policies and 20 related design guidelines within the normalised redevelopment areas of Claisebrook Village and New Northbridge, as part of the implementation of draft *Local Planning Scheme No. 3*.
- resolve whether to advertise the draft local planning policies for public consultation.

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#### Recommendation

That Council in accordance with clause 4 of Schedule 2 of the *Planning and Development (Local Planning Schemes) Regulations 2015* (the Deemed Provisions), RESOLVES to advertise the draft *Local Planning Policies* as shown in **Attachment B** of this report.

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## Background

### Location

1. The draft local planning policies (LPP) cover part of the Claisebrook Village and New Northbridge normalised redevelopment areas located within the Claisebrook and Northbridge Neighbourhoods. The normalised redevelopment areas refer to the areas where planning powers have been transferred back to the City from Development WA.
2. The New Northbridge areas include the area bound by Newcastle Street to the north, Aberdeen Street to the south, Beaufort Street to the east, and Fitzgerald Street to the west.
3. The Claisebrook Village areas include:
  - a. Predominantly residential areas to the east of East Parade and Plain Street, and north of Wittenoom and Nile Street.
  - b. Mixed use areas to the north of the Royal Street neighbourhood centre, between Eastbrook Terrace and the public open space.
  - c. Mixed use area bound by Royal Street to the north, Wittenoom Street to the south, Bennett Street to the east and Clotilde Street to the west.
  - d. Mixed use area bound by Fielder Street to the east, Brown Street to the north, Glyde Street to the west and Saunders Street to the south.
4. A location plan depicting the boundaries of each draft LPP is at **Attachment A**.

### Current Local Planning Framework

5. The development of the normalised redevelopment areas, including land use permissibility, is currently guided by *Local Planning Scheme No. 26 (LPS26)*, two planning policies and 40 design guidelines.
6. The overarching planning policies, *Claisebrook Village Project Area Planning Policy* and *New Northbridge Project Area Planning Policy* provide an overall character statement and broad built form requirements that are applicable over respective areas.
7. Underpinning the overarching policies, a suite of design guidelines provide more detailed built form requirements specific for individual areas, including setbacks, building heights, access requirements and building design. In most cases the design guidelines provide specific built form requirements per lot (or small group of lots) which limit the extent of development achievable.

### Local Planning Strategy

8. The City's *Local Planning Strategy (Strategy)* sets out the strategic direction for the future planning and development of the city, to be implemented via the new local planning scheme and supporting local planning policies. The Strategy was adopted by Council on the 13 December 2022 and endorsed by the Western Australian Planning Commission (WAPC) on 30 May 2023.
9. The Strategy identifies several character areas within the city, including the Claisebrook Residential and Claisebrook Cove. These areas have unique built and landscape elements that create a special sense of place.
10. The Strategy includes an action to review existing planning provisions to ensure that important elements of built and landscape character in areas such as Claisebrook Residential and Claisebrook Cove are reinforced and enhanced in new development.

### Draft Local Planning Scheme No. 3

11. On 30 April 2024, the Council resolved to seek approval from the WAPC to advertise draft Local Planning Scheme No. 3 (LPS3). Draft LPS3 will replace all existing local planning schemes within the city, including LPS26.
12. There are approximately 100 local planning policies that support the existing local planning schemes. These are being replaced and consolidated into a set of new contemporary local planning policies, with key policies, including the draft LPPs the subject of this report, intended to be advertised concurrently with the draft LPS3.
13. As part of investigations during the preparation of draft LPS3, it was determined that there is minimal change within most of the normalised redevelopment areas of Claisebrook Village and New Northbridge. As a result, the plot ratios under draft LPS3 for the areas subject to the draft LPPs is consistent with current requirements. To maintain the built form of these areas, two overarching planning policies and 22 design guidelines are identified to be retained and reviewed to align with the Residential Design Codes and address other inconsistencies. This report addresses modifications to the two overarching policies and 20 design guidelines, with the remaining two design guidelines, Plain Street (Old Perth Girls School) and Barrack Square, to be presented to Council separately at a later stage.
14. Where plot ratio has increased in the normalised redevelopment areas (e.g intensification investigation areas and neighbourhood centres), these areas are subject to new built form parameters detailed in LPPs not the subject of this report. This includes areas that are subject to the draft *Royal Street Neighbourhood Centre Character Area LPP* and draft *Brown and Kensington Streets Character Area LPP*, which were approved for advertising by Council at the Ordinary Council Meeting on 24 September 2024. These policies will also be advertised in conjunction with LPS3.

#### State Government Planning Framework

15. The State Government requires the Residential Design Codes (R-Codes) to be applied across the city to ensure a consistent approach to residential development throughout the State.
16. Local governments can prepare local planning policies for residential development that amend or replace certain development provisions of the R-Codes. Some variations to the development provisions only require local government approval, and some require the approval of the WAPC.

## Discussion

17. The draft LPPs the subject of this report covers part of the normalised redevelopment areas of Claisebrook Village and New Northbridge. Through investigations during the preparation of draft LPS3 it was identified that the built form requirements for these areas are to remain unchanged.
18. To maintain the current built form requirements through draft LPS3 it is necessary to undertake modifications to the existing policies and design guidelines, to address inconsistencies and align with the R-Codes. The purpose of the modifications is ensure consistency in formatting across the LPPs that underpin draft LPS3 and not to introduce new planning provisions. The modified draft LPPs are provided at **Attachment B**.
19. The modifications have included:
  - a. Renaming the two overarching policies to *Claisebrook Village Local Planning Policy* and *New Northbridge Local Planning Policy* as it is no longer relevant to refer to them as 'project areas'.
  - b. Modifying the name of the design guidelines to character area LPPs. The name of each area has been retained, for example, *Haig Park Design Guidelines* is renamed to *Haig Park Character Area Local Planning Policy*.

- c. Adapting the format of the policies to be in a contemporary format and consistent with other LPPs being prepared as part of draft LPS3.
- d. Minor modifications to wording of development requirements and other policy sections for consistent terminology across the LPPs where possible. The overall intent of requirements is unchanged.
- e. Removing requirements that are no longer relevant given the areas have now been developed and have an established built form (e.g. requirements to retain a tree has been deleted as the tree was subsequently removed as part of initial development).
- f. Removing land use permissibility and dwelling yield where they were provided in specific design guidelines. This is now set through the land use permissibility and density codes in draft LPS3.
- g. Amending the boundary of the Belvidere Character Area and Eastbrook Terrace Character Area, as part of the area will now be subject to the draft *Brown and Kensington Character Area Local Planning Policy* and draft *Royal Street Neighbourhood Centre Character Area Local Planning Policy*.
- h. Integration of 2 Francis Street, Northbridge (location of the Old Swan Barracks) into the *Museum Street Character Area Local Planning Policy*. It is currently subject to the *James Street Design Guidelines* which is to be rescinded as part of draft LPS3.
- i. Alignment with the R-Codes, identifying where development provisions of the LPPs are to augment, replace or delete requirements of the R-Codes.

#### Policy Format

- 20. The policies and design guidelines have been modified to reflect the contemporary policy format that has been developed for LPS3. For consistency, this has required renaming and introduction of subheadings, and reordering of provisions.
- 21. Where provided in current design guidelines, details on the intended character of the area and objectives have been adapted to the modified LPPs. This detail has been simplified to remove repetition, be clearer in intent, and to reflect that development has now occurred.
- 22. LPPs that have a large number of specific lot requirements for setbacks and building heights have been presented in a table format to improve readability and interpretation.

#### Built Form Requirements

- 23. Existing development provisions in the planning policies and design guidelines have been transferred to each correlating draft LPP, with the format and wording of some of the requirements being modified to improve readability. The development provisions typically address:
  - a. site specific building heights, building envelopes, and setbacks;
  - b. open space and outdoor living area;
  - c. vehicle and pedestrian access;
  - d. building orientation;
  - e. building design and materials;
  - f. fencing and walls;
  - g. landscaping; and
  - h. utilities and servicing provisions.
- 24. The following have not been included in the draft LPPs:

- a. Development requirements that were applicable to the initial development of a vacant site and have subsequently been fulfilled, or cannot be met by any future redevelopment. For example, two sites were required to retain trees and these trees were subsequently removed.
  - b. Details of geotechnical site conditions being available at the City. As the area has now been developed, geotechnical conditions of lots will need to be reconsidered by a proponent as part of any further redevelopment.
25. The draft LPPs identify where these built form requirements augment, replace or delete R-Code requirements. The following will require approval from the WAPC:
- a. For single house and grouped dwellings: building height, lot boundary setbacks and size and location of private open space.
  - b. For multiple dwellings: size and location of private open space, location of car parking, landscape design and location of services and utilities.

