



# MINUTES

## Council Meeting

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Tuesday, 19 February 2019 at 6.30pm

### **Disclaimer**

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**MINUTES OF THE ORDINARY MEETING OF COUNCIL HELD IN THE COUNCIL CHAMBER, 135 CANNING HIGHWAY EAST FREMANTLE ON TUESDAY, 19 FEBRUARY 2019.**

**1. OFFICIAL OPENING**

The Presiding Member opened the meeting at 6.31pm

**2. ACKNOWLEDGEMENT OF COUNTRY**

*“On behalf of the Council I would like to acknowledge the Nyoongar people as the traditional custodians of the land on which this meeting is taking place.”*

**3. RECORD OF ATTENDANCE**

**3.1 Attendance**

The following members were in attendance:

Mayor J O’Neill	Presiding Member
Cr J Harrington	
Cr M Collinson	
Cr A McPhail	
Cr M McPhail	
Cr D Nardi	
Cr T Watkins	
Cr A White	

The following staff were in attendance:

Mr G Tuffin	Chief Executive Officer
Mr P Kocian	Executive Manager Corporate Services
Mr A Malone	Executive Manager Regulatory Services
Ms J May	Minute Secretary

There were six members of the public in attendance.

**3.2 Apologies**

Cr Natale

**3.3 Approved**

Nil.

**4. DISCLOSURES OF INTEREST**

**4.1 Financial**

Nil.

**4.2 Proximity**

**4.2.1 Mayor O’Neill - 12.3.1 East Fremantle Oval Precinct Revitalisation Project - Vision Report – Advertise for Feedback**

Resides opposite the East Fremantle Oval

**4.3 Impartiality**

Nil.

**5. PUBLIC QUESTION TIME**

**5.1 Responses to previous questions from members of the public taken on notice**

Nil.

**5.2 Public Question Time**

**5.2.1 Ms C Gepp, 8/16 Coolgardie Avenue**

*Community Engagement Plan*

1. Was the Community Engagement Plan followed in relation to the Annual Electors Meeting held on 29 January 2019, and where else has it not been followed?
2. If not, what steps will Councillors and staff take to ensure that the Plan is followed in future according to the Guidelines to Proposed Levels of Engagement?

*Calico Bags*

3. There are only 3,283 dwellings so why were 5000 ordered?
4. How many surplus bags are still to be distributed?
5. Did the funds for the bags come from the Sanitation budget or from some other Budget?
6. What was the nature and value of the sponsorship given to the EFJFC to deliver the bags?

*Staff Christmas Lunch*

7. Was the staff Christmas Party funded by Council or did staff reimburse Council the cost of their meal?
8. Was FBT paid on this?

Mayor O'Neill advised that the questions would be taken on notice and a response provided in writing and included in the Minutes of the next Council Meeting.

**6. PRESENTATIONS/DEPUTATIONS**

**6.1 Presentations**

Nil.

**6.2 Deputations**

**6.2.1 12.1.2 Staton Road, No 70 (Lot 54) Home Occupation (Beauty and Skin Therapy)**

Ms Briggs addressed the meeting in support of her proposal and requested further consideration be given to allowing occasional appointments after 5pm to cater for working women unable to attend during the day.

Elected members considered correspondence from Ms Briggs distributed at the meeting.

**6.2.2 Ms C Gepp 8/16 Coolgardie Avenue**

Ms Gepp explained her query regarding the advertising of the recent Electors Meeting. She advised that the meeting was advertised in the Fremantle Herald in December 2018 and January 2019 and appeared on Council's website. There was no notification on Facebook or mention in Council's e-newsletter.

Mayor O'Neill advised that a response would be provided.



**7. APPLICATIONS FOR LEAVE OF ABSENCE**

**7.1 Cr Collinson**

Seeking leave of absence for the March Council Meeting.

**Moved Cr White, seconded Cr Harrington**

**That Leave of Absence be granted to Cr Collinson for the March Council Meeting.**

**(CARRIED UNANIMOUSLY)**

**8. CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

**8.1 Meeting of Council (11 December 2018)**

**8.1 OFFICER RECOMMENDATION**

**Moved Cr White, seconded Cr Watkins**

**That the minutes of the Ordinary meeting of Council held on Tuesday, 11 December 2018 be confirmed as a true and correct record of proceedings.**

**(CARRIED UNANIMOUSLY)**

**9. ANNOUNCEMENTS BY THE PRESIDING MEMBER**

**9.1 One Day in Fremantle Event**

Mayor O'Neill congratulated the City of Fremantle on their One Day in Fremantle event held on Sunday, 27 January 2019. He advised it was a great family orientated community event.

**10. UNRESOLVED BUSINESS FROM PREVIOUS MEETINGS**

Nil.

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## 11. REPORTS AND RECOMMENDATIONS OF COMMITTEES

### 11.1 Town Planning Committee Meeting (5 February 2019)

<b>File ref</b>	C/MTP1
<b>Prepared by</b>	Andrew Malone, Executive Manager Regulatory Services
<b>Meeting Date:</b>	19 February 2019
<b>Voting requirements</b>	Simple Majority
<b>Documents tabled</b>	Nil
<b>Attachments</b>	1. Town Planning Committee Minutes

#### **Purpose**

To submit the minutes and delegated decisions of the Town Planning & Building Committee for receipt by Council.

#### **Executive Summary**

The Committee, at its meeting on 5 February 2019, exercised its delegation in seven statutory matters where four members voted in favour of the Reporting Officer's recommendations.

The following three statutory applications were not able to be dealt with under delegation as the minimum four votes in support of the officer's recommendation were not obtained and are included in the Council agenda for further consideration:

- Silas Street Unit 24 No 3 (Lot 123)
- Staton Road No 70 (Lot 54)
- Richmond Circus No 70 (Lot 226)

As the Committee has no delegation to deal with strategic matters, the report regarding the Economic and Industry Standing Committee Inquiry into Short-Stay Accommodation in WA has also been referred to the February Council Meeting.

There is no further action other than to receive the minutes, including delegated decisions, of that meeting.

#### **Consultation**

Town Planning & Building Committee.

#### **Statutory Environment**

Nil.

#### **Policy Implications**

Nil.

#### **Financial Implications**

Nil.

#### **Strategic Implications**

Nil.



**Site Inspection**

Not applicable.

**Comment**

The unconfirmed minutes of the Town Planning & Building Committee meeting are now presented to Council to be received.

**11.1 COMMITTEE RECOMMENDATION/COUNCIL RESOLUTION 010219**

**Moved Cr Collinson, seconded Cr Nardi**

**That the unconfirmed Minutes of the Town Planning Committee Meeting held on 5 February 2019 be received.**

(CARRIED UNANIMOUSLY)

**12. REPORTS**

**12.1 PLANNING REPORTS**

**12.1.1 Silas Street, Unit 24 No 3 Lot 123- Mixed Use Development- Change of Use From Office to Recreation- Private**

**Owner** Sarah Boxley  
**Applicant** Anahata Investments Pty Ltd  
**File ref** P103/18; P/SIL3/U24  
**Prepared by** James Bannerman Planning Officer  
**Supervised by** Andrew Malone, Executive Manager Regulatory Services  
**Meeting date** 19 February 2018  
**Voting requirements** Simple Majority  
**Documents tabled** Nil  
**Attachments** Nil.

**Purpose**

For Council to consider the Town Planning Committee (TPC) recommendation (Resolution TP050219) to approve a change of use from Office to Recreation – Private at Unit 24/3 Silas Street as outlined in the Report contained within the TPC minutes (Agenda Item 11.1 Attachment 1).

**Executive Summary**

The Town Planning Committee at its meeting on 5 February 2019 recommended adopting the officer’s recommendation to allow this change of use.

(Refer to Town Planning Committee minutes (pp 32-38) to view the full report and Resolution.)

This matter has been referred to Council as the Town Planning Committee did not have sufficient members present to obtain the minimum of 4 votes to carry the resolution under delegated authority.

**Risk Implications**

Risk	Risk Likelihood (based on history & with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk Theme	Risk Action Plan (Controls or Treatment proposed)
If officer recommendation not supported the decision may be appealed at SAT	Unlikely (2)	Moderate (3)	Moderate (5-9)	FINANCIAL IMPACT \$10,000 - \$50,000	Accept Officer Recommendation

**Risk Matrix**

Consequence		Insignificant	Minor	Moderate	Major	Extreme
		1	2	3	4	5
Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating is provided below. Any items with a risk rating over 16 will be added to the Risk Register, and any item with a risk rating over 16 will require a specific risk treatment plan to be developed.

<b>Risk Rating</b>	6
<b>Does this item need to be added to the Town's Risk Register</b>	No
<b>Is a Risk Treatment Plan Required</b>	No

**12.1.1 COMMITTEE RECOMMENDATION/COUNCIL RESOLUTION 020219**

Moved Cr Collinson, seconded Cr Harrington

That Council grant development approval and exercise its discretion in regard to the following :

- (i) Clause 5.8.5- Car parking of Local Planning Scheme No. 3 to allow an onsite car parking shortfall of ten (10) bays

for a change of use from office to recreation- private at No 3 Unit 24 (Lot 123) Silas Road, East Fremantle as indicated on the plans date stamped received 30 October 2018, subject to the following conditions:

- (1) No more than one (1) staff member and ten (10) clients can attend the premises at any time between 9am and 5pm Monday to Friday.
- (2) The window signage shall not exceed 50% of the total surface area of the windows of the premises.
- (3) This planning approval does not include approval for any other signage other than that listed in condition (2). No other unauthorised signage is to be displayed.
- (4) Any change to the type, design, location or illumination of signage shall be the subject of a further development approval application for Council's consideration.
- (5) The change of use approval is for Recreation- Private (yoga classes) only. If any other use or other recreation use is proposed then a further development approval application will be required to be submitted for Council's consideration as to the suitability of the use and parking availability and requirements in the Town Centre.
- (6) The premises must be inspected by the Town's Environmental Health Officer prior to opening.
- (7) Any works are to be constructed in conformity with the drawings and written information in relation to use accompanying the application for planning approval other than where varied in compliance with the conditions of this planning approval or with Council's further approval.

- (8) With regard to the plans submitted with respect to the building permit application, changes are not to be made in respect of the plans which have received planning approval, without those changes being specifically marked for Council's attention.
- (9) The proposed use is not to be commenced until all conditions attached to this planning approval have been finalised to the satisfaction of the Chief Executive Officer in consultation with relevant officers.
- (10) This planning approval is to remain valid for a period of 24 months from the date of this approval.