#### Land Use and Dwelling Yield

26. Development provisions relating to land use permissibility and residential density (the number of dwellings per lot) have been removed from applicable design guidelines, as this is now addressed through draft LPS3 via the following mechanisms:
- a. The draft Scheme Map includes the zoning and residential density codes. The density code proposed in draft LPS3 reflect the existing density of the areas.
  - b. Land use permissibility is determined through the Zoning Table of draft LPS3.
  - c. Additional land uses (which are permitted in addition to those land uses ordinarily permitted within the zone) and restricted land uses (which apply instead of those permitted within the zone) have been applied to specific sites to align with the land uses identified in LPS26 or the design guidelines. For example, multiple dwellings in some areas of the Claisebrook residential areas have been restricted to those lots identified for multiple dwelling development.
27. Draft LPS3 is the appropriate statutory mechanism to set land use permissibility and residential density.
28. Under the R-Codes, site area variations could be made to increase the number of dwellings on a lot when accessible dwellings (dwellings designed for use by people with a disability), or small dwellings (dwelling size of 70m<sup>2</sup>) is proposed as part of a single house or grouped dwelling development. This means that sites that would ordinarily have one dwelling under the allocated density code could be subdivided and developed into two dwellings.
29. Nine design guidelines in the Claisebrook Residential area currently specify the maximum number of dwellings per lot – Belvidere, Victory Terrace, Jewell Lane, Haig Park, Saunders Street, North Cove, Gibraltar, The Quadrant, Constitution Hill North. These areas are typically developed for one dwelling, with some duplex and multiple dwelling sites identified. Whilst the density code allocated to these areas under draft LPS3 would generally prevent further subdivision, in order to maintain this, it would be necessary for the draft LPPs to exclude the site area variations of the R-Codes from applying. This has been reflected in the R-Code tables of the respective LPPs.
30. Removing the R-Code clauses from applying to these areas requires approval from WAPC.

## Consultation

31. The draft LPPs are required to be advertised for 21 days under the *Planning and Development (Local Planning Schemes) Regulations 2015* but given its relationship with the draft LPS3, the draft LPPs will be advertised concurrently for 90 days. Commencement of advertising is dependent on the State Government granting approval to advertise the draft LPS3.

## Decision Implications

32. If Council supports the recommendation, the draft LPPs will be advertised with draft LPS3 and the suite of key supporting policies.
33. If Council does not support the recommendation, draft LPS3 will be advertised without 22 of the supporting local planning policies and the Strategy will not be implemented.

## Strategic, Legislative and Policy Implications

Strategic Community Plan	
Strategic Pillar (Objective)	Liveable
Related Documents (Issue Specific Strategies and Plans):	<u>Local Planning Strategy</u> The draft LPPs aligns with the Local Planning Strategy.

Legislation, Delegation of Authority and Policy	
Legislation:	<i>Planning and Development (Local Planning Schemes) Regulations 2015 (Schedule 2 clause 4)</i>
Authority of Council/CEO:	Under the LPS Regulations, the local government must resolve to prepare modifications to a local planning policy, which if supported, must be advertised in accordance with the Regulations.
Policy:	Nil.

## Financial Implications

34. An amount of \$59,500 has been set aside as part of the City's 2024/25 budget to advertise and undertake consultation on the new LPS3 and key supporting local planning policies.
35. This will enable community information sessions with information boards, hire of the City of Perth library auditorium, public notices, and advertisements in newspapers, as well as letters to all city ratepayers.

## Further Information

36. Nil.





























































































































































































































































































































































































































































































































































































































































































































































































































## 12. Community Development Alliance Reports

### 12.1 2025/26 Sponsorship and Grant Program

Responsible Officer	Rebecca Taylor – Acting General Manager Community Development
Voting Requirements	Simple Majority
Attachments	Attachment 12.1A – Attachment A - 2025 26 Sponsorship and Grant Programs <a href="#">↓</a>

#### Purpose

To obtain Council endorsement for the 2025/26 Sponsorship and Grant Program and in-principle budget allocation.

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#### Recommendation

That Council ENDORSE the 2025/26 Sponsorship and Grant Program and in-principle budget allocation outlined in **Attachment A**.

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## Background

1. Each financial year, the City offer a suite of sponsorships and grants to assist in achieving outcomes that benefit residents, rate payers and visitors to Perth, supporting our aspiration to be a liveable, sustainable, and prosperous city.
2. Council Policy 2.3 Strategic Financial Planning and Budgeting, specifically clause 15, outlines a provisional allocation of 3% of eligible own source revenue (rates and parking) for grants and sponsorships annually. The purpose of this is to provide certainty and allow for appropriate planning in advance of a financial year. Sponsorship and Grant funding is also accounted for in the Long-Term Financial Plan.
3. Event Sponsorship begins accepting applications for the upcoming financial year in February and subsequent sponsorship and grant programs are released in a phased approach from that point onwards. This allows sufficient time for consideration, decision making, and the establishment of agreements prior to the period of activity.

## Discussion

4. In 2024/25 the City's sponsorship budget was \$5,370,000 cash and \$250,000 in-kind support. The total proposed budget for 2025/26 is \$5,360,000 cash and \$250,000 in-kind support budget.
5. The programs and associated budgets are determined based on the strategic priorities of the organisation as well as demonstrated demand over previous years. Program guidelines are developed each year and evolve based on the performance of the grant and stakeholder feedback, ensuring the grant is achieving the intended outcomes. This review happens annually, and all sponsorship and grant guidelines are shared with Elected Members once finalised.
6. Heritage Adaptive Reuse Grants are funded from the Heritage Incentive Reserve, comprising \$4M over three years between 2022/23 – 2024/25. This funding is separate from the annual sponsorship budget. The future of this grant will be discussed with Elected Members early in 2025 in the broader context of heritage support mechanisms.
7. The proposed 2025/26 Sponsorship and Grant Programs and in-principle budget allocation is outlined in Attachment A.
8. Progress on the City's incoming sponsorship targets will be monitored and based on results, Council will have an opportunity to further review the 2025/26 outgoing sponsorship and grants program funding levels if required.

## Consultation

9. The proposed 2025/26 Sponsorship and Grant Program was presented to Elected Members for feedback at an Elected Member Engagement Session on Monday 18 November 2024.

## Decision Implications

10. Delays in endorsing the 2025/26 Sponsorship and Grant Program will delay the City's ability to accept applications for Event Sponsorship in February.

## Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Liveable
Related Documents (Issue Specific Strategies and Plans):	<ul style="list-style-type: none"> <li>• Strategic Community Plan 2022 – 2032 (Liveable, Sustainable and Prosperous pillars)</li> <li>• Economic Development Strategy 2022 - 2032</li> <li>• Sustainability Strategy 2022 – 2032</li> <li>• 2025 Events Strategy</li> <li>• Heritage Strategy 2020 – 2024</li> <li>• Tech Action Plan</li> <li>• LGBTQIA+ Plan 2025-2029</li> </ul>

Legislation, Delegation of Authority and Policy	
Legislation:	<p>Section 8 (1) of the City of Perth Act 2016.</p> <p>(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;</p> <p>(f) to initiate and promote the continued growth and environmentally sustainable development of the City of Perth and ensure its continued role as a thriving centre of business with vibrant cultural and entertainment precincts, while enhancing and protecting its natural environment and having due regard to the flow-on impact on the Perth metropolitan area;</p> <p>(g) to nurture and support the initiatives and innovations of the diverse precincts of the City of Perth;</p>
Authority of Council/CEO:	<p>The recommendation is made to Council in line with both:</p> <ul style="list-style-type: none"> <li>• section 2.10 (a) of the Local Government Act 1995 whereby under the role of Councillors; represents the interests of electors, ratepayers and residents of the district; and</li> </ul> <p>section 2.7 which provides Council is to be responsible for the performance of the local government’s functions and oversee the allocation of the local government’s finances and resources.</p>
Policy:	Council Policy 4.3 Outgoing Sponsorship and Grants

## Financial Implications

11. 2024/25 Sponsorship and Grant Programs and in-principle budget allocation is Attachment A.

## Further Information

12. Nil.



13. Infrastructure and Operations Alliance Reports

Nil.

14. Commercial Services Alliance Reports

Nil.

## 15. Corporate Services Reports

### 15.1 Monthly Financial Statements - October 2024

<b>Responsible Officer</b>	Michael Kent – Chief Financial Officer
<b>Voting Requirements</b>	Simple Majority
<b>Attachments</b>	<p>Attachment 15.1A – Statement of Financial Activity P4 <a href="#">↓</a></p> <p>Attachment 15.1B – Notes on Significant Variances P4 <a href="#">↓</a></p> <p>Attachment 15.1C – Supplementary Notes to the SFA P4 <a href="#">↓</a></p> <p>Attachment 15.1D – Monthly Financial Statistics P4 <a href="#">↓</a></p> <p>Attachment 15.1E – Statement of Financial Position P4 <a href="#">↓</a></p> <p>Attachment 15.1F – Alliance Operating Variances P4 <a href="#">↓</a></p> <p>Attachment 15.1G – Capital Variances P4. <a href="#">↓</a></p> <p>Attachment 15.1H – Investment Report P4 <a href="#">↓</a></p> <p>Attachment 15.1I – Rates Monthly Debtors Report P4 <a href="#">↓</a></p>

### Purpose

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

### Recommendation

That Council RECEIVES the following financial reports for the period ended 30 October 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	YTD Actual 24/25	Variance	F/ U
Operating Revenue	\$ 121.69 M	\$ 48.35 M	\$ 49.87 M	\$ 1.52 M	F
Rates Revenue	\$ 107.29 M	\$ 107.36 M	\$ 107.21 M	\$ 153 K	U
Cash Operating Exp	\$ 188.51 M	\$ 58.12 M	\$ 54.26 M	\$ 3.86 M	F
Non-Operating Revenue	\$ 4.83 M	\$ 456 K	\$ 499 K	\$ 43 K	F
Capital - Infrastructure	\$ 33.16 M	\$ 3.21 M	\$ 3.79 M	\$ 583 K	U
Property, Plant & Equip	\$ 59.99 M	\$ 4.48 M	\$ 4.61 M	\$ 134 K	F
Capital Contributions	\$ 17.75 M	\$ 0.00 M	\$ 0.00 M	\$ 0.00 M	-

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 \$102.82M compared to a year-to-date budgeted surplus of \$97.59M. This is a favourable variance of \$5.23M at the end of the month.
19. Investing activities reflect a result of (\$7.91M) compared to a year-to-date budget of (\$7.23M). This is an unfavourable variance of (\$680K).
20. Construction of infrastructure to month end is \$583K ahead of budget expectations due to an accelerated start to the capital program.
21. Acquisition of non-infrastructure to month end is \$134K ahead of budget expectation.
22. Financing activities vary by \$435K from budget expectations due to transfer of reserve fund interest.