**Footnote:**

*The following are not conditions but notes of advice to the applicant/owner:*

- (i) *This decision does not include acknowledgement or approval of any unauthorised development which may be on the site.*
- (ii) *A copy of the approved plans as stamped by Council are attached and the application for a Building Permit is to conform to the approved plans unless otherwise approved by Council.*
- (iv) *All noise levels produced by the construction of the development are to comply with the provisions of the Environmental Protection (Noise) Regulations 1997 (as amended).*
- (vi) *Under the Environmental Protection (Noise) Regulations 1997, the noise from an air-conditioner must meet assigned allowable noise levels at all times. The Environmental Protection Act 1986 sets penalties for non-compliance with the Regulations and the installer of a noisy air-conditioner can face penalties of up to \$5,000 under Section 80 of the Act. Refer to Department of Environmental Protection document – "An Installers Guide to Air Conditioner Noise".*

(CARRIED UNANIMOUSLY)

**12.1.2 Staton Road, No 70 (Lot 54) Home Occupation (Beauty and Skin Therapy)**

<b>Owner</b>	Nuala Briggs and Steven Tadman
<b>Applicant</b>	As above
<b>File ref</b>	P104/18; P/STA70
<b>Prepared by</b>	James Bannerman Planning Officer
<b>Supervised by</b>	Andrew Malone, Executive Manager Regulatory Services
<b>Meeting date</b>	19 February 2019
<b>Voting requirements</b>	Simple Majority
<b>Documents tabled</b>	Nil
<b>Attachments</b>	Nil

**Purpose**

For Council to consider the Town Planning Committee (TPC) recommendation (Resolution TP040219) to approve a home occupation of Beauty and Skin Therapy at No 70 (Lot 54) Staton Road as outlined in the Report contained within the TPC minutes (Agenda Item 11.1 Attachment 1).

**Executive Summary**

The Town Planning Committee at its meeting on 5 February 2019 recommended amending the officer's recommendation. The modifications comprised:

- amending the hours of operation
- deleting the requirement for the electric gates at the front of the property to remain open during operating hours
- restricting weekly operating hours to 20 hours.

(Refer to Town Planning Committee minutes (pp 23-38) to view the full report and Resolution.)

This matter has been referred to Council as the Town Planning Committee did not have sufficient members present to obtain the minimum of 4 votes to carry the resolution under delegated authority.

**Risk Implications**

Risk	Risk Likelihood (based on history & with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk Theme	Risk Action Plan (Controls or Treatment proposed)
If officer recommendation not supported the decision may be appealed at SAT	Unlikely (2)	Moderate (3)	Moderate (5-9)	FINANCIAL IMPACT \$10,000 - \$50,000	Accept Officer Recommendation

### Risk Matrix

Consequence		Insignificant	Minor	Moderate	Major	Extreme
		1	2	3	4	5
Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating is provided below. Any items with a risk rating over 16 will be added to the Risk Register, and any item with a risk rating over 16 will require a specific risk treatment plan to be developed.

<b>Risk Rating</b>	6
<b>Does this item need to be added to the Town's Risk Register</b>	No
<b>Is a Risk Treatment Plan Required</b>	No

#### 12.1.2 COMMITTEE RECOMMENDATION

Moved Cr Collinson, seconded Cr M McPhail

That Council support approval of the proposed home occupation (Beauty and Skin Therapy Business) at No. 70 (Lot 54) Staton Road, East Fremantle, in accordance with the plans date stamped received 31 October 2018, subject to the following conditions:

- (1) No person shall be employed in the home occupation, other than the owner of the property.
- (2) The home occupation is limited to one customer being treated at a time.
- (3) The home occupation is limited to operating for the following days and times;

Monday	12 noon to 5.30 pm
Tuesday, Wednesday, Thursday and Friday	9 am to 5.30 pm
Saturday	10 am to 2.00pm
Sundays, public holidays and evenings	Closed

Approval is not granted to operate the business on Sundays and public holidays, or before 9 am and after 5.30 pm Monday to Friday.

- (4) The home business shall be conducted in an unobtrusive manner that will not prejudicially affect the amenity of the area.
- (5) The home occupation shall be conducted within an area marked on the approved plans.
- (6) No vehicles associated with the home occupation shall be parked on the street or on the road verge.
- (7) The owner is to ensure that suitable on site car parking is available for clients during business hours.
- (8) The owner of the business is to advise the clients that suitable parking is available on site.
- (9) The business is to be operated in compliance with the Health (Skin Penetration Procedure) Regulations 1998 and the associated Code of Practice for Skin Penetration Procedures.
- (10) The premises of the home occupation are to be inspected by Council's Principal Environmental Health Officer prior to commencement of the proposed home occupation. It is the

- responsibility of the owner of the business to contact the Council to ensure compliance with environmental health requirements prior to operation.
- (11) This planning approval is to remain valid for 6 months from the date of this approval. After this date, a further planning approval will be required to be submitted to continue operating the business from the current site.
  - (12) The approval may be revoked by Council, prior to the expiration of the 6 month period referred to in (11) above if there are any adverse impacts involving noise, parking, vehicle traffic and surrounding amenity which are unable to be controlled by the applicant in a timely and effective manner which is to the satisfaction of the Council.
  - (13) This planning approval does not include any planning approval for any signage or advertising. A separate planning application is to be made for signage and advertising.
  - (14) Operating hours in any one week shall not exceed 20 hours.

Footnote:

*The following are not conditions but notes of advice to the applicant/owner:*

- (i) *This decision does not include acknowledgement or approval of any unauthorised development which may be on the site.*
- (ii) *A copy of the approved plans as stamped by Council are attached.*
- (iii) *All noise levels produced by the development are to comply with the provisions of the Environmental Protection (Noise) Regulations 1997 (as amended).*
- (iv) *Under the Environmental Protection (Noise) Regulations 1997, the noise from an air-conditioner must meet assigned allowable noise levels at all times. The Environmental Protection Act 1986 sets penalties for non-compliance with the Regulations and the installer of a noisy air-conditioner can face penalties of up to \$5,000 under Section 80 of the Act. Refer to Department of Environmental Protection document – “An Installers Guide to Air Conditioner Noise”.*

**Amendment**

**Moved Cr Harrington, seconded Cr Nardi**

**That part (3) of the motion be replaced with the following:**

**The home occupation is limited to operating for the following days and times;**

<b>Monday</b>	<b>12 noon to 5.30 pm</b>
<b>Tuesday, Thursday and Friday</b>	<b>9 am to 5.30 pm</b>
<b>Wednesday</b>	<b>9 am to 7.00 pm</b>
<b>Saturday</b>	<b>10 am to 2.00 pm</b>
<b>Sundays, public holidays and evenings</b>	<b>Closed</b>

**Approval is not granted to operate the business on Sundays and public holidays, or before 9 am and after 5.30 pm Monday to Friday (excluding Wednesday).** (CARRIED 5:3)

The substantive motion, as amended, was put.

**12.1.2 SUBSTANTIVE MOTION/COUNCIL RESOLUTION 030219**

**That Council support approval of the proposed home occupation (Beauty and Skin Therapy Business) at No. 70 (Lot 54) Staton Road, East Fremantle, in accordance with the plans date stamped received 31 October 2018, subject to the following conditions:**

- (1) No person shall be employed in the home occupation, other than the owner of the property.**
- (2) The home occupation is limited to one customer being treated at a time.**
- (3) The home occupation is limited to operating for the following days and times;**

Monday	12 noon to 5.30 pm
Tuesday, Thursday and Friday	9 am to 5.30 pm
Wednesday	9 am to 7.00 pm
Saturday	10 am to 2.00 pm
Sundays, public holidays and evenings	Closed

Approval is not granted to operate the business on Sundays and public holidays, or before 9 am and after 5.30 pm Monday to Friday (excluding Wednesday).

- (4) The home business shall be conducted in an unobtrusive manner that will not prejudicially affect the amenity of the area.
- (5) The home occupation shall be conducted within an area marked on the approved plans.
- (6) No vehicles associated with the home occupation shall be parked on the street or on the road verge.
- (7) The owner is to ensure that suitable on site car parking is available for clients during business hours.
- (8) The owner of the business is to advise the clients that suitable parking is available on site.
- (9) The business is to be operated in compliance with the Health (Skin Penetration Procedure) Regulations 1998 and the associated Code of Practice for Skin Penetration Procedures.
- (10) The premises of the home occupation are to be inspected by Council's Principal Environmental Health Officer prior to commencement of the proposed home occupation. It is the responsibility of the owner of the business to contact the Council to ensure compliance with environmental health requirements prior to operation.
- (11) This planning approval is to remain valid for 6 months from the date of this approval. After this date, a further planning approval will be required to be submitted to continue operating the business from the current site.
- (12) The approval may be revoked by Council, prior to the expiration of the 6 month period referred to in (11) above if there are any adverse impacts involving noise, parking, vehicle traffic and surrounding amenity which are unable to be controlled by the applicant in a timely and effective manner which is to the satisfaction of the Council.
- (13) This planning approval does not include any planning approval for any signage or advertising. A separate planning application is to be made for signage and advertising.
- (14) Operating hours in any one week shall not exceed 20 hours.

**Footnote:**

*The following are not conditions but notes of advice to the applicant/owner:*

- (i) *This decision does not include acknowledgement or approval of any unauthorised development which may be on the site.*
- (ii) *A copy of the approved plans as stamped by Council are attached.*
- (iii) *All noise levels produced by the development are to comply with the provisions of the Environmental Protection (Noise) Regulations 1997 (as amended).*
- (iv) *Under the Environmental Protection (Noise) Regulations 1997, the noise from an air-conditioner must meet assigned allowable noise levels at all times. The Environmental Protection Act 1986 sets penalties for non-compliance with the Regulations and the installer of a noisy air-conditioner can face penalties of up to \$5,000 under Section 80 of the Act. Refer to Department of Environmental Protection document – "An Installers Guide to Air Conditioner Noise".*

(CARRIED 6:2)



### 12.1.3 Richmond Circus No 70 (Lot 226) - Carport

<b>Owner</b>	Mark Hochstadt and Rachel Bodel
<b>Applicant</b>	Softwoods Timberyard Pty Ltd
<b>File ref</b>	P908/18; P/RIC70
<b>Prepared by</b>	James Bannerman Planning Officer
<b>Supervised by</b>	Andrew Malone, Executive Manager Regulatory Services
<b>Meeting date</b>	19 February 2019
<b>Voting requirements</b>	Simple Majority
<b>Documents tabled</b>	Nil
<b>Attachments</b>	Nil

#### Purpose

For Council to consider the Town Planning Committee (TPC) recommendation (Resolution TP070219) to refuse a single carport for vehicle parking in the front setback at No 70 (Lot 226) Richmond Circus as outlined in the Report contained within the TPC minutes (Agenda Item 11.1 Attachment 1).

#### Executive Summary

The Town Planning Committee at its meeting on 5 February 2019 recommended adopting the officer's recommendation to allow this change of use.

(Refer to Town Planning Committee minutes (pp 45-49) to view the full report and Resolution.)

This matter has been referred to Council as the Town Planning Committee did not have sufficient members present to obtain the minimum of 4 votes to carry the resolution under delegated authority.