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 October shows that a rate yield of \$107.21M has been levied compared to the budget of \$107.36M - noting that heritage rates concessions will reduce that amount in future.
25. The disclosed SFA Closing Position of \$130.30M compares favourably to the projected year to date budget closing position of \$122.00M - due to the revised (higher) opening position not being amended in the budget until the November accounts are completed.
26. Key financial statistics at each month end are presented graphically in **Attachment 15.1D** as an alternative representation of the data.
27. The Net Current Position Note (**Attachment 15.1C**) at month end reflects an indicative adjusted Net Current Position value of \$130.30M compared the year to date value of \$122.00M and a year-end budget projection of \$7.26M.
28. Headline data from this month's Net Current Position report is shown in Table 2 below.

**Table 2:**

Item Details	June 24 Actual	June 25 Annual Budget	Oct 24 Actual
Current Assets	\$ 243.55 M	\$ 205.70 M	\$ 344.75 M
Current Liabilities	(\$ 40.94 M)	(\$ 42.93 M)	(\$ 47.25 M)
Unadjusted Net Assets	\$ 202.57 M	\$ 162.76 M	\$ 297.50 M
Less Restricted Items & Adjustments	(\$ 175.05 M)	(\$ 155.51 M)	(\$ 167.20 M)
Adjusted Net Current Position	\$ 27.51 M	\$ 7.26 M	\$ 130.30 M

29. The Net Current Position at year end is impacted by the factors noted at paragraph 25 above.
30. A Statement of Financial Position as at month end (showing 2023/24 Actual balances, the Revised 2024/25 Budget and the 2024/25 Year to Date Actual balances) is presented as **Attachment 15.1E**.
31. In line with recent local government financial management reporting changes, **Attachments 15.1A to Attachment 15.1C** form the portion of monthly management accounts that is a statutory obligation.
32. 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.
33. **Attachment 15.1H** - Investment Report for October 2025 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.
34. 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.
35. **Attachment 15.1I** - Rates Debtors provides a monthly update and analysis of rates collections by differential property rating category and overall. The 2024/25 rates notices were issued on 26 July with a due date for the first instalment of 4 September.

## Consultation

36. Nil.

## Decision Implications

37. 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)	A Well-Governed City
Related Documents (Issue Specific Strategies and Plans):	Nil.

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

## Financial Implications

38. 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

39. Nil.





































































































## 15.2 Schedule of Accounts Paid - October 2024

Responsible Officer	Michael Kent – Chief Financial Officer
Voting Requirements	Simple Majority
Attachments	Attachment 15.2A – Schedule of Accounts Paid - October 2024 <a href="#">↓</a>

### Purpose

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

### Recommendation

That Council:

- RECEIVES the Schedule of Accounts Paid for the period ended 31 October 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	\$19,835,976.05
Trust Fund	\$0
<b>Total - All Funds</b>	<b>\$19,835,976.05</b>

## 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 – October 2024		
<b>Municipal Fund</b>		
EFT & Cheque Payments	Direct Creditor Payments	15,753,453.58
<b>Sub Total - EFT &amp; Cheques</b>		<b>15,753,453.58</b>
Direct Debits	Bank Charges and Merchant Fees	30,247.99
<b>Sub Total - Direct Debits</b>		<b>30,247.99</b>
Payroll	04/10/2024	2,099,230.89
	18/10/2024	1,934,356.08
<b>Sub Total - Payroll</b>		<b>4,033,586.97</b>
Corporate Cards		18,687.51
<b>Sub Total - Cards</b>		<b>18,687.51</b>
<b>Total per Attachment 15.2A</b>		<b>19,835,976.05</b>
<b>Total Payments from Municipal Fund</b>		<b>19,835,976.05</b>
Investments in Term Deposits		0
<b>Trust Fund</b>		
Trust EFT & Cheques		0
<b>Total - Trust Funds</b>		<b>0</b>

## 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"> <li>• Payee Name.</li> <li>• Amount of the Payment.</li> <li>• Date of the Payment.</li> <li>• Sufficient information to identify the transaction.</li> </ul>
Authority of Council/CEO:	In accordance with Regulation 13(2) and 13(3) of the <i>Local Government (Financial Management) Regulations 1996</i> , where this power has been delegated, a list of payments for each month is to be compiled and presented to the Council.
Policy:	Nil.

## Financial Implications

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

9. Nil.































































































15.3 Review of Council Policy 2.13 Payments under Section 5.50 of the Local Government Act 1995 (Additional payments upon termination of employment)

Responsible Officer	Wendy Attenborough – General Manager Corporate Services
Voting Requirements	Simple Majority
Attachments	Attachment 15.3A – CP 2.13 Payments under Section 5.50 of the Local Government Act 1995 <a href="#">↓</a>

### Purpose

To consider the review of Council Policy 2.13 Payments under section 5.50 of the *Local Government Act 1995*.

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### Recommendation

That Council ADOPTS reviewed Council Policy 2.13 Payments under section 5.50 of the *Local Government Act 1995* as at **Attachment A** (payments upon termination of employment).

---

## Background

1. Council at its meeting held 27 July 2021 considered a major review of Council Policy 2.13 Payments under section 5.50 of the *Local Government Act 1995* (the Act) following three relevant recommendations being made in the City of Perth Inquiry. That review ensured that the Policy was consistent with legislation and addressed the recommendations of the Inquiry.

## Discussion

2. As implied in the Policy's title, the Policy is a requirement under section 5.50 of the Act, which prescribes:
  - (1) *A local government is to prepare a policy in relation to employees whose employment with the local government is finishing, setting out —*
    - (a) *the circumstances in which the local government will pay an employee an amount in addition to any amount to which the employee is entitled under a contract of employment or award relating to the employee; and*
    - (b) *the manner of assessment of the additional amount.*
3. Regulation 19A(1) of the *Local Government (Administration) Regulation 1996* further prescribes:
  - (1) *The value of a payment or payments made under section 5.50(1) and (2) to an employee whose employment with a local government finishes after 1 January 2010 is not to exceed in total —*
    - (a) *the value of the person's final annual remuneration, if the person —*
      - (i) *accepts voluntary severance by resigning as an employee; and*
      - (ii) *is not a CEO or a senior employee whose employment is governed by a written contract in accordance with section 5.39; or*
    - (b) *in all other cases, \$5 000.*
4. The Policy has been reviewed for currency and no material changes are proposed given it is considered to be fit-for-purpose and there have been no changes to the relevant legislation since Council's last consideration of the Policy in 2021. The only change is some minor overall formatting improvements.

## Consultation

Nil.

## Decision Implications

5. If Council supports the recommendation, the City will continue to maintain legislative compliance.

## 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:	Section 5.50 of the <i>Local Government Act 1995</i> Regulation 19A of the <i>Local Government (Administration) Regulations 1996</i>
Authority of Council/CEO:	Council
Policy:	Nil.

### Financial Implications

Nil.

### Further Information

Nil.





## 15.4 Audit Exit Interview and Presentation of Audited 2023/24 Financial Statements

<b>Responsible Officer</b>	Michael Kent – Chief Financial Officer
<b>Voting Requirements</b>	Absolute Majority
<b>Attachments</b>	Attachment 15.4A – 2023/24 Audit Close-Out Report <a href="#">↓</a> Attachment 15.4B – Annual Financial Statements 2023-24 <a href="#">↓</a>

### Purpose

To present the City’s audited Financial Statements for the period ending 30 June 2024 and provide a forum for the audit exit interview wherein Ernst and Young (EY), as auditors for the Office of the Auditor General (OAG), and the OAG can present their audit opinion and management letter points.

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### Recommendation

That Council:

1. RECEIVES the following reports for the period ended 30 June 2024:
    - a. 2023/24 Annual Audit Close Report
    - b. 2023/24 audited Annual Financial Statements
  2. ACCEPTS the audited Financial Statements for the year ended 30 June 2024.
-

## Background

1. The City’s 2023/24 annual financial statements were audited by Ernst & Young (EY) as auditors for the Office of Auditor General (OAG).
2. The audit closing report provides details of audit work conducted as part of the 2024 annual financial statement audit in accordance with the Australian Auditing Standards and practices and the requirements of the *Local Government Act 1995* (the Act) and the *Local Government (Audit) Regulations 1996*.
3. The financial statements are required to be signed by the Chief Executive Officer upon acceptance by the Audit and Risk Committee.
4. Once approved by Council, the Financial Statements will be included within the 2024 Annual Report as required by Section 5.53 of the Local Government Act (1995).