#### Risk Implications

Risk	Risk Likelihood (based on history & with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk Theme	Risk Action Plan (Controls or Treatment proposed)
The decision may be appealed at SAT	Possible (3)	Moderate (3)	Moderate (5-9)	FINANCIAL IMPACT \$10,000 - \$50,000	Accept Risk

### Risk Matrix

Consequence		Insignificant	Minor	Moderate	Major	Extreme
		1	2	3	4	5
Likelihood	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating is provided below. Any items with a risk rating over 16 will be added to the Risk Register, and any item with a risk rating over 16 will require a specific risk treatment plan to be developed.

<b>Risk Rating</b>	9
<b>Does this item need to be added to the Town's Risk Register</b>	No
<b>Is a Risk Treatment Plan Required</b>	No

### 12.1.3 COMMITTEE RECOMMENDATION

Moved Cr Collinson, seconded Cr Nardi

That Council refuse the development application for a single carport for vehicle parking in the front setback area at No 70 (Lot 226) Richmond Circus, East Fremantle, as outlined on plans date stamped received on 19 October 2018, for the following reasons:

- (1) The proposed development does not comply with the orderly and proper planning of the area.
- (2) The proposed development does not comply with the following requirements of the Local planning Scheme No 3:
  - (a) The proposed development conflicts with Clause 1.6 Aims of the Scheme in particular Clause 1.6 (b)
  - (b) The proposed development conflicts with Clause 4.2 Objectives of the Zones Residential Objectives:
    - (i) To safeguard and enhance the amenity of residential areas and ensure that new housing development is sympathetic with the character and scale of the existing built form
  - (c) The proposed development conflicts with the provisions of the Town of East Fremantle Local Planning Scheme No 3 – Deemed Provision Clause 67 because it is incompatible with:
    - (i) Clause 67 (n) the amenity of the locality including the following- (ii) *the character of the locality*;
- (3) The proposed development does not comply with the Local Planning Policy Residential Design Guidelines in particular:
  - (a) Clause 3.7.20.3.1 that include:
    - (i) Garages and carports shall be incorporated into and be compatible with the design of the dwelling.
    - (ii) Garages and carports shall not visually dominate the dwelling as viewed from the street.

- (b) Clause 3.7.20.3.3 that requires garages and carports are constructed behind the building line and comply with the following:
- (i) Setback a minimum distance of 1.2m behind the building line.

(LOST 4:4 ON THE CASTING VOTE OF THE PRESIDING MEMBER)

Reason for not supporting Officer's/Committee's Recommendation

It was considered in certain circumstances where merit permits, Council should utilise its discretion to approve a carport forward of the building line, as provided under Council's Policy.

**12.1.3 PROCEDURAL MOTION/COUNCIL RESOLUTION 040219**

**Moved Mayor O'Neill, seconded Cr A McPhail.**

**That this matter be deferred to the March Town Planning Committee meeting to allow the officers to consider appropriate conditions for approval.**

(CARRIED UNANIMOUSLY)

#### 12.1.4 Economics and Industry Standing Committee Inquiry into Short-stay Accommodation in WA – Draft Town of East Fremantle Submission

<b>File ref</b>	B/PTP1
<b>Prepared by</b>	James Bannerman, Planning Officer
<b>Supervised by</b>	Andrew Malone, Executive Manager Regulatory Services
<b>Meeting Date:</b>	19 February 2019
<b>Voting requirements</b>	Simple Majority
<b>Documents tabled</b>	Nil
<b>Attachments</b>	1. Officer's Report to Town Planning Committee 5/2/19

#### Purpose

For Council to consider the Town Planning Committee (TPC) recommendation (Resolution TP120219) to adopt the comments as outlined in the Officer's Report, in relation to a Legislative Assembly of Western Australia *Committee Inquiry into Short-Stay Accommodation in WA*, contained within the TPC minutes (Agenda Item 11.1 Attachment 1).

#### Executive Summary

The Town Planning Committee at its meeting on 5 February 2019 recommended adopting the officer's comments relating to this Government Inquiry.

(Refer to Town Planning Committee minutes (pp 79-86) to view the full report and Resolution.)

This matter has been referred to Council as the Town Planning Committee does not have delegated authority to deal with matters of a strategic nature.

#### Risk Implications

Risk	Risk Likelihood (based on history & with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk Theme	Risk Action Plan (Controls or Treatment proposed)
Council will not provide any input into the Short Stay Accommodation in WA Inquiry	Unlikely (2)	Insignificant (1)	Low (1-4)	REPUTATIONAL Unsubstantiated, low impact, low profile or 'no news' item	Accept Risk

**Risk Matrix**

Consequence Likelihood		Insignificant	Minor	Moderate	Major	Extreme
		1	2	3	4	5
Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating is provided below. Any items with a risk rating over 16 will be added to the Risk Register, and any item with a risk rating over 16 will require a specific risk treatment plan to be developed.

Risk Rating	2
Does this item need to be added to the Town's Risk Register	No
Is a Risk Treatment Plan Required	No

**12.1.4 COMMITTEE RECOMMENDATION/COUNCIL RESOLUTION 050219**

Moved Cr Collinson, seconded Cr M McPhail

That Council:

- adopt the comments outlined in the officer's report (Minute No 12.1 Town Planning Meeting 050219) as the basis for a submission to the Economics and Industry Standing Committee of the Legislative Assembly (Committee Inquiry into Short-stay Accommodation in WA)
- forward the adopted Town of East Fremantle Submission – As referred to in (1) above, to the Economics and Industry Standing Committee of the Legislative Assembly (Committee Inquiry into Short-Stay Accommodation in WA)

(CARRIED UNANIMOUSLY)

### 12.1.5 WALGA Preferred Model - Third Party Appeal Rights in Planning

<b>File ref</b>	A/WALGA; B/PTP1
<b>Prepared by</b>	Stacey Towne, Urban Project Planner
<b>Supervised by</b>	Andrew Malone, Executive Manager Regulatory Services
<b>Meeting Date:</b>	19 February 2019
<b>Voting requirements</b>	Simple Majority
<b>Documents tabled</b>	Nil
<b>Attachments</b>	1. Preferred Model – Third Party Appeal rights for decisions made by Development Assessment Panels

#### **Purpose**

The purpose of this report is for Council to provide comments to the Western Australian Local Government Association (WALGA) regarding their Preferred Model for Third Party Appeal Rights in planning. The closing date for comment is 20 February 2019.

#### **Executive Summary**

At the May 2018 WALGA State Council meeting, it was resolved to amend WALGA's policy position from opposing Third Party Appeal Rights, to supporting the introduction of Third Party Appeal Rights only for those decisions made by Development Assessment Panels (DAPs).

State Council also resolved to further consult with members to provide more clarity on the exact details of the criteria that need to be established, before any system is implemented by the State Government. A Preferred Model has now been prepared through a workshop with members, and has been circulated for further comment from the sector.

The new policy position was provided to the State Government and also submitted during the consultation on the Independent Review of the Planning System in July 2018 (the Green paper). The Hon Minister for Planning responded that Third Party Appeal Rights are not included in the Green paper, as they would *"add unnecessary complexity and red tape to the planning framework, contrary to the intent of the review"*. WALGA claims that this statement could perhaps be challenged as the objectives of the Review were also about providing a modern and accountable planning system.

Although agreeing with some of the principles behind WALGA's Preferred Model and the need to make improvements to the accountability and transparency of DAP decision making. It is understood that in the past the Town of East Fremantle has not generally supported Third Party Appeal Rights in planning. The Town's administration is, therefore, reluctant to recommend support for any form of third party appeals as it is likely to pave the way for unwanted future changes, planning delays and involve excessive costs and resources. An introduction of Third Party Appeals could also potentially result in further changes in the future including the possibility for legal challenges to decisions of Council.

The Town's administration recommends further investigation should be undertaken to explore alternative planning reform measures other than the third party appeals process to address DAP functions and processes, that in particular would allow Local Governments to challenge or seek review of a DAP decision.

#### **Background**

No Third Party Appeal Rights currently exist in the planning system in Western Australia.

In December 2016, WALGA State Council resolved to undertake research on third party appeals around Australia and further consult with members regarding the current policy position at that time, which opposed the introduction of Third Party Appeal Rights in Western Australia. This action was partially driven by changes to legislation arising from the State's planning reform *Planning Makes it Happen: Phases 1 and 2*, and the introduction of DAPS.

Feedback was sought from the Local Government planning community and Elected Members on a discussion paper that put forward the arguments both for and against third party appeals. Following consideration of submissions, two workshops were held in November 2017 to review various forms of Third Party Appeal Rights and to determine a preferred model.

As a result of a formal request for consideration by members in December 2017, a new position to support the introduction of Third Party Appeal Rights for decisions made by Development Assessment Panels, was endorsed at the May 2018 WALGA State Council Meeting and has since been amended accordingly.

WALGA has now prepared a Preferred Model for Third Party Appeal Rights for decisions made by Development Assessment Panels and is seeking Council comments and/or resolutions regarding this matter. Comments are sought by 20 February 2019 and WALGA officers are aware that the Town's response may be late due to the date of this Council Meeting. An extension to the comment period would need to be sought if any further delays than this are anticipated.

#### **Details**

The Preferred Model – Third Party Appeal Rights for decisions made by Development Assessment Panels is shown as Attachment 1 to this agenda.

The benefits of Third Party Appeal Rights for DAP decisions are purported by the Preferred Model as follows:

- The model provides a good test for the introduction of Third Party Appeal Rights, which could possibly be expanded later if it proves to be beneficial.
- Local Government would be able to appeal a DAP decision and defend the merits of their policies and defend the enforceability of their conditions.
- Other interested parties and community members would be able to appeal a DAP decision.
- Addresses community concerns that decisions are being made by those 'removed' from the local community, leading to improved community confidence in the system.
- More transparent process in both decision making and condition setting, resulting in more accountable DAP members.
- Would allow for an appeal to be made on the conditions of approval or refusal:
  - (i) That may have been removed from a RAR; or
  - (ii) Added to the decision, particularly where no liaison has occurred with the authority responsible for clearing or enforcing the condition; or
  - (iii) Applied inappropriately i.e. the condition would change the intent or design of the development and therefore a new application should have been lodged.
- Limits appeal rights to larger, more complex applications and would filter out 'smaller' impact applications which could potentially overburden the system.
- Provides the opportunity for additional information to be included in the appeal process, particularly if information was not received before the DAP meeting.

- Provides the ability to challenge any new information being presented at the DAP meeting without the responsible authority being able to undertake any assessment of the new information (unassessed revised plans are currently being lodged and approved at meetings).
- Able to appeal the 'Deferral' process being over utilised, i.e. DAPs are tending to defer applications multiple times rather than making a decision to approve or refuse the proposal.
- Can give the Local Government more confidence that the developer will provide a fully complete application and discuss the application with the Local Government first, rather than relying on the DAP to condition the proposal requiring additional critical information.