## Discussion

5. The City presented its draft 2023/24 annual financial statement to auditors on 27 September 2024, ahead of the 30 September deadline for submission. Auditors (EY) commenced their audit field work on 16 September 2024 in accordance with their audit program.
6. The financial statements addressed all statutory financial requirements imposed on the city and complied with the Australian Accounting Standards.
7. The audit found no instances of non-compliance.
8. A review of the appropriateness of internal controls was also conducted as part of the interim audit process.
9. The management report (audit of appropriateness of internal controls) identified one moderate and two minor risks. These have been reviewed and responded to within the Management Report by the relevant service areas (ICT Services and Financial Services).

## Consultation

Nil.

## Decision Implications

10. The Committee and Council’s consideration of this Item will achieve compliance with the Act.

## Strategic, Legislative and Policy Implications

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

Legislation, Delegation of Authority and Policy	
<b>Legislation:</b>	<p><a href="#">Section 6.4 of Local Government Act 1995</a>  <a href="#">Regulation 36 of the Local Government (Financial Management) Regulations 1996</a></p> <p>The audited annual financial statements comply with the above regulatory requirements.</p>
<b>Authority of Council/CEO:</b>	<p>To comply with Local Government regulations the Annual Report, containing the audited, signed Financial Statements, is to be accepted by Council’s absolute majority. Before the Annual Report is presented to Council for this purpose, the audited Financial Statements must be accepted by the Audit and Risk Committee and then signed by the Chief Executive Officer and Office of Auditor General.</p>
<b>Policy:</b>	<p>Nil.</p>

## Financial Implications

This report presents a historical perspective of the City’s financial performance and financial position for the 2023/24 financial year.

## Further Information

The City’s 2023/24 annual financial statements were impacted by two significant abnormal transactions where the timing of the transactions was not within the city’s control.

The first of these was the deferral of the City’s capital contributions to state government of \$4.0M towards the re-development of the Perth Concert Hall and \$13.5M towards the development of the WACA Aquatic Facility into 2024/25 due to payment milestones not being achieved by the state in the 2023/24 year.

The second abnormal transaction was the requirement for the City to relinquish the management order over the Perth Concert Hall in 2023/24 resulting in a non-cash loss on disposal of \$26.5M being recorded for the carrying value of the Perth Concert Hall assets in the City’s financial accounts.



























































































































































































































## 16. Chief Executive Officer Reports

### 16.1 Adopting the Annual Report and Setting the Date for the 2023/24 Electors General Meeting

Responsible Officer	Michelle Reynolds – Chief Executive Officer
Voting Requirements	Absolute Majority
Attachments	Attachment 16.1A – 2023-24 Annual Report and Financial Statements <a href="#">↓</a>

#### Purpose

For Council to consider the City of Perth 2023/24 Annual Report and setting the date for the Electors General Meeting.

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#### Recommendation

That Council:

- ACCEPTS the City of Perth 2023-2024 Annual Report, as provided in **Attachment A**, in accordance with Section 5.53 and 5.54(1) of the *Local Government Act 1995* (the Act); noting that:
    - a draft version of Annual Report (text only) is attached to this report which will be formatted (including structurally) and graphically designed following acceptance before it is made available; and
    - minor typographical amendments, that do not affect the materiality of the document, may also be made to improve the presentation and/or make corrections.
  - APPROVES the advertisement of the availability of the Annual Report in accordance with Section 5.55 of the *Local Government Act 1995*.
  - APPROVES the 2023-2024 Electors General Meeting to be held at 5.00 pm on Tuesday 28 January 2025, at Council House, Level 9, Council Chamber, in accordance with Section 5.27 of the *Local Government Act 1995*.
-

## Background

1. In accordance with Section 5.53 of the Act, the City of Perth 2023-24 Annual Report has been prepared, summarising the previous year's achievements and challenges and the outlook for the year ahead, as well as addressing stipulated statutory requirements. The Annual Report also demonstrates performance against the City's Strategic Community Plan
2. The Annual Report includes the City's Financial Statements for the 2023-24 financial year, which have been audited by the Office of the Auditor General.
3. The City's Financial Statements for the 2023/24 financial year are included on this Agenda, for consideration by Council, at Item 15.4 – Audit Exit Interview and Presentation of Audited 2023/24 Financial Statements.
4. It is a statutory requirement that Council accepts an Annual Report and for the report to be presented to the Electors General Meeting. The Act requires that an Electors General Meeting is to be held on a day selected by the local government, but not more than 56 days after the Annual Report is accepted.

## Discussion

5. This report recommends that Council accepts the City of Perth 2023/24 Annual Report (**Attachment A**), advertises the availability of the Annual Report and sets the date for the 2023/24 Electors General Meeting.
6. Following Council's acceptance of the City's Annual Report, the report must be:
  - a. published on the City's official website within 14 days; and
  - b. presented at the Electors General Meeting to be held within 56 days of Council accepting the report.
7. To set a date for the Electors General Meeting, Council is required to have received the audit report for the prior period and accepted the Annual Report.
8. An Electors General Meeting is to consider matters arising with respect to the previous financial year.
9. The proposed date of the Electors General Meeting, following Council's acceptance of the Annual Report is Tuesday 28 January 2025.
10. Section 5.53 of the *Local Government Act 1995* prescribes the following requirements for inclusion in the Annual Report:
  - a. A report from the Lord Mayor;
  - b. A report from the CEO;
  - c. An overview of the plan for the future of the district made in accordance with s.5.56 of the Act, including major initiatives that are proposed to commence or to continue in the next financial year;
  - d. The financial report for the financial year;
  - e. The auditor's report for the financial year;
  - f. Any matter on which a report must be made under s.29(2) of the *Disability Services Act 1993*;
  - g. Details of entries made under s.5.121 of the Act in the register of complaints;

- h. Such information as may be prescribed in relation to payments made to employees; and
- i. Such other information as may be prescribed.

11. In addition to the requirements of the Act

- a. The *State Records Act 2000* states that the City is required to include a statement on their compliance with their Record Keeping Plan.
- b. Part 5 Sections 94, 96 and 97 of the *Freedom of Information Act 1992*, states that the City is required to publish an Information Statement which details the process for applying for information and provide an up-to-date version every 12 months.

## Stakeholder Engagement

Nil.

## Decision Implications

- 12. If Council supports the recommendation, it will ensure compliance with the Act.
- 13. If Council does not accept the Annual Report within the statutory timeframes, the City will be in breach of the Act and will need to report the non-compliance when completing its Annual Compliance Audit Return.

## Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Liveable
Related Documents (Issue Specific Strategies and Plans):	Strategic Community Plan and Corporate Business Plan

Legislation, Delegation of Authority and Policy	
Legislation:	<p>Section 5.53(1) of the <i>Local Government Act 1995</i> (the Act) requires a Local Government to prepare an Annual Report for each financial year. Section 5.53(2)(f) of the Act specifies that the Annual Report is to contain the financial report of the financial year and Section 5.53(2)(h) specifies that it must contain the Independent Auditor's report for the financial year.</p> <p>In accordance with Section 5.54(1) of the Act, an Annual Report for the financial year is to be accepted by the Local Government no later than 31 December after that financial year. Section 5.54(2) notes that if the Independent Auditor's report is not available in time for the Annual Report for a financial year to be accepted by 31 December after that financial year, the Annual Report is to be accepted by the local government no later than two months after the Independent Auditor's report becomes available.</p>

Authority of Council/CEO:	In accordance with Section 5.54 of the Local Government Act 1995 Council is required to accept the annual report by absolute majority.
Policy:	Nil.

## Financial Implications

14. Advertising costs associated with giving local public notice and printing of the Annual Report.

## Further Information

Nil.















































































































































































































































































































## 16.2 Review of Council Policy 4.5 - National and International Engagement Policy

Responsible Officer	Michelle Reynolds – Chief Executive Officer
Voting Requirements	Absolute Majority
Attachments	Attachment 16.2A – CP 4.5 - National and International Engagement (Proposed) <a href="#">↓</a> Attachment 16.2B – CP 4.5 - International Relationships (Current) <a href="#">↓</a>

### Purpose

For Council to consider the review of Council Policy 4.5 International Relationships – proposed to be updated and re-titled ‘National and International Engagement’.

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### Recommendation

That Council:

1. APPROVES revised Council Policy 4.5, to be titled ‘National and International Engagement’ (as provided at **Attachment A**).
2. APPROVES minor typographical amendments, where the materiality of the policies is not affected, and placing the policies in future new templates may be made to improve the presentation and/or make correction.
3. APPROVES the addition of point g. at Clause 9 of Council Policy 1.6 – Council Member Allowances, Fees and Entitlements as follows:

*“g. Delegations that the Council Member is approved to attend in accordance with Council’s National and International Engagement Policy.”*

---

## Background

1. The current CP 4.5 – International Relationships is due for review.
2. The current policy focuses on international relationship agreements and requests; and related travel, delegations and visits.

## Discussion

3. Following review of CP 4.5 International Relationships (current), It is proposed that this Policy:
  - a. Addresses both national and international engagement;
  - b. Provides transparency, accountability and legitimacy for national and international delegations for purposes that support specific objects within the *City of Perth Act 2016*, the Strategic Community Plan and the Economic Development Strategy;
  - c. Considers the upcoming refresh of the City’s Economic Development Strategy and the potential new definitions for the City’s international relationships; and
  - d. Be retitled from ‘International Relationships’ to ‘National and International Engagement’ to ensure an accurate reflection of what it contains.
4. The policy seeks to reinforce specific objects of the *City of Perth Act 2016* (s4), namely:

*‘To recognise, promote and enhance:*

  - o *the special social, economic, cultural, environmental and civic role that the City of Perth plays because Perth is the capital of Western Australia; and*
  - o *the important role that the City of Perth plays in representing the broader Perth area and the State of Western Australia on both a national and international level’.*
5. The policy also recognises the ‘special role of Lord Mayor’ within the *City of Perth Act 2016* (s10):
  - o *‘to act as an ambassador for the City of Perth in hosting international delegations and attending local, regional, State, national and international civic functions and events;*
  - o *to carry out civic and ceremonial duties associated with the office of Lord Mayor; and*
  - o *to develop and maintain inter-governmental relationships at regional, State, national and international levels, and as part of that to develop and implement strategies and policies that seek to ensure consistency in policies and strategic direction at all levels of government.’*
6. In terms of scope, the policy applies to the City’s current, and future national and international city relationships, global and national networks (such as the World Energy Cities Partnership; and Council of Capital Cities Lord Mayors) and associated activities.
7. It is intended that the provisions currently included in CP 4.5 – International Relationships, relating to the City’s approach to international relationship agreements and requests will be reassessed and addressed during the reframing of the City’s Economic Development Strategy,
8. If it is considered that an additional policy is required to address these particular provisions, this will be determined following the completion of body of work related to the reframing of the City’s Economic Development Strategy

9. In addition to the proposed policy amendments a minor amendment to Council Policy 1.6 Council Member Allowances, Fees and Entitlements is also recommended, this amendment will include approved delegations into the list of ‘authorised functions’ into Council Policy 1.6 – Council Member Allowances, Fees and Entitlements to provide the ability for the CEO to consider the reimbursement of elected members personal costs as a result of attending a delegation.

## Consultation

10. Feedback was sought from Elected Members on the proposed changes to the Policy.

## Decision Implications

11. The revised policy seeks to provide clarity, legitimacy and support for national and international engagement that is consistent with the objects of the *City of Perth Act 2016*, and the special role of the Lord Mayor under the same Act.
12. The policy also clarifies the authority for national and international engagement.

## Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	A Well-Governed City
Related Documents (Issue Specific Strategies and Plans):	Strategic Community Plan Economic Development Strategy

Legislation, Delegation of Authority and Policy	
Legislation:	<i>City of Perth Act 2016</i> <i>Australia’s Foreign Relations (State and Territory Arrangements) Act 2020 (Commonwealth)</i>
Authority of Council/CEO:	Authority of Council
Policy:	CP 1.6 Council Member Allowances, Fees and Entitlements CP 2.2 Purchasing

## Financial Implications

Nil.

## Further Information

Nil.













## 16.3 Proposed City of Perth Dog Local Law

Responsible Officer	Michelle Reynolds – Chief Executive Officer
Voting Requirements	Absolute Majority
Attachments	Attachment 16.3A – Proposed City of Perth Dog Local Law 2025 <a href="#">↓</a> Attachment 16.3B – Current City of Perth Dog Local Law 2011 <a href="#">↓</a>

### Purpose

To present the outcome of the statutory review of the *City of Perth Dog Local Law 2011* and initiate the process to make a *City of Perth Dog Local Law 2025*.

### Recommendation

That Council:

1. In accordance with section 3.16(3) of the *Local Government Act 1995*, NOTES that no submissions were received during the public submission period in response to the public notice given of the statutory review of the *City of Perth Dog Local Law 2011*.
2. In accordance with section 3.16(4) of the *Local Government Act 1995*, DETERMINES that the *City of Perth Dog Local Law 2011* is to be amended.
3. In accordance with section 3.12(3) of the *Local Government Act 1995*, APPROVES the giving of local public notice of the City's intention to make a *City of Perth Dog Local Law 2025*, as detailed in **Attachment A**, with the purpose and effect being:

**Purpose:** to make provisions about the confinement of dogs, control the number of dogs that can be kept on premises in the district, and to require removal of dog excreta.

**Effect:** The effect is to extend the controls over dogs which exist under the *Dog Act 1976* and *Dog Regulations 2013*.

## Background

1. On 21 February 2012, Council adopted the *City of Perth Dog Local Law 2011*, to provide for the regulation, control and management of the keeping of dogs within the district of the City of Perth.
2. The *Dog Local Law 2011* was then amended on 29 January 2013 as required by the undertakings adopted by Council on 5 June 2012, following a review of the local law by the Joint Standing Committee on Delegated Legislation.
3. Section 3.16 of the *Local Government Act 1995* requires local laws to be reviewed every eight years. A review of the *Dog Local Law 2011* was due in 2020 and has not been undertaken.
4. At the Ordinary Council Meeting held on 20 August 2024, Council approved a review of the *City of Perth Dog Local Law 2011*.
5. The review was advertised for public submissions in accordance with section 3.16(2) of the *Local Government Act 1995*.
6. No public submissions were received during the public consultation period.
7. Following local public notice, section 3.26 of the *Local Government Act 1995* requires a report of the review be presented to Council for determination of whether the local law should be repealed or amended.

## Discussion

8. The local law was comprehensively reviewed internally in consultation with the impacted Alliances.
9. Since the initial adoption of the local law in 2011, there have been changes to the *Dog Act 1976*, and the *Dog Regulations 2013* have been implemented.
10. During the review it became apparent that there was major amendment required to align the local law with the dog act and regulations.
11. The changes to the *Dog Act 1976* and the implementation of the *Dog Regulations 2013* means that they now deal with many areas previously dealt with by local laws. Including:
  - a. Registration of dogs;
  - b. 'Dangerous dogs' as defined by the Act;
  - c. Operation of dog management facilities (pounds), including:
    - i. Issues in relation to the impounding of dogs;
    - ii. Attendance of a pound keeper at the pound;, and
    - iii. Release of impounded dogs is dealt with by the Dog Act 1976, and in particular section 29.
  - d. Registration fees (although fees for the seizure and impounding of a dog may be set by a local government in its annual budget under section 6.16 of the Local Government Act 1995);
  - e. How off leash dog exercise areas are established;
  - f. Dogs wandering at large;
  - g. Dogs not under control;

- h. Dog attacks;
  - i. Provisions about assistance animals such as guide dogs;
  - j. Modified penalties (on the spot fines) applicable for minor offences.
12. The only matters that a local government may now make local laws about are listed in section 51 of the *Dog Act 1976*:
- “51. Local law making powers**
- A local government may so make local laws —*
- (a) providing for the registration of dogs;*
  - [(b) deleted]*
  - (c) specifying areas within which it shall be an offence (unless the excreta are removed) for any person liable for the control of a dog to permit that dog to excrete on any street or public place or on any land without the consent of the occupier;*
  - (d) requiring that in specified areas a portion of the premises where a dog is kept must be fenced in a manner capable of confining the dog;*
  - (e) providing for the establishment and maintenance of dog management facilities and other services and facilities necessary or expedient for the purposes of this Act;*
  - (f) providing for the detention, maintenance, care and release or disposal of dogs seized;*
  - (g) as to the destruction of dogs pursuant to the powers here in before conferred;*
  - [(h) deleted]*
  - (i) providing for the licensing, regulating, construction, use, and inspection of approved kennel establishments.”*
13. As a result, it has been determined that the *City of Perth Dog Local Law 2011* requires amendment to the extent that it is more effective to make a new local law.
14. The draft local law is based on a model prepared by the WA Local Government Association which has been modified to suit the City, and is in use by a number of local governments.

## Consultation

- 15. Local public notice was given in accordance with the *Local Government Act 1995*, and the public submission period ran between 5 September to the 23 October 2024.
- 16. No public submissions were received during the submission period.
- 17. Extensive internal consultation was undertaken to determine the changes required to ensure alignment with current legislation and City practices.

## Decision Implications

- 18. If adopted, the proposed local law will update the City’s local law relating to dogs by reflecting changes to the *Dog Act 1976* and implementation of the *Dog Regulations 2013* which has occurred since the previous local law was adopted.

## 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:	Sections 3.12 and 3.16 of the <i>Local Government Act 1995</i> Section 3.12 outlines the procedure for making local laws. Section 3.16 contains the provisions relating to the periodic review of local laws.
Authority of Council/CEO:	Council. It is a legislative function of local government to make local laws.
Policy:	Nil.

## Financial Implications

19. The financial implications will include the costs for advertising.

## Further Information

20. Nil.







































































## 17. Committee Reports

### 17.1 Review of Council Policy 2.14 Risk Management

Responsible Officer	Natasha Balderston – Audit and Risk Manager
Voting Requirements	Simple Majority
Attachments	Attachment 17.1A – Council Policy 2.14 Risk Management <a href="#">↓</a>

### Purpose

To provide the Audit and Risk Committee with an update and seek feedback on the revised *Council Policy 2.14 Risk Management*.

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### Recommendation

That Council:

1. ADOPTS amended *Council Policy 2.14 Risk Management*. (**Attachment A**) subject to:

- i. The removal of:
  - a. The Risk Appetite Statement; and
  - b. Risk Management Criteria

Which will be incorporated into an Operational Policy by the Chief Executive Officer.