In summary, the Preferred Model advocates the following for third party appeals against DAP decisions:

- Appellants to be limited to those parties that previously made a submission; the relevant Local Government where decisions have gone against the RAR or the position of Council; and public authorities where decisions have gone against their advice.
- SAT to ensure appeals are made on valid planning grounds, not for commercial or vexatious reasons (a preliminary hearing could determine whether the appeal is justified).
- Optional and compulsory DAP applications decisions to be subject to appeal, together with applications to amend approvals.
- Appeals to be made within 28 days of a decisions (as per usual timeframe for lodgment of appeals) and Local governments to individually determine process for lodgment (for example, Special Council meeting to determine this action).
- For procedural fairness, all parties should be involved including the Local Government or another third party; the respondent (DAP) and the applicant. If the appellant is another third party, then the Local Government should be invited as an observer.
- Any appellant would be required to cover the costs of initiating an appeal, attending SAT directions, mediation and hearings, and costs could also include obtaining expert advice. Potential costs to be counselled to a third party at the time of a Preliminary Hearing.
- The appeals process to be similar to the existing appeal process currently applicable to an applicant.

### **Consultation**

This Preferred Model has been circulated to all WALGA members for comment and possible Council resolution.

### **Statutory Environment**

Changes would be required to the *Planning and Development Act 2005* to allow for Third Party Appeal Rights.

### **Policy Implications**

Nil

### **Financial Implications**

Possible future cost of funding planning appeals/reviews and impact on Council's resources.

### **Strategic Implications**

The Town of East Fremantle Strategic Community Plan 2017 – 2027 states as follows:



Built Environment

*Accessible, well planned built landscapes which are in balance with the Town's unique heritage and open spaces.*

- 3.1 *Facilitate sustainable growth with housing options to meet future community needs.*
  - 3.1.1 *Advocate for a desirable planning and community outcome for all major strategic development sites.*
  - 3.1.2 *Plan for a mix of inclusive diversified housing options.*
- 3.2 *Maintaining and enhancing the Town's character.*
  - 3.2.1 *Ensure appropriate planning policies to protect the Town's existing built form.*
- 3.3 *Plan and maintain the Town's assets to ensure they are accessible, inviting and well connected.*
  - 3.3.1 *Continue to improve asset management practices.*
  - 3.3.2 *Optimal management of assets within resource capabilities.*
  - 3.3.3 *Plan and advocate for improved access and connectivity.*

Natural Environment

*Maintaining and enhancing our River foreshore and other green, open spaces with a focus on environmental sustainability and community amenity.*

- 4.1 *Conserve, maintain and enhance the Town's open spaces.*
  - 4.1.1 *Partner with Stakeholders to actively protect, conserve and maintain the Swan River foreshore.*
  - 4.1.2 *Plan for improved streetscapes parks and reserves.*
- 4.2 *Enhance environmental values and sustainable natural resource use.*
  - 4.2.1 *Reduce waste through sustainable waste management practices.*
- 4.3 *Acknowledge the change in our climate and understand the impact of those changes.*
  - 4.3.1 *Improve systems and infrastructure standards to assist with mitigating climate change impacts.*

Leadership and Governance

*A pro-active, approachable Council which values consultation, transparency and accountability.*

- 5.1 *Strengthen organisational accountability and transparency.*
  - 5.1.1 *Strengthen governance, risk management and compliance.*
  - 5.1.2 *Ensure an effective engagement process is undertaken with community and stakeholders.*
  - 5.1.3 *Improve the efficiency and effectiveness of services.*
- 5.2 *Proactively collaborate with the community and other stakeholders.*
  - 5.2.1 *Foster and promote strategic collaborative relationships with neighbouring LGAs, NGOs, State and Federal government representatives and agencies.*
- 5.3 *Strive for excellence in leadership and governance.*
  - 5.3.1 *Deliver community outcomes through sustainable finance and human resource management.*
  - 5.3.2 *Improve organisational systems with a focus on innovation.*
  - 5.3.3 *Increased focus on strengthening and fostering a positive customer service experience.*

### Risk Implications

Risk	Risk Likelihood (based on history & with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk Theme	Risk Action Plan (Controls or Treatment proposed)
That Council supports WALGA's preferred model for Third Party Appeal Rights	Unlikely (2)	Moderate (3)	Low (1-4)	COMPLIANCE Minor regulatory or statutory impact	Accept Officer Recommendation

### Risk Matrix

Consequence		Insignificant	Minor	Moderate	Major	Extreme	
		1	2	3	4	5	
Likelihood	Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
	Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
	Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
	Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
	Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating is provided below. Any items with a risk rating over 16 will be added to the Risk Register, and any item with a risk rating over 16 will require a specific risk treatment plan to be developed.

Risk Rating	6
Does this item need to be added to the Town's Risk Register	No
Is a Risk Treatment Plan Required	No

### Site Inspection

Not applicable

### Comment

It appears that many of the benefits stated in the WALGA Preferred Model refer to a means of addressing issues that have been raised with the DAP approvals system.

Notwithstanding the benefits of the Preferred Model as a means to improve the accountability and transparency of DAP decisions, questions arise as to whether the appeals process is the most appropriate avenue to deal with these issues, rather than other planning reform measures associated with DAP function and processes.

Possible merit in the WALGA Preferred Model is that it could allow Local Governments the ability to challenge DAP decisions that are either made contrary to recommendations of the Responsible Authority's Report (RAR) which is prepared by the Local Government for a DAP meeting, or decisions made contrary to a particular position of Council.

Changes to allow for general Third Party Appeals is not supported. Even in a modified format as proposed by the WALGA model, it is considered that this could lead to (or facilitate) challenges to Council decisions, or indeed legal challenges as to the wider merits and abilities to appeal any decision. The associated legislation required for Third Party Appeals is considered to have the potential to significantly change the planning landscape and it is believed that more research is required into this matter to ensure any potential issues are fully understood.

However, enabling other third parties to appeal DAP decisions outside of this realm has the potential to cause unnecessary delays and further imposition on Local Government resources resulting in uncertain planning outcomes. The principle to allow for third parties being able to challenge or review a DAP decision, would only be supported in the same circumstances as for Local Government, that is when a decision is made by the DAP that is contrary to the RAR or a particular position of Council.

The Preferred Model put forward by WALGA claims to provide a "... *good test for introduction of Third Party Appeal Rights, which could possibly be expanded later if it proves to be beneficial*". By supporting third party appeals in any form, it has the potential to pave the way for further changes that could extend beyond decisions made by DAPs and beyond the Council's position on a proposal, which is not a desired outcome.

The principle of Local Governments or other third parties being able to challenge and seek review of DAP decisions that are made contrary to the recommendations of a RAR or Council position is supported, however, the WALGA Preferred Model for Third Party Appeal Rights is not supported as the means for this to occur and it is considered that alternative methods should be investigated.

#### **12.1.5 OFFICER RECOMMENDATION**

That Council advise the Western Australian Local Government Association that the Town of East Fremantle:

1. does not support Third Party Appeal Rights for planning and therefore does not support the WALGA Preferred Model "*Third Party Appeal Rights for decisions made by Development Assessment Panels*", received on 12 December 2018; and
2. supports the principle of Local Governments being able to challenge and seek review of DAP decisions that are made contrary to recommendations of a RAR or Council position;
3. supports the principle of other third parties being able to challenge and seek review of DAP decisions only when decisions are made contrary to recommendations of a RAR or Council position;
4. supports the principle of generally improving the accountability and transparency of Development Assessment Panel decisions; and
5. considers that alternative planning reform measures associated with DAP function and processes, rather than the appeals process, would be a more appropriate method of addressing issues associated with DAP decision making.

**12.1.5 PROCEDURAL MOTION/COUNCIL RESOLUTION 060219**

**Moved Mayor O'Neill , seconded Cr Nardi**

**That the matter be deferred to the March Town Planning Committee Meeting.**

**(CARRIED 5:3)**

### 12.1.6 Canning Highway 101 –Alterations to (FMR) East Fremantle Post Office and Change of Use

<b>Applicant</b>	Heritage Works: Department of Planning, Lands & Heritage
<b>Landowner</b>	Main Roads WA
<b>File ref</b>	P/CAN101
<b>Prepared by</b>	Andrew Malone, Executive Manager Regulatory Services
<b>Supervised by</b>	Gary Tuffin, Chief Executive Officer
<b>Documents tabled</b>	Nil
<b>Attachments</b>	<ol style="list-style-type: none"><li>1. Location plan</li><li>2. Place Record Form</li><li>3. Correspondence from Department Planning, Lands &amp; Heritage</li><li>4. Heritage Impact Statement</li><li>5. Photographs</li><li>6. Plans date stamped received on 9 November 2018</li></ol>

#### **Purpose**

This report considers a development application for proposed alterations to the existing building to bring into compliance for a Class 5 building and change of use from 'Shop' to 'Office' use at the former East Fremantle Post Office, 101 Canning Highway, East Fremantle.

#### **Executive Summary**

The Department of Planning, Lands and Heritage, on behalf of the site owners Main Roads WA, have prepared a Heritage Impact Statement comprising of conservation and compliance works to be undertaken at the former East Fremantle Post Office building which accompanies a change of use for the subject site.

The proposed scope of works has been developed to assist the owners in disposing of the property as part of the Government Heritage Property Disposal Process. This will be achieved by conserving significant elements throughout the place, and installing various compliance systems within the building to facilitate a change of use (retail to office use). The proposed scope of conservation and compliance work has been developed in accordance with the Conservation Plan prepared for the place by Philip Griffith Architects in 2010.

As the Old Post Office is in the State Register of Heritage Places, the application has been provided to the Heritage Council under the provisions of Section 11 of the Heritage of Western Australia Act 1990 and to Main Roads for their advice and comment on the proposal.

#### **Background**

Zoning: Town Centre

MRS: Subject property abuts Canning Highway a Regional Road Reserve under the MRS.

Date application received: 18 November 2016

#### Previous Decisions of Council and/or History of an Issue on Site

Veris on behalf of Main Roads WA (MRWA) requested the Town to commence and support an application for road closure at the Old Post Office. Council resolved to support this application.

#### **Consultation**

##### Advertising

The application for the proposal was advertised to Main Road Western Australia. The application has also been provided to the Heritage Council under the provisions of Section 11 of the Heritage of

Western Australia Act 1990. As the redevelopment of the building will have no significant impact to neighbouring developments the proposal was not advertised to surrounding properties in the town centre.

#### Community Design Advisory Committee

This application was considered by the Community Design Advisory Committee at its meeting on 19 November 2018. The Committee's comments were recorded as follows:

- The Committee congratulate the applicant on the works and commend the redevelopment of the building including such great commitment to detail.

#### **Statutory Environment**

*Planning and Development Act 2005*

*Town of East Fremantle Town Planning Scheme No. 3 (TPS 3)*

*TPS 3 Heritage List*

*State Heritage List – State registered place No. 12112*

#### **Policy Implications**

*Town Centre Redevelopment Guidelines 2011*

*Fremantle Port Buffer Zone – Area 2*

*Municipal Heritage Inventory – Category A*

#### **Financial Implications**

Nil

#### **Strategic Implications**

The Town of East Fremantle Strategic Community Plan 2017 – 2027 states as follows:

#### ***Built Environment***

***Accessible, well planned built landscapes which are in balance with the Town's unique heritage and open spaces.***

#### ***3.1 Facilitate sustainable growth with housing options to meet future community needs.***

*3.1.1 Advocate for a desirable planning and community outcome for all major strategic development sites.*

*3.1.2 Plan for a mix of inclusive diversified housing options.*

#### ***3.2 Maintaining and enhancing the Town's character.***

*3.2.1 Ensure appropriate planning policies to protect the Town's existing built form.*

#### ***3.3 Plan and maintain the Town's assets to ensure they are accessible, inviting and well connected.***

*3.3.1 Continue to improve asset management practices.*

*3.3.2 Optimal management of assets within resource capabilities.*

*3.3.3 Plan and advocate for improved access and connectivity.*

#### ***Natural Environment***

***Maintaining and enhancing our River foreshore and other green, open spaces with a focus on environmental sustainability and community amenity.***

**4.1 Conserve, maintain and enhance the Town's open spaces.**

4.1.1 Partner with Stakeholders to actively protect, conserve and maintain the Swan River foreshore.

4.1.2 Plan for improved streetscapes parks and reserves.

**4.2 Enhance environmental values and sustainable natural resource use.**

4.2.1 Reduce waste through sustainable waste management practices.

**4.3 Acknowledge the change in our climate and understand the impact of those changes.**

4.3.1 Improve systems and infrastructure standards to assist with mitigating climate change impacts.

**Risk Implications**

Risk	Risk Likelihood (based on history & with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk Theme	Risk Action Plan (Controls or Treatment proposed)
That Council do not approve the proposed heritage works and change of use.	Unlikely (2)	Moderate (3)	Moderate (5-9)	COMPLIANCE Minor regulatory or statutory impact	Accept Officer Recommendation

**Risk Matrix**

Consequence		Insignificant	Minor	Moderate	Major	Extreme	
		1	2	3	4	5	
Likelihood	Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
	Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
	Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
	Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
	Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating is provided below. Any items with a risk rating over 16 will be added to the Risk Register, and any item with a risk rating over 16 will require a specific risk treatment plan to be developed.

Risk Rating	6
Does this item need to be added to the Town's Risk Register	No
Is a Risk Treatment Plan Required	No

### Site Inspection

N/A

### Comment

The subject site is partially zoned Urban and partially reserved for Primary Regional Roads (PRR) under the Metropolitan Region Scheme.

### Local Planning Scheme determination

The Town is be required to determine the development and change of use (on the zoned Urban land under the MRS) under LPS No. 3.

### MRS determination

The proposed development (demolition) on the portion of the lot that is reserved for PRR is not considered to be permitted development in accordance with Section 16 of the MRS, therefore, MRS approval is required which would be determined by the Town of East Fremantle (the Town) under WAPC delegations (see Section A, Clause 2 of Del 2017/02 Powers of Local Governments and Department of Transport MRS).

To avoid two determinations under the MRS being made for the portion of the application that is on land zoned Urban under the MRS, a pragmatic approach would be for the Town to not consider the application to be public works by a public authority. The Town would therefore determine all components of the application (Development on PRR reserve and Urban zone, change of use on Urban zone, development under the LPS and change of use under the LPS).

### Statutory Assessment

The proposal has been assessed against the provisions of Local Planning Scheme No. 3 and the Town's Local Planning Policies. The subject site is zoned 'Town Centre' under the LPS No.3. Approval is sought for proposed demolition of rear outbuilding, additions and alterations and proposed change of use 'Shop' to 'Office' Use. The primary works comprise of:

#### *Demolition:*

In general, the majority of this work pertains to the removal of asbestos and later addition fittings from the rear verandah structure and front Loggias, including but not limited to:

- Removal of all dilapidated hardstand and concrete/ brick pavers from the rear yard and side footpath.
- Removal of dilapidated fmr. Staff Amenities and Mailroom building, Ramp, Carport, Pergola and low height brick wall to the rear of the Post Office building (little significance) (located in the MRS PRR are and is required to be removed);
- Removal of dilapidated and later addition rear verandah steps.
- Internal alterations (removal) of later additions/ asbestos and incidental service and cosmetic installations.

#### *Proposed Works:*

- Construction of three parking bays to the rear of the property, accessed via easement over the Town of East Fremantle parking site to the east of the property (formal agreement to be presented to Council);
- New paving throughout the rear yard and footpaths either side of the building. The paving will be set back from the Post Office to allow for sufficient ventilation of the walls and to direct run-off away from the structure;



- Installation of jarrah paling fence to lot boundary alignment and MRS road reserve, with automatic gate access to the adjacent Town of East Fremantle site;
- Reconstruction of timber steps to the rear verandah in earliest known location;
- Construction of a universal access ramp to Porch 1 off the Canning Hwy footpath;
- Internal plan, ceiling and roof modifications to make good, reinstate or to bring into compliance internal elements of the building as deemed necessary.

The proposed works to the external and internal of the building will significantly improve the buildings appearance and heritage character, whilst improving the universal access to the property.

*Change of Use:*

Approval is also sought for proposed change of use from 'Shop' to 'Office' Use.

The proposed modifications and change of use have been assessed as per the relevant Council planning requirements. No additional car parking other than that proposed (three bays) are provided to the rear of the building. The proposed change of use from shop to office does not increase the car parking required on site and the use is considered consistent with the existing uses in the Town Centre. The parking allocation is considered not to comply with the Town Centre development requirements, however the car parking requirements will be reduced based on the proposed use. The primary development issue regards the car parking and heritage impact to the building.

Compliance with TPS No.3

Council adopted the LPP Town Centre Redevelopment Guidelines to provide detailed guidance for development within the Town Centre Zone. This Policy varies the Scheme standards in respect to plot ratio, height, density and car parking. The LPP also contains additional design guidelines and requirements which complement the General Provisions of the Scheme. Where the LPP is at variance with the Scheme provisions, Council may apply the provisions of the LPP pursuant with the following clauses of TPS No 3.

- 5.6.1 *Except for development in respect of which the Residential Design Codes apply, if a development is the subject of an application for planning approval and does not comply with a standard or requirement prescribed under the Scheme, the local government may, despite the non-compliance, approve the application unconditionally or subject to such conditions as the local government thinks fit.*

Zone Objectives

The subject site is contained within the Town Centre Zone which has the following objectives (clause 4.2);

- *To provide for a range of commercial shopping, civic and community facilities to meet the day to day needs of the community and which will contribute towards the vibrancy of the Town.*
- *To encourage the development of a consolidated Town Centre, which will provide a focus for the community and exhibit a high standard of urban design in keeping with the historical character of the Town.*
- *To enhance pedestrian connectivity to and within the Town Centre, so as to facilitate the safe and convenient movement of local residents, and enhance the viability of Town Centre businesses.*

- *To ensure the location and design of vehicular access and parking facilities do not detract from the character or integrity of the Town Centre or the streetscapes which define the centre.*

It is considered that the proposal meets the above Zone Objectives of the Scheme.

#### Compliance with LPP- Town Centre Redevelopment Guidelines

An assessment of the proposed alterations and change of use has been undertaken as per the Town Centre Redevelopment Guidelines. The proposed development is generally a satisfactory response to the heritage status of the building and is largely consistent with the provisions of the LPP – Town Centre Redevelopment Guidelines.

The proposal has no modifications to the height, plot ratio and a reduced impact to the car parking provisions of the LPP, indicating that it does not constitute over development of the site. The proposed additions are sympathetic to the original building and have been given in principal support by the Heritage Council, in that the Department of Planning, Lands and Heritage has prepared the Heritage Impact Statement.

Subject to conditions the application is considered to meet all relevant statutory planning provisions.

#### Heritage

The former Post Office is on the Town's Heritage List and categorised as Category 'A' on the Municipal Inventory. The building is also listed by the Heritage Council and the National Trust. The proposed works are primarily, minor external demolition and internal works.

The Department of Planning, Lands and Heritage has prepared the Heritage Impact Statement. An assessment of the heritage significance of the building, as well as the potential impact the proposal will have on the property is discussed below.

The proposed alterations to the historic building will have minimal negative impact on the heritage values of the existing building. The internal and external modifications will improve the presentation of the building and will have a positive impact on the character and qualities of the Town Centre precinct including the adjoining buildings of the Town Hall (recently renovated), Police Station and Dovenby House.

The modification to the Old Post Office building will improve the internal functionality of the building, improving the internal office space, without significantly impacting on the heritage value of the building. The proposed works aim to remove later additions retaining much of the heritage details and aesthetic to the building.

In its present form, the Heritage Impact Statement concludes:

*The proposed conservation and compliance works whilst having some impact on zones and elements of considerable significance, do not adversely affect the setting, form or aesthetics of the place. The items with the largest impact on considerable significant fabric generally concern the addition of new compliant handrails and balustrades. This impact has been acknowledged and the appropriate steps have been taken to mitigate their impact, and to allow for ease of removal in future.*

Therefore it is concluded, the proposed additions and alterations will have minimal impact on the aesthetic value of the building, with the exception of the upgrade works. The compliance works will

ensure the building meets the modern standards of an office building and will assist in maintaining the longevity of life for the building.

#### Land use

The proposed change of use is for 'Office' use from a previous 'Shop' use. Under Council's LPS No.3, an 'Office' in the Town Centre is zoned as a "P" use, which means that the use is permitted by the Scheme providing the use complies with the relevant development standards and requirements of the Scheme. The proposed change of use is consistent with the existing Town Centre uses and with the provisions of the Scheme.

#### Car parking

Veris on behalf of Main Roads WA (MRWA) requested the Town of East Fremantle to commence and support an application for road closure at the Old Post Office. Council resolved to support this application. The proposed road closure of and its amalgamation with the adjacent lot (Old Post Office) will allow access to the side of the building for maintenance and will ensure the building is located wholly within the separate lot. As part of the proposed works, Council are also assessing an application for an easement over Council land to enable access to the rear of the Old Post Office (separate report prepared by the CEO). This proposed access leg will provide car parking for three cars at the rear of the lot.

Office space under LPS No.3 is required to have car parking for 1 bays per 30sqm. In this instance the office space is approximately 120sqm, therefore 4 bays would be required to be provided on-site. Three car parking bays are provided to the rear of the lot, therefore there is a car parking shortfall of 1 bay. The proposed change of use from shop to office reduces the car parking requirements for the site. The current use is required to provide 6 car parking bays on-site. The current layout does not facilitate that numbers of car on-site, therefore there is a shortfall of spaces on-site. The reduced car parking requirement to 4 bays (1 bay variation as 3 bays provided on-site) is consider acceptable. The change of use from shop to office is considered a reduction in intensity of the use of the site.