- ii. The insertion of:

*“The Council must be advised if an extreme risk is related to and will impact on a strategic risk.”*

2. APPROVES that minor typographical amendments, where the materiality of the policy is not affected, may be made to improve the presentation and/or make corrections.

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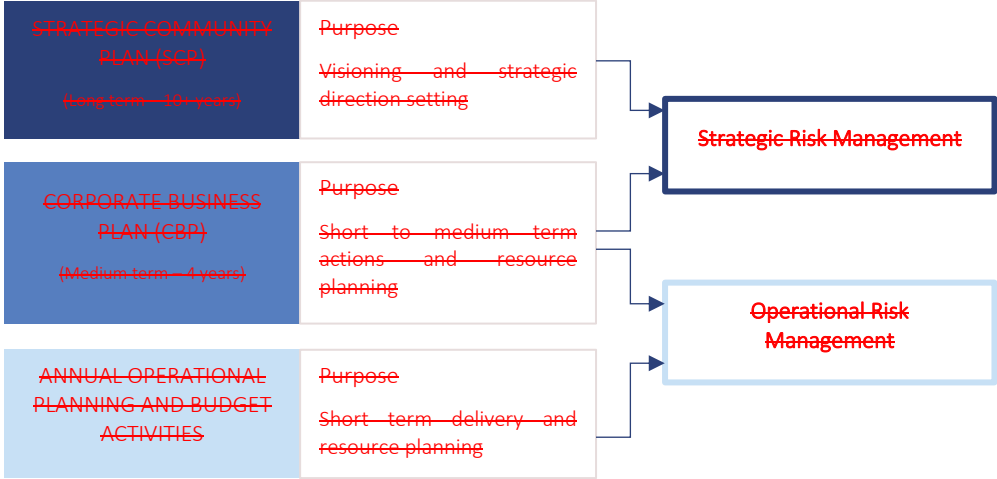
## Background

1. The current Risk Management Policy (CP2.14) was endorsed in March 2023 by Council, following recommendation of the ARC. It was due for review in March 2025.
2. The policy has been revised earlier than scheduled to provide a more concise policy, to simplify the Risk Appetite Statements, and align appetite with the City’s current Risk Assessment Criteria.

## Discussion

3. To improve the alignment of the City’s risks to Risk Appetite and further clarify roles and responsibilities in the management of risk at the City the current *CP2.14 Risk Management* requires review.
4. A marked-up version of the draft *CP2.14 Risk Management*, showing proposed changes in the current Policy template is attached to this submission. A summary of the changes and rationales is included in the table below:

Table 1: Table of changes and reasons - CP2.14 Risk Management:		
Reference	Change	Reason
Policy Scope	<p>Amended to:</p> <p>This policy applies to all City workers (including staff, contractors, and volunteers), Elected Members, and Committee Members. Risk management is not a stand-alone function separate from the main activities and processes of the organisation. It is an integral part of all organisational processes, including strategic planning, project management, and change management process.</p>	Amended for clarity.
Policy Statement	<p>Deleted:</p> <p><del>Definitions</del></p> <p><del><b>Risk:</b> Effect of uncertainty on objectives.</del></p> <p><del><b>Risk Management:</b> Coordinated activities to direct and control an organisation with regard to risk.</del></p> <p><del><b>Risk Appetite:</b> The amount of risk an entity is willing to accept or retain in order to achieve its objective(s).</del></p> <p><del><b>Risk Tolerance:</b> Organisation's or stakeholder's readiness to bear the risk after risk treatment in order to achieve its objectives.</del></p> <p><del><b>Risk Owner:</b> Person or entity with the accountability and authority to manage a risk.</del></p> <p><del>Note: Above definitions are sourced from <i>ISO Guide 73:2009(en) Risk management – Vocabulary</i>.</del></p> <p><del><b>Executive Sponsor:</b> Responsible party for championing the risk, including advocating and securing support from cross-functional business units, while offering input to ensure allocated risks are managed in line with the City's risk management approach.</del></p> <p><del><b>Risk Governance:</b> The structure and processes used by the City to oversee risk management activities.</del></p> <p><del><b>Worker:</b> A person is a worker if the person carries out work in any capacity for a person conducting a business or undertaking (at or within the City), including work as an employee, contractor, subcontractor, a student gaining work experience or a volunteer (<i>WHS Act 2020, Part 1, Div. 4, s.8</i>).</del></p>	The definitions do not refer to information in the amended version.

	<p>Replaced with:</p> <p>Council operates in a complex and ever evolving environment to deliver a variety of services and community infrastructure. Effective risk management is not only a statutory requirement; it also contributes to the informed decision making needed to navigate inherent challenges and supports the overall achievement of Council’s objectives.</p> <p>Council is committed to enabling an effective risk management culture and applying a logical and systematic method for identifying, assessing, treating, and monitoring risks. Thus, supporting the organisation to achieve its strategic objectives.</p> <p>This Policy should be read in conjunction with the Council’s endorsed Risk Appetite Statement and Risk Management Framework which set out the processes and procedures in relation to the identification, assessment, treatment, and monitoring of risk.</p>	<p>The section in blue has been moved from previous Risk Governance section.</p>
<p>Alignment with city planning</p>	<p>Deleted:</p> <p><del>Alignment with the City’s Planning</del></p> <p><del>The City has an integrated approach to strategic planning, including long and medium-term plans. The alignment of the City’s strategic and operational risk planning is illustrated in the figure below:</del></p> 	<p>This section has been removed to keep the policy focussed on its strategic intent. This information is deemed operational in nature and has been included in the Risk Management Framework.</p>
<p>Risk governance</p>	<p>Deleted:</p> <p><del>Risk Governance</del></p> <p>Moved to Policy Statement: <i>The Council is committed to the City’s risk management approach, including oversight, providing a governing policy with risk appetite statements, and developing a risk culture that focuses on continuous improvement across the organisation.</i></p> <p><del>The CEO is the Executive Sponsor of the City’s Risk Management systems and is responsible for providing oversight of the appropriateness and effectiveness of chosen risk management processes, internal controls, and legislative compliance in accordance with Regulation 17 of the Local Government (Audit) Regulations 1996.</del></p> <p><del>All workers, at all levels of the organisation, have a responsibility to maintain awareness and functional knowledge of risk policies, procedures, compliance, and reporting obligations. Those in leadership roles must consider and manage the risks associated with their remit.</del></p> <p>Replaced with:</p>	<p>The governance structure for the management of risk is deemed operational in nature and has been included in the Risk Management Framework.</p> <p>Roles and Responsibilities have been</p>

	<p><b>Roles and Responsibilities</b></p> <p>The Council is responsible for approving the Risk Management Policy that conveys the City’s risk appetite, provides guidance to the City’s risk culture and encourages proactive risk management practices.</p> <p>The CEO has overall responsibility for the City’s Strategic Risks. The CEO is responsible for providing oversight of the appropriateness and effectiveness of the City’s risk management processes, internal controls, and legislative compliance in accordance with <i>Regulation 17 of the Local Government (Audit) Regulations 1996</i>.</p> <p>Those in leadership roles (Executive Leadership Team and Management Leadership Team) must consider and manage the risks associated with their remit.</p> <p>All workers, at all levels of the organisation, have a responsibility to maintain awareness and functional knowledge of risk policies, procedures, compliance, and reporting obligations.</p> <p>The specific requirements of these roles are outlined in the City’s Risk Management Framework.</p>	<p>further clarified.</p>								
<p>Risk Appetite and Risk Appetite Statements.</p>	<p>Amended</p> <p><del>Risk Appetite</del></p> <p><del>Clearly articulated risk appetite statements are fundamental to the City’s approach to risk management. Risk appetite statements describe the amount of risk the Council is willing to accept and guides the City’s decision-making to achieve the optimal balance between risk and return.</del></p> <p><del>In developing the risk appetite statements, the interests of the City’s stakeholders — ratepayers, regulators, key service providers, Council members, and workers — were considered. The risk appetite statements provide stakeholders with a reference point to benchmark the City’s risk acceptance and mitigation activities.</del></p> <p><del>The risk appetite statement must be taken into consideration as part of the planning process and used to ensure risk-taking activities are within the Council approved thresholds. These thresholds are designated across four (4) ratings:</del></p> <table border="1" data-bbox="300 1323 1291 1736"> <tr> <td><del><b>Very Low (Minimal Appetite)</b></del></td> <td><del>Preference for the safest option that has a very low degree of risk, noting that every reasonable practical measure will be taken to prevent the occurrence of an adverse event.</del></td> </tr> <tr> <td><del><b>Low (Cautious Appetite)</b></del></td> <td><del>Safe options that have a low degree of risk with limited potential for reward.</del></td> </tr> <tr> <td><del><b>Moderate (Flexible Appetite)</b></del></td> <td><del>Willing to consider all potential options and choose the one most likely to result in successful delivery, even if there is risk to strategic and operational objectives.</del></td> </tr> <tr> <td><del><b>High (Open Appetite)</b></del></td> <td><del>Will consider options offering higher success of delivery, despite elevated levels of inherent risk.</del></td> </tr> </table>	<del><b>Very Low (Minimal Appetite)</b></del>	<del>Preference for the safest option that has a very low degree of risk, noting that every reasonable practical measure will be taken to prevent the occurrence of an adverse event.</del>	<del><b>Low (Cautious Appetite)</b></del>	<del>Safe options that have a low degree of risk with limited potential for reward.</del>	<del><b>Moderate (Flexible Appetite)</b></del>	<del>Willing to consider all potential options and choose the one most likely to result in successful delivery, even if there is risk to strategic and operational objectives.</del>	<del><b>High (Open Appetite)</b></del>	<del>Will consider options offering higher success of delivery, despite elevated levels of inherent risk.</del>	<p>The City’s Risk Appetite Statements have been summarised and aligned with the City’s Risk Management Framework.</p>
<del><b>Very Low (Minimal Appetite)</b></del>	<del>Preference for the safest option that has a very low degree of risk, noting that every reasonable practical measure will be taken to prevent the occurrence of an adverse event.</del>									
<del><b>Low (Cautious Appetite)</b></del>	<del>Safe options that have a low degree of risk with limited potential for reward.</del>									
<del><b>Moderate (Flexible Appetite)</b></del>	<del>Willing to consider all potential options and choose the one most likely to result in successful delivery, even if there is risk to strategic and operational objectives.</del>									
<del><b>High (Open Appetite)</b></del>	<del>Will consider options offering higher success of delivery, despite elevated levels of inherent risk.</del>									