Under Clause 5.6.1, Council may approve the application even if it does not meet Scheme requirements, in this case the parking requirement, however can only do so if it meets the following criteria:

*5.6.2. In considering an application for planning approval under this clause, where, in the opinion of the local government, the variation is likely to affect any owners or occupiers in the general locality or adjoining the site which is the subject of consideration for the variation, the local government is to —*

- (a) consult the affected parties by following one or more of the provisions for advertising uses under clause 9.4; and*
- (b) have regard to any expressed views prior to making its determination to grant the variation.*

*5.6.3. The power conferred by this clause may only be exercised if the local government is satisfied that —*

- (a) approval of the proposed development would be appropriate having regard to the criteria set out in clause 10.2; and*
- (b) the non-compliance will not have an adverse effect upon the occupiers or users of the development, the inhabitants of the locality or the likely future development of the locality.*

'Matters to be considered by local government' as per clause 67 of the Regulations, which Council must have regard to if such a relaxation is to be granted has also been considered during the assessment of this application.

Schedule 10 Car Parking Standards and Schedule 11 Car Parking and Manoeuvre Specifications of LPS3 are required to be considered. Council discretion under Clause 5.6.1 of LPS3 is required with regard to the number of a car parking bay being provided on-site.

In terms of the Town Centre, the following are LPS3 requirements relate to car parking:

- 5.8.5 *Car Parking and Vehicular Access: Car parking in respect of development in the Commercial Zones is to be provided in accordance with the standards set out in Schedule 11 of the Scheme and the specifications in Schedule 4 of the scheme. Where there are no standards for a particular use or development, the local government is to determine what standards are to apply. In its determination of the requirements for a particular use or development which is not listed in Schedule 11 of the Scheme, the local government is to take into consideration the likely demand for parking generated by the use or development.*
- 5.8.6 *Location of Car Parking: Required car parking is to be provided on the site of the development for which it is required, or subject to the local government's approval, off-site in the immediate vicinity of the development site. In considering a proposal for off-site parking, applicants will need to demonstrate to the satisfaction of the local government that any off-site parking areas will continue to be available for use in conjunction with the development at such times as it might reasonably be required.*
- 5.8.7 *On-Street Parking: The local government may accept immediately adjacent on-street car parking as satisfying part or all of the car parking requirements for development, provided such allocation does not prejudice adjacent development or adversely affect the safety or amenity of the locality.*
- 5.8.8 *Cash-in-lieu of Parking: The local government may accept or require cash-in-lieu of all or a proportion of required car parking, based on the estimated cost of providing the requisite parking, including any associated access and manoeuvre facilities. Cash-in-lieu of parking shall be paid into a trust fund and used to provide public parking in the vicinity of the development site(s) in relation to which any cash-in-lieu contributions have been received.*

The subject lot is landlocked by Canning Highway and Stirling Highway on two sides and by Council buildings and car parking on the remaining side. However, there is car parking available on the street within the vicinity of the subject lot. Council Place has public unrestricted parking, therefore it is considered any shortfall in car parking (1 bay) can be adequately satisfied by the provision of street car parking on Council Place.

While cash in lieu has been considered as an option, it is considered an unviable option and is one Council should not request in this instance due to the scale and nature of the use and the significance of the proposed restoration work to the building, resulting in a cluster of high quality heritage buildings in the town centre. A vibrant, efficient and active town centre benefits the Town and the wider community. Providing suitable services within the town is also necessary. It is considered that Council can approve the proposed change of use from 'Shop' to 'Office' considering the overall minimal impact the proposed use will have on the areas. It is recommended Council utilise Clause

5.8.6 of TPS, where Council may approve the application, utilising the street car parking on Council Place for any shortfall.

In light of the above, the proposal is considered acceptable and is recommended to be supported subject to appropriate conditions.

### **Conclusion**

In light of the refurbishment work to the building and the positive impact it is likely to have on the heritage cluster of buildings within the town centre, the renovations are supported. The heritage works and change of use will provide a building that can be utilised and addresses universal access and modern standards. The variation in car parking, considering the availability of on street car parking is supported.

The proposed alterations and additions (including heritage modifications) to the existing building to bring into compliance for a Class 5 building and change of use from 'Shop' to 'Office' use at the former East Fremantle Post Office is recommended for approval subject to conditions.

#### **12.1.6 OFFICER RECOMMENDATION/COUNCIL RESOLUTION 070219**

**Moved Cr White, seconded Cr Nardi**

**That Council grant approval for proposed additions and alterations and proposed change of use from 'Shop' to 'Office' to the heritage listed building at 101 (Former Post Office) Canning Highway, East Fremantle, as indicated on the plans date stamped received 9 November 2018 subject to the following conditions:**

- (1) Prior to a Building Permit application being submitted, all aspects of the Heritage Impact Statement are to be adhered to and complied with and notated on the submitted Building Permit.**
- (2) The Former Post Office building kept clean and free of graffiti and vandalism at all times and any such graffiti or vandalism to be remedied within 24 hours to the satisfaction of the Chief Executive Officer.**
- (3) A Site and Traffic Management Plan including parking for trades persons and delivery vehicles / site storage to be approved by the Chief Executive Officer in consultation with relevant officers, prior to a Building Permit being submitted to Council.**
- (4) The works are to be constructed in conformity with the drawings and written information accompanying the application for planning approval other than where varied in compliance with the conditions of this planning approval or with Council's further approval.**
- (5) The proposed works are not to be commenced until Council has received an application for a Demolition Permit and a Building Permit and the Building Permit issued in compliance with the conditions of this planning approval unless otherwise amended by Council.**
- (6) With regard to the plans submitted with respect to the Building Permit application, changes are not to be made in respect of the plans which have received planning approval, without those changes being specifically marked for Council's attention.**
- (7) All storm water is to be disposed of on site, an interceptor channel installed if required and a drainage plan be submitted to the satisfaction of the Chief Executive Officer in consultation with the Building Surveyor prior to the issue of a Building Permit.**
- (8) All introduced filling of earth to the lot or excavated cutting into the existing ground level of the lot, either temporary or permanent, shall be adequately controlled to prevent**

damage to structures on adjoining lots or in the case of fill, not be allowed to encroach beyond the lot boundaries. This shall be in the form of structurally adequate retaining walls and/or sloping of fill at the natural angle of repose and/or another method as approved by the Town of East Fremantle.

- (9) Where this development requires that any facility or service within a street verge (street trees, footpath, crossover, light pole, drainage point or similar) is to be removed, modified or relocated then such works must be approved by Council and if approved, the total cost to be borne by the applicant. Council must act reasonably and not refuse any reasonable proposal for the removal, modification or relocation of such facilities or services (including, without limitation any works associated with the proposal) which are required by another statutory or public authority.
- (10) This planning approval to remain valid for a period of 24 months from date of this approval.

**Footnote:**

*The following are not conditions but notes of advice to the applicant/owner:*

- (i) *this decision does not include acknowledgement or approval of any unauthorised development which may be on the site.*
- (ii) *a copy of the approved plans as stamped by Council are attached and the application for a Building Permit is to conform with the approved plans unless otherwise approved by Council.*
- (iii) *it is recommended that the applicant provides a Structural Engineer's dilapidation report, at the applicant's expense, specifying which structures on adjoining sites may be adversely affected by the works and providing a record of the existing condition of the structures. Two copies of each dilapidation report should be lodged with Council and one copy should be given to the owner of any affected property.*
- (iv) *all noise levels produced by the construction of the development are to comply with the provisions of the Environmental Protection (Noise) Regulations 1997 (as amended).*

(CARRIED UNANIMOUSLY)

## 12.2 FINANCE REPORTS

### 12.2.1 Mid-Year Review of 2018/19 Budget and Statement of Financial Activity for 31 December 2018

<b>Applicant</b>	Not Applicable
<b>File ref</b>	F/FNS2
<b>Prepared by</b>	Peter Kocian, Executive Manager Corporate Services
<b>Supervised by</b>	Gary Tuffin, Chief Executive Officer
<b>Meeting Date:</b>	19 February 2019
<b>Voting requirements</b>	Absolute Majority
<b>Documents tabled</b>	Nil
<b>Attachments</b>	1. Budget Forecast 2. Statement of Financial Activity

#### **Purpose**

Council is requested to consider and adopt the budget review as presented in the Statement of Financial Activity by Program and Statement of Financial Activity by Nature and Type for the period 1 July 2018 to 31 December 2018.

#### **Executive Summary**

The *Local Government (Financial Management) Regulations 1996*, regulation 33A, requires that local governments conduct a budget review between 1 January and 31 March in each financial year. A copy of the review and determination is to be provided to the Department of Local Government within 30 days of the adoption of the review.

#### **Background**

A Statement of Financial Activity incorporating year to date budget variations and forecasts to 30 June 2019 for the period ending 31 December 2018 is presented to Council to consider.

Forecasts for the 30 June 2019 have been assigned to all accounts, resulting in a forecast surplus position of \$16,225, which is a favourable result compared to the adopted budget (surplus of nil) and amended budget (deficit of \$27,239).

#### **Consultation**

Management team

#### **Statutory Environment**

Regulation 33A (Review of Budget) of the *Local Government (Financial Management) Regulations 1996*, as amended, requires the local government to carry out a review of its annual budget between 1 January and 31 March each year as follows:

#### **33A. Review of budget**

- (1) *Between 1 January and 31 March in each financial year a local government is to carry out a review of its annual budget for that year.*
- (2A) *The review of an annual budget for a financial year must —*
  - (a) *consider the local government's financial performance in the period beginning on 1 July and ending no earlier than 31 December in that financial year; and*

- (b) consider the local government's financial position as at the date of the review; and*
- (c) review the outcomes for the end of that financial year that are forecast in the budget.*
- (2) Within 30 days after a review of the annual budget of a local government is carried out it is to be submitted to the council.*
- (3) A council is to consider a review submitted to it and is to determine\* whether or not to adopt the review, any parts of the review or any recommendations made in the review.*  
*\*Absolute majority required.*
- (4) Within 30 days after a council has made a determination, a copy of the review and determination is to be provided to the Department.*

### **Policy Implications**

Significant Accounting Policies are adopted by Council on an annual basis. These policies are used in the preparation of the statutory reports submitted to Council.

### **Financial Implications**

Material variances are disclosed in the Statement of Financial Activity.

As part of the adopted 2018/19 Budget, Council adopted the following thresholds as levels of material variances for financial reporting.