Replaced with:

**Risk Appetite**

The Council will maintain a Risk Appetite Statement which sets out the degree of Risk the Council is willing to accept in pursuit of its strategic objectives. The Council’s risk appetite (**Attachment A**) outlines the amount and type of risk that Council is prepared to pursue, retain, or take. It is expressed in the form of a statement which covers several critical risk categories. Risk appetite is reported as part of the review of the annual risk profile.

Council is not averse to accepting risk if a thorough risk assessment has been undertaken and risk mitigation strategies are in place to manage or reduce the risk have been developed.

**Risk Appetite Statements**

The Council expresses its risk appetite across ten (10) key risk categories, with each graded using the above ratings. The below table sets out the approved risk categories, appetite ratings, appetite statements, what the Council will not tolerate, as well as linkage to the current strategic risks.

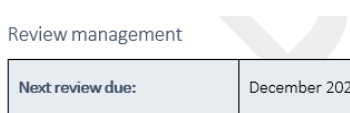
Risk Category	Appetite Rating	Appetite Statement	Council will not tolerate
<b>Health and Safety</b>	<b>VERY LOW</b>	<p>Council has a <b>VERY LOW</b> appetite for unforeseen incidents and/or injuries that may arise from undertaking daily activities.</p> <p>Council is committed to a healthy and safe work environment.</p>	<ul style="list-style-type: none"> <li>• Behaviours that are deliberate and willingly disregard the City’s values and WHS policies and procedures.</li> <li>• Practices that knowingly compromise staff wellbeing, workplace, or community safety.</li> <li>• Activities and unsafe work environments that result in reasonably foreseeable and preventable fatalities, harm, serious injuries, or illnesses to the community and/or workers.</li> </ul>
<b>Fraud and Misconduct</b>	<b>VERY LOW</b>	<p>Council has a <b>VERY LOW</b> appetite for fraud and misconduct risks, and any breaches in legislation, regulation, professional standards, or bribery.</p> <p>Council is committed to good governance.</p>	<ul style="list-style-type: none"> <li>• Corrupt or fraudulent conduct by Councillors and/or workers.</li> <li>• Systemic failure to maintain or implement effective systems, processes and controls which adequately protect the City from fraudulent activity.</li> <li>• Deliberate failure to comply with legal obligations (Government Directions or orders) or a reckless breach of policies including the relevant Code of Conduct.</li> <li>• Deliberate unauthorised release of confidential information.</li> <li>• Remediation of incidents and breaches that are not completed within agreed timeframes.</li> </ul>

	<p><b>Financial</b></p>	<p><b>LOW</b></p>	<p>Council has a <b>LOW</b> appetite for poor financial decision-making and significant loss of discretionary revenue.</p> <p>Council is committed to a competitive, efficient, and financially sustainable organisation.</p>	<ul style="list-style-type: none"> <li>● Inadequate spend and resource planning (short term and longer-term outlook).</li> <li>● Short term procurement in lieu of longer term planned procurement that focuses on value for money and price certainty.</li> <li>● Significant foreseeable variations in project expenditure, including contract price due to aspects of the project within the City's control.</li> <li>● Non diversified funding sources.</li> </ul>	
	<p><b>Reputation and External Stakeholders</b></p>	<p><b>LOW</b></p>	<p>Council has a <b>LOW</b> appetite for intentional activities and behaviours that result in damaged relationships and misaligned priorities.</p> <p>Council expects open, honest, and transparent engagement with key interest groups.</p>	<ul style="list-style-type: none"> <li>● Decision making that is not open, honest, and transparent and does not align with the <u>City's Strategic Community Plan</u>.</li> <li>● Lack of consultation/ engagement with key interest groups and stakeholders.</li> <li>● Actions by Councillors or workers bringing the Council into disrepute.</li> </ul>	
	<p><b>Environmental</b></p>	<p><b>LOW</b></p>	<p>Council has a <b>LOW</b> appetite for activities that lead to environmental degradation and/or that opposes the City's sustainability goals.</p> <p>Council is committed to ensuring a climate-focused city that is transitioning to a low emissions and renewable energy future.</p>	<ul style="list-style-type: none"> <li>● Failure to support and embed the City's sustainability goals.</li> <li>● Reasonably foreseeable and preventable activities, within the City's control, that result in irreversible environmental damage, threatens biodiversity, including extinction of flora and fauna.</li> </ul>	
	<p><b>Information Security</b></p>	<p><b>LOW</b></p>	<p>Council has a <b>LOW</b> appetite for poor information security that exposes the City to cyber threats that could lead to loss of critical and/or personal data.</p> <p>Council expects all information is securely managed in accordance with the City's ICT Governance Framework.</p>	<ul style="list-style-type: none"> <li>● Wilful inappropriate distribution, or loss of sensitive or confidential information.</li> <li>● Intentional and systemic failure to plan and respond to common foreseeable cyber attacks.</li> <li>● Foreseeable cyber security breaches that could have been prevented through technical and behavioural controls, within the City's control and resources constraints.</li> <li>● Deliberate and sustained failure to comply with the requirements of the State Records Act 2000.</li> </ul>	

	<p>Technology</p>	<p>MODERATE</p>	<p>Council has a <b>MODERATE</b> appetite for technology risks that cause major disruption to key service delivery, implementation of new and digital transformation changes in the effort to deliver on strategic outcomes.</p> <p>Council is committed to evolving the City's technological systems in an ever-changing environment.</p>	<ul style="list-style-type: none"> <li>● Behaviours that deliberately disregard the City's ICT Governance Framework.</li> <li>● Systemic failure to implement and maintain, with in the City's control, the systems and services which adequately protects sensitive and confidential data and information.</li> <li>● Infrequent and incomplete testing of the City's Disaster Recovery Plan(s).</li> </ul>	
	<p>Workforce</p>	<p>MODERATE</p>	<p>Council has a <b>MODERATE</b> appetite for service delivery being disrupted or delayed as a result of people risks, which include workforce capability and capacity constraints.</p> <p>Council is committed to embedding strategies designed to ensure workforce continuity, flexibility, talent development, and the overall return on people investment.</p>	<ul style="list-style-type: none"> <li>● Failure to deliver on critical service delivery due to workforce capacity/capability constraints and/or systemic failures in employment processes.</li> </ul>	
	<p>Infrastructure and Assets</p>	<p>MODERATE</p>	<p>Council has a <b>MODERATE</b> appetite for poor asset renewal and replacement forecasting (spend and timing) and decision making across the City's enterprise wide asset portfolio.</p>	<ul style="list-style-type: none"> <li>● Failure to complete annual and 10-year project planning.</li> <li>● Poor planning and prioritisation of asset renewal and replacement spending across the City (enterprise level).</li> <li>● Asset ratios (for sustainability, consumption, and funding) falling below best practice benchmarks.</li> <li>● Contributed assets being accepted by the City without adequate project governance, asset valuation information, and proper due diligence at asset handover.</li> </ul>	

<p><b>Strategy</b></p>	<p><b>MODERATE</b></p>	<p>Council has a <b>MODERATE</b> appetite for unforeseen delays in strategic deliverables and/or major disruptions to critical business functions.</p> <p>Council is committed to the execution and embedment of the City's strategic and operational goals.</p>	<ul style="list-style-type: none"> <li>• Failure to demonstrate commitment to deliver services to our community and workers.</li> <li>• Failure to plan and respond to a major disruption ensuring continuity of critical business functions.</li> </ul>	<p>Risk Appetite ratings has been simplified and aligned with the revised Risk Acceptance Criteria. Appetite levels have increased in the following categories:</p> <ul style="list-style-type: none"> <li>• Environment</li> <li>• Finance</li> <li>• Reputation and external stakeholders</li> </ul>																					
<p>Replaced with</p> <p><b>Risk Appetite Statements</b></p> <p>The Council expresses its risk appetite across 10 key risk categories, with each graded using the above ratings. The below table sets out the approved risk categories, appetite ratings, appetite statements, what the Council will not tolerate, as well as linkage to the current strategic risks.</p>																									
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<p><b>Technology</b></p>	<p><b>Medium</b></p>	<p>Digital transformation changes are required to adapt to the City’s regulatory, societal and the business. The Council has a <b>medium appetite</b> for technology risks in the effort to deliver on strategic outcomes.</p>	
<p><b>Workforce</b></p>	<p><b>Medium</b></p>	<p>The Council is committed to ensuring the City’s workforce is engaged, innovative, future-focused, and aligned with its strategic priorities and objectives. The Council has a <b>medium appetite</b> to people risks that result in a disruption to services and workforce capability and capacity.</p>	
<p><b>Infrastructure and Assets</b></p>	<p><b>Medium</b></p>	<p>The Council recognises the importance of its physical and digital infrastructure and its importance in the delivery of services to its stakeholders. The Council has a <b>medium appetite</b> for poor asset renewal and replacement forecasting and decision making across the City’s enterprise-wide asset portfolio. The Council is willing to invest in projects with a low to medium level of risk where there is a strong business case and clear strategic alignment.</p>	
<p><b>Strategy</b></p>	<p><b>Medium</b></p>	<p>The Council is committed to the execution and embedment of the City’s strategic and operational goals and has a <b>medium appetite</b> for risk if the potential benefits and risk are understood and accepted.</p>	
<p>City of Perth Risk Management Criteria</p>			
<p><b>Risk Acceptance Criteria Table</b>  <i>The City will accept a risk if it meets a set of criteria, based on the overall risk rating. This table identifies the criteria for the risks to be accepted and whom has the authority to-do-so. Should the risk fall outside the acceptance criteria, it is required that treatments are implemented within the defined timeframe.</i></p>			
<p><b>RESIDUAL RISK</b></p>	<p><b>AUTHORITY</b></p>	<p><b>ACTIONS REQUIRED</b></p>	<p><b>REVIEW PERIOD</b></p>
<p><b>EXTREME</b></p>	<p>CEO</p>	<p><b>Unacceptable</b>                      All extreme <b>RESIDUAL RISKS</b> need to be accepted by the CEO. The Council must be advised if this risk is related to and will impact upon a Strategic risk.                      A Risk Management Plan must be developed for the risk, which includes <b>quarterly monitoring</b> of controls, agreed timeframes to enhance controls, and reporting as reasonably practical. If the risk cannot be reduced within an acceptable timeframe, the CEO must determine whether to accept, transfer or avoid the risk.</p>	<p><b>Review period should not exceed 1 month</b></p>
<p><b>HIGH</b></p>	<p>ELT</p>	<p><b>Unacceptable without treatment</b>                      All high <b>RESIDUAL RISKS</b> need to be accepted by the Executive Leadership Team (ELT). The ELT must be advised if this risk is related to and will impact upon a Strategic risk.</p>	<p><b>Review period should not exceed 6 months</b></p>

			A RMP must be developed for the risk, which includes a <b>minimum of bi-annual monitoring</b> of controls, agreed timeframes to enhance controls where necessary, and reporting at ELT meetings and ARC.						
	<b>MEDIUM</b>	GM AND AM	Acceptable with periodic review Managed by normal procedures and <b>reviewed annually.</b>	Review period should not exceed 12 months					
	<b>LOW</b>	AM	Acceptable with periodic review Exposure to this level of risk is acceptable without additional risk treatments and managed by normal procedures.	Review period should not exceed 12 months					
Document Control	Amended:   <table border="1" data-bbox="319 884 1252 940"> <tr> <td>Next review due:</td> <td>December 2027</td> <td>Document Management Ref:</td> <td>EDRMS-2035121629-600</td> </tr> </table>				Next review due:	December 2027	Document Management Ref:	EDRMS-2035121629-600	The Review date has been updated to occur in December 2027
Next review due:	December 2027	Document Management Ref:	EDRMS-2035121629-600						

### Consultation

5. Consultation was undertaken with the Executive Leadership team while reviewing the Policy and the City’s Strategic Risk Management Report.

### Decision Implications

6. If the ARC supports the recommendation, the City’s Risk Appetite Statements will aligned to the City’s Risk Assessment Criteria and allow the City to potentially benefit from realising opportunities by taking appropriate and considered risk.

### Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	A Well-Governed City
Related Documents (Issue Specific Strategies and Plans):	Strategic Community Plan 2022-2032, Risk Management Framework, Project Management Framework, Fraud and Corruption Control Plan, Work Health and Safety Management Plan.

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

## Financial Implications

Nil.

## Further Information

Nil.



















## 17.2 Results of the Audit and Risk Committee Self-Assessment

Responsible Officer	Natasha Balderston – Audit and Risk Manager
Voting Requirements	Simple Majority
Attachments	Attachment 17.2A – Results of the ARC Self-Assessment - 2024 <a href="#">↓</a>

### Purpose

To provide the Audit and Risk Committee with the results of their annual self-assessment, prior to presentation to Council.

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### Recommendation

That Council RECEIVES the results of the annual ARC Self-Assessment.

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## Background

1. The City of Perth's ("the City") Audit and Risk Committee ("ARC") is required to perform a self-assessment of its performance, in collaboration with the CEO, as per the ARC Terms of Reference (included in **Attachment A**). The results of the annual self-assessment are required to be communicated to Council.
2. The ARC Self-Assessment has been developed based on the recommended questionnaire format proposed in the Performance of the ARC Audit, completed in April 2023 by Moore Australia (WA) Pty Ltd ("Moore Australia"). This was developed based on guidance from better practice principles, such as the National Audit Office's *Good Practice Guide Audit and Risk Assurance Committee Effectiveness Self-Assessment Tool*. The format proposed by Moore Australia has been amended by the City's Audit and Risk Unit to be fit for the City's purposes.
3. The purpose of the ARC Self-Assessment is to provide the ARC with the means to regularly appraise its performance and address areas where there is 'room for improvement' in their operations.
4. The ARC Self-Assessment is made up of questions in accordance with the Committee's requirements as set out in legislation and the approved ARC Terms of Reference. The questions are divided up into the following categories:
  - a. Questions for the Audit and Risk Committee:
    - i. Compliance with the Audit and Risk Committee Terms of Reference.
    - ii. Membership, Independence, Objectivity, and Understanding of Roles and Responsibilities.
    - iii. Skills and Experience.
    - iv. Communication and Reporting.
    - v. Continuous Improvement.
  - b. Questions for the Administration:
    - i. Governance of the Audit and Risk Committee Terms of Reference.
    - ii. Meetings.
5. A proposed approach for completing the Self-Assessment was presented to the ARC at its meeting on the 12 August 2024. Suggested changes to the self-assessment were incorporated by Internal Audit following the feedback at the ARC meeting.

## Discussion

6. The following process for completing the ARC Self-Assessment was undertaken:
  - a. The ARC members were provided a copy of the self-assessment for their consideration.
  - b. The ARC members met on the 17 September 2024 to discuss the self-assessment and collectively agree on a rating against each relevant criterion.
  - c. The Administration rated their performance against each relevant criterion.
  - d. The ARC was provided the opportunity to review the results and advise of any changes.
  - e. The Chair of the ARC met with the CEO on 2 October 2024, to discuss the results and determine if any action plans were required to improve the performance of the ARC.

- f. The report was signed by the CEO and Manager Audit and Risk.
- 2. Next steps:
  - a. The final agreed self-assessment results were provided to Internal Audit to prepare a report for presentation at the November ARC meeting (this report).
  - b. If the ARC supports the recommendation, the report will be presented to the Council for information purposes at its December meeting to meet the requirements in the Terms of Reference.
- 3. The ARC and the Administration assessed their performance against the following ratings:

Rating	Description
Yes	The ARC is achieving its responsibilities in this area as per the requirements in the Terms of Reference. The ARC is working effectively together, and with the wider stakeholders, and is obtaining benefits from its meetings.
No	The ARC is not achieving its responsibilities in this area as per the requirements in the Terms of Reference. There is scope for improvement in this area.
Developing	The ARC is still maturing in this area and is working towards meeting the requirements in the Terms of Reference.
N/A	Not Applicable.

- 4. The ARC assessed themselves as fulfilling their responsibilities for all relevant criteria, with the exception of one. The below criterion was assessed as ‘Developing’:
 

*"1.1.1.2 (b) Reviewing reports on the movement of the City’s current strategic risks, and the emergence of new strategic risks"*.

Strategic risk reporting has recently been implemented and a report was provided to the ARC in May 2024 with the view that biannual strategic risk reports will be provided to the ARC. As per the new reporting process for strategic risks, the next report will be provided at the November ARC meeting.

As this is a new practice, it will be monitored over the next 12-months, to ensure that the ARC is able to discharge this responsibility in accordance with their Terms of Reference.
- 5. The Administration assessed themselves as fulfilling their responsibilities for all relevant criteria. This was independently verified by the City’s Internal Audit Unit.
- 6. Please see **Attachment A** for the full results of the ARC self-assessment.

## Consultation

Nil.

## Decision Implications

If the ARC supports the recommendation, the report on the results of the ARC Self-Assessment will be presented to the Council for information purposes at its December meeting, to meet the requirements in the Terms of Reference.

## Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	A Well-Governed City
Related Documents (Issue Specific Strategies and Plans):	Audit and Risk Committee Terms of Reference

Legislation, Delegation of Authority and Policy	
Legislation:	<i>Local Government (Audit) Regulations 2007</i>
Authority of Council/CEO:	As the Committee has no delegated authority, Council is required to approve changes to timeframes.
Policy:	Nil.

## Financial Implications

Nil.

## Further Information

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**

Nil.

**20. Urgent Business**

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

**21. Closure**