*In accordance with regulation 34 (5) of the Local Government (Financial Management) Regulations 1996, and AASB 1031 Materiality, the level to be used in statements of financial activity in 2018/19 for reporting material variances shall be:*

- (a) 10% of the amended budget; or*
- (b) \$10,000 of the amended budget.*

*whichever is greater. In addition, that the material variance limit be applied to total revenue and expenditure for each Nature and Type classification and capital income and expenditure in the Statement of Financial Activity.*

### **Strategic Implications**

The matter being put to the Council is not likely to have a direct impact on the strategies of the Council.

*4.9 A financially sustainable Town – Provide financial management services to enable the Town to sustainably provide services to the community.*



### Risk Implications

Risk	Risk Likelihood (based on history & with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk Theme	Risk Action Plan (Controls or Treatment proposed)
That Council does not approve the schedule of budget variations	Rare (1)	Moderate (3)	Low (1-4)	COMPLIANCE Short term non-compliance but with significant regulatory requirements imposed	Accept Officer Recommendation

### Risk Matrix

Consequence \ Likelihood		Insignificant	Minor	Moderate	Major	Extreme
		1	2	3	4	5
Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating is provided below. Any items with a risk rating over 16 will be added to the Risk Register, and any item with a risk rating over 16 will require a specific risk treatment plan to be developed.

Risk Rating	3
Does this item need to be added to the Town's Risk Register	No
Is a Risk Treatment Plan Required	No

### Comment

A budget review was undertaken during January 2019 based on the December 2018 financial statements in accordance with the requirements of the *Local Government (Financial Management) Regulation 33A*.

In discussing proposed budget amendments, recommended budget variations are categorised as either Favourable, Unfavourable or Contra. This status relates to their impact on the Town's net current asset position. As an example, a project that is fully funded by grants or reserves would generally be a contra entry – that is, it will have a nil impact on net current assets as the expenditure is fully supported by specific source funding. The balance of net current assets is a key indicator of

the Town's ability to meet its debts and obligations as and when they fall due, and its financial flexibility in responding to opportunities, such as dollar for dollar grants, as and when required.

In constructing the mid-year budget review, forecasts for the 30 June 2019 have been assigned to all accounts, and are being reported in the Statement of Financial Activity by Program and Statement of Financial Activity by Nature and Type at a summary level. A copy of these financial statements is provided below:

TOWN OF EAST FREMANTLE STATEMENT OF FINANCIAL ACTIVITY (Statutory Reporting Program) For the Period Ended 31 December 2018										
	Note	Annual Budget - Hardcoded	Annual Budget - Synergy	Amended Budget - Synergy	Amended YTD Budget (a)	YTD Actual (b)	Forecast 30 June 2019	Var. \$ (b)-(a)	Var. % (b)-(a) / (a)	Var.
Opening Funding Surplus(Deficit)	3	\$ 782,857	782,857	782,857	\$ 782,857	\$ 785,889	785,889	\$ 3,032	% 0%	
<b>Revenue from operating activities</b>										
Governance		20,500	20,500	20,500	10,496	(5,232)	5,500	(15,728)	(150%)	▼
General Purpose Funding - Rates	9	7,819,800	7,819,800	7,819,800	7,795,800	7,808,744	7,837,624	12,944	0%	
General Purpose Funding - Other		371,766	371,766	371,766	219,800	206,095	374,914	(13,785)	(8%)	
Law, Order and Public Safety		29,180	29,180	29,180	28,780	36,185	29,922	7,405	26%	
Health		14,577	14,577	14,577	13,407	13,530	15,577	123	1%	
Education and Welfare		912,422	912,422	912,422	456,084	436,497	915,070	(21,587)	(2%)	
Housing		80,080	80,080	80,080	40,038	43,840	83,580	3,802	9%	
Community Amenities		210,000	210,000	210,000	128,342	134,928	216,500	6,586	5%	
Recreation and Culture		389,324	389,324	389,324	228,764	241,093	312,624	12,329	5%	
Transport		444,000	444,000	444,000	158,496	173,108	459,900	14,612	9%	
Economic Services		107,200	107,200	107,200	54,096	34,763	72,200	(19,333)	(36%)	▼
Other Property and Services		31,517	31,517	31,517	10,756	22,288	31,517	11,532	107%	▲
		<b>10,430,366</b>	<b>10,430,366</b>	<b>10,430,366</b>	<b>9,146,939</b>	<b>9,145,838</b>	<b>10,354,928</b>			
<b>Expenditure from operating activities</b>										
Governance		(1,151,546)	(1,151,547)	(1,151,547)	(651,139)	(609,238)	(1,168,819)	41,901	6%	
General Purpose Funding		(97,763)	(97,763)	(97,763)	(48,882)	(54,026)	(112,259)	(5,144)	(11%)	
Law, Order and Public Safety		(154,617)	(154,617)	(154,617)	(78,855)	(81,787)	(166,342)	(2,932)	(4%)	
Health		(197,651)	(197,651)	(197,651)	(100,123)	(86,960)	(195,654)	13,163	13%	▲
Education and Welfare		(1,057,823)	(1,057,823)	(1,057,823)	(538,695)	(559,133)	(1,063,840)	(20,438)	(4%)	
Housing		(55,630)	(55,630)	(55,630)	(28,408)	(28,621)	(55,680)	(213)	(1%)	
Community Amenities		(2,792,901)	(2,792,902)	(2,792,902)	(1,410,637)	(1,078,520)	(2,633,143)	332,117	24%	▲
Recreation and Culture		(3,024,758)	(3,024,757)	(3,024,757)	(1,496,902)	(1,790,326)	(3,468,022)	(293,424)	(20%)	▼
Transport		(3,297,255)	(3,297,251)	(3,297,251)	(1,659,277)	(1,106,155)	(1,312,401)	553,122	33%	▲
Economic Services		(127,963)	(127,963)	(127,963)	(63,978)	(49,691)	(105,459)	14,287	22%	▲
Other Property and Services		(172,283)	(172,283)	(172,283)	(99,315)	(56,443)	(184,283)	42,872	43%	▲
		<b>(12,130,190)</b>	<b>(12,130,187)</b>	<b>(12,130,187)</b>	<b>(6,176,211)</b>	<b>(5,500,901)</b>	<b>(11,765,902)</b>			
<b>Operating activities excluded from budget</b>										
Add back Depreciation		2,695,133	2,695,133	2,695,133	1,347,576	1,241,605	2,483,226	(105,971)	(8%)	
Adjust (Profit)/Loss on Asset Disposal	8	27,247	27,247	27,247	27,247	(2,996)	27,247	(30,243)	(111%)	▼
<b>Amount attributable to operating activities</b>		<b>2,722,380</b>	<b>2,722,380</b>	<b>2,722,380</b>	<b>1,374,823</b>	<b>1,238,610</b>	<b>2,510,473</b>			
<b>Investing Activities</b>										
Non-operating Grants, Subsidies and Contributions	11	147,726	147,726	147,726	147,726	73,500	147,726	(74,226)	(50%)	▼
Proceeds from Disposal of Assets	8	159,753	159,753	159,753	159,753	100,500	159,753	(59,253)	(37%)	▼
Land and Buildings		(328,885)	(328,885)	(418,885)	(184,370)	(69,845)	(446,500)	114,523	62%	▲
Infrastructure Assets - Roads		(538,500)	(538,500)	(492,500)	(203,612)	(45,038)	(465,714)	158,574	76%	▲
Infrastructure Assets - Public Open Space		(213,000)	(213,000)	(196,332)	(85,924)	(3,341)	(199,832)	82,583	96%	▲
Infrastructure Assets - Footpaths		(348,000)	(348,000)	(348,000)	(141,664)	(92,149)	(342,000)	49,516	35%	▲
Infrastructure Assets - Drainage		(50,000)	(50,000)	(50,000)	(20,000)	(2,500)	(85,000)	17,500	88%	▲
Infrastructure Assets - Other		(105,000)	(105,000)	(105,000)	(43,232)	(7,871)	(105,000)	35,361	82%	▲
Infrastructure Assets - Carparks		(705,000)	(705,000)	(705,000)	(284,452)	(14,153)	(705,000)			
Plant and Equipment		(671,784)	(671,784)	(671,784)	(268,712)	(155,557)	(669,873)	113,155	42%	▲
Furniture and Equipment		(20,000)	(20,000)	(20,000)	(8,000)	(17,083)	(25,000)	(9,083)	(114%)	▼
<b>Amount attributable to investing activities</b>		<b>(2,672,690)</b>	<b>(2,672,690)</b>	<b>(2,700,022)</b>	<b>(932,487)</b>	<b>(233,537)</b>	<b>(2,736,440)</b>			
<b>Financing Activities</b>										
Transfer from Reserves	7	1,020,289	1,020,289	1,020,289	0	0	1,020,289	0		
(Transfer to Reserves)	7	(153,012)	(153,012)	(153,012)	0	(11,649)	(153,012)	(11,649)		▼
<b>Amount attributable to financing activities</b>		<b>867,277</b>	<b>867,277</b>	<b>867,277</b>	<b>0</b>	<b>(11,649)</b>	<b>867,277</b>			
Closing Funding Surplus(Deficit)	3	0	3	(27,329)	4,195,921	5,424,250	16,225			
<b>Check against Net Current Assets</b>						<b>5,424,250</b>	<b>-0</b>			

The following high-level snapshot of the budget impact of proposed variations on the Statement of Financial Activity by Program is provided:

- Forecast total operating revenue \$10,354,928 versus amended budget of \$10,430,366 (unfavourable variance of \$75,438);
- Forecast total operating expenditure of \$11,765,902 versus amended budget of \$12,130,187 (favourable variance of \$364,285 – includes depreciation non-cash variance of \$211,907);
- Forecast total depreciation expense of \$2,483,226 versus amended budget of \$2,695,133 (non-cash variance);
- Forecast total capital expenditure of \$3,043,919 versus amended budget of \$3,007,501.

TOWN OF EAST FREMANTLE  
STATEMENT OF FINANCIAL ACTIVITY  
(By Nature or Type)  
For the Period Ended 31 December 2018

	Note	Annual Budget - Hardcoded	Annual Budget - Synergy	Amended Budget - Synergy	Amended YTD Budget	YTD Actual (b)	Forecast 30 June 2019	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
Opening Funding Surplus (Deficit)	3	\$ 782,857	782,857	782,857	782,857	\$ 785,889	785,889	\$ 3,032	% 0%	
<b>Revenue from operating activities</b>										
Rates	9	7,819,800	7,819,800	7,819,800	7,795,800	7,808,744	7,837,624	12,944	0%	
Operating Grants, Subsidies and Contributions	11	1,165,936	1,216,936	1,216,936	479,966	488,995	1,167,984	9,029	2%	
Fees and Charges		1,175,630	1,124,630	1,124,630	722,639	698,028	1,065,520	(24,611)	(3%)	
Interest Earnings		192,000	192,000	192,000	112,000	99,432	197,000	(12,568)	(11%)	▼
Other Revenue		77,000	77,000	77,000	36,534	40,335	86,800	3,801	10%	
Profit on Disposal of Assets	8	0	0	0	0	10,305	0			
		10,430,366	10,430,366	10,430,366	9,146,939	9,145,838	10,354,928			
<b>Expenditure from operating activities</b>										
Employee Costs		(3,683,695)	(3,683,695)	(3,683,695)	(1,841,826)	(1,835,083)	(3,732,724)	6,743	0%	
Materials and Contracts		(4,464,706)	(4,464,703)	(4,464,703)	(2,232,498)	(1,638,852)	(4,274,005)	593,646	27%	▲
Utility Charges		(310,950)	(310,950)	(310,950)	(155,484)	(154,865)	(330,950)	619	0%	
Depreciation on Non-Current Assets		(2,695,133)	(2,695,133)	(2,695,133)	(1,347,576)	(1,241,605)	(2,483,226)	105,971	8%	
Insurance Expenses		(251,449)	(251,449)	(251,449)	(251,449)	(252,687)	(251,813)	(1,238)	(0%)	
Other Expenditure		(697,010)	(697,010)	(697,010)	(320,131)	(371,400)	(665,937)	(51,269)	(16%)	▼
Loss on Disposal of Assets	8	(27,247)	(27,247)	(27,247)	(27,247)	(6,409)	(27,247)			
		(12,130,190)	(12,130,187)	(12,130,187)	(6,176,211)	(5,500,901)	(11,765,902)			
<b>Operating activities excluded from budget</b>										
Add back Depreciation		2,695,133	2,695,133	2,695,133	1,347,576	1,241,605	2,483,226	(105,971)	(8%)	
Adjust (Profit)/Loss on Asset Disposal	8	27,247	27,247	27,247	27,247	(2,996)	27,247	(30,243)	(111%)	▼
Amount attributable to operating activities		2,722,380	2,722,380	2,722,380	1,374,823	1,238,610	2,510,473			
<b>Investing activities</b>										
Non-operating Grants, Subsidies and Contributions	11	147,726	147,726	147,726	147,726	73,500	147,726	(74,226)	(50%)	▼
Proceeds from Disposal of Assets	8	159,753	159,753	159,753	159,753	100,500	159,753	(59,253)	(37%)	▼
Land and Buildings		(328,885)	(328,885)	(418,885)	(184,370)	(69,845)	(446,500)	114,525	62%	▲
Infrastructure Assets - Roads		(538,500)	(538,500)	(492,500)	(203,612)	(45,038)	(465,714)	158,574	78%	▲
Infrastructure Assets - POS		(213,000)	(213,000)	(196,332)	(85,924)	(3,341)	(199,832)	82,583	96%	▲
Infrastructure Assets - Footpaths		(348,000)	(348,000)	(348,000)	(141,664)	(92,149)	(342,000)	49,516	35%	▲
Infrastructure Assets - Drainage		(50,000)	(50,000)	(50,000)	(20,000)	(2,500)	(85,000)	17,500	88%	▲
Infrastructure Assets - Other		(105,000)	(105,000)	(105,000)	(43,232)	(7,871)	(105,000)	35,361	82%	▲
Infrastructure Assets - Carparks		(705,000)	(705,000)	(705,000)	(284,452)	(14,153)	(705,000)			
Plant and Equipment		(671,784)	(671,784)	(671,784)	(268,712)	(155,557)	(669,873)	113,155	42%	▲
Furniture and Equipment		(20,000)	(20,000)	(20,000)	(8,000)	(17,083)	(25,000)	(9,083)	(114%)	
Amount attributable to investing activities		(2,672,690)	(2,672,690)	(2,700,022)	(932,487)	(233,537)	(2,736,440)			
<b>Financing Activities</b>										
Transfer from Reserves	7	1,020,289	1,020,289	1,020,289	0	0	1,020,289	0		
(Transfer to Reserves)	7	(153,012)	(153,012)	(153,012)	0	(11,649)	(153,012)	(11,649)		▼
Amount attributable to financing activities		867,277	867,277	867,277	0	(11,649)	867,277			
Closing Funding Surplus (Deficit)	3	0	3	(27,329)	4,195,921	5,424,250	16,225	1,228,329	29%	▲
Check against Statement by Program						5,424,250	0			

The following high-level snapshot of the budget impact of proposed variations on the Statement of Financial Activity by Nature and Type is provided:

- Forecast rates revenue of \$7,837,624 versus amended budget of \$7,819,800 (favourable variance of \$17,824);
- Forecast operating grants of \$1,167,984 versus amended budget of \$1,216,936 (unfavourable variance of \$48,952);
- Forecast fees and charges of \$1,065,520 versus amended budget of \$1,124,630 (unfavourable variance of \$59,110);
- Forecast employee expenses of \$3,732,724 versus amended budget of \$3,683,695 (unfavourable variance of \$49,029);
- Forecast materials and contracts expense of \$4,274,005 versus amended budget of \$4,464,703 (favourable variance of \$190,698);
- Forecast utility charges of \$330,950 versus amended budget of \$310,950 (unfavourable variance of \$20,000).

A complete schedule of forecasts as at 30 June 2019 is included within the body of the attached monthly financial report. There are a number of variations at income/expenditure code level; however, comparatives between actuals and year to date budget are assessed at general ledger account level, and therefore, this does not impact on the materiality of reporting.

The significant changes in forecasts for Council information and approval are:

Account Number	Account Description	18/19 Budget	18/19 Forecast (Amended Budget)	Favourable (F) Unfavourable(U) Contra (C)	Comment
E09604	Allen Street Kitchen Refurbishments	\$36,000	\$5,000	F	One Agency has advised that kitchen refurbishments are not a priority
E05210	Ranger Accommodation	\$20,000	\$25,000	U	Project budget for dog pound facility has been reallocated to purchase a transportable for ranger accommodation
E11710	EF Football Club – Building Upgrades	\$0	\$20,000	U	Request received for contribution to fencing and security upgrades
E11711	EF Tennis Club – Building Upgrades	\$0	\$5,000	U	Request received for contribution to universal toilet egress
E11623	EF Junior Football Club – Building Upgrades	\$0	\$45,000	U	Likely request for contribution to Clubroom redevelopment. This contribution has been included in prior year budgets

E12699	Footpaths – Canning Highway (various)	\$97,000	\$97,000	No change	Works recommended between Allen and Hamilton Streets
E12656	Footpath – Stratford Street	\$28,000	\$28,000	No change	Recommended change from Petra Street to Stratford Street
E12671	Stormwater Audit	\$50,000	\$85,000	U	Estimate received – increased scope of work
E04203	Strategic and Business Planning	\$140,000	\$175,000	U	\$15k allocated for basement records project, \$90k allocated for business improvement program (SynergySoft enterprise business systems), less \$20k contract labour less \$50k archiving project (deferred)
E04232	Debtor Write Offs	\$0	\$40,000	U	As per previous Council resolution
E04325	Audit Fees	\$18,000	\$30,000	U	Expected increase under Office of Auditor General
E04266	Communications, Advocacy and PR	\$135,680	\$95,000	F	Reduction in budgets for corporate folders, newsletters, annual report publishing, and monthly advertising
E10222	SMRC Materials Recovery Fees	\$137,500	\$90,000	F	Reduced gate fee of \$91 per tonne
E10215	Consultants – Town Planning	\$165,000	\$75,000	F	\$40k Commercial Strategy and \$50k Leeuwin Barracks Divestment budgets deferred
E10216	Strategic Town Planning	\$35,000	\$20,000	F	A number of projects have been completed in-house
E10239	Urban Design	\$40,000	\$0	F	Urban Style Guide budget included against E10216
E11251	Club Development	\$60,000	\$0	C	Funding application to DSR unsuccessful
I03055	General Rates	\$7,779,800	\$7,797,624	F	Small increase in rates raised
I11179	Club Development Grant	\$40,000	\$0	C	Funding application to DSR unsuccessful
I11197	Minor Grants – Sport and Rec	\$40,000	\$1,000	U	No grant applications pending
E12306	Integrated Traffic and Parking Strategy	\$170,000	\$120,000	F	Fully funded from trust fund



**12.2.1 OFFICER RECOMMENDATION/COUNCIL RESOLUTION 080219**

Moved Mayor O'Neill, seconded Cr A McPhail

That Council:

1. by absolute majority, approves the mid-year budget review as per the forecast figures disclosed in the attached Statement of Financial Activity by Program and Statement of Financial Activity by Nature and Type for the period ending 31 December 2018.
2. notes the change in the forecast closing budget surplus from a deficit of (\$27,329) to a surplus of \$16,225 as at 30 June 2019.
3. requests that the Chief Executive Officer forward a copy of the mid-year budget review to the Department of Local Government within 30 days of Council's consideration.

(CARRIED BY AN ABSOLUTE MAJORITY 8:0)

## 12.2.2 Monthly Financial Report (Containing the Statement of Financial Activity) – January 2019

<b>Applicant</b>	Not Applicable
<b>File ref</b>	F/FNS2
<b>Prepared by</b>	Peter Kocian, Executive Manager Corporate Services
<b>Supervised by</b>	Gary Tuffin, Chief Executive Officer
<b>Meeting Date:</b>	19 February 2019
<b>Voting requirements</b>	Simple Majority
<b>Documents tabled</b>	Nil
<b>Attachments</b>	1. Monthly Financial Report for the Period Ended 31 January 2019

### Purpose

The purpose of this report is to present to Council the Monthly Financial Report (containing the Statement of Financial Activity) for the month ended 31 January 2019.

### Executive Summary

A new Monthly Financial Report template has been developed to provide an overview of key financial activity. Two Statements of Financial Activity have been prepared, one by program and the other by nature and type. Both of these Statements provide a projection of the closing surplus position as at 30 June 2019.

### Background

The Town of East Fremantle financial activity reports use a materiality threshold to measure, monitor and report on financial performance and position of the Town.

As part of the adopted 2018/19 Budget, Council adopted the following thresholds as levels of material variances for financial reporting.

*In accordance with regulation 34 (5) of the Local Government (Financial Management) Regulations 1996, and AASB 1031 Materiality, the level to be used in statements of financial activity in 2018/19 for reporting material variances shall be:*

- (a) 10% of the amended budget; or*
- (b) \$10,000 of the amended budget.*

*whichever is greater. In addition, that the material variance limit be applied to total revenue and expenditure for each Nature and Type classification and capital income and expenditure in the Statement of Financial Activity.*

The monthly Financial Report for the period ended 31 January 2019 is appended and includes the following:

- Statement of Financial Activity by Program
- Statement of Financial Activity by Nature and Type
- Notes to the Statement of Financial Activity including:
  - Statement of capital acquisitions and capital funding
  - Significant Accounting Policies
  - Explanation of Material Variances
  - Net Current Funding Position
  - Cash and Investments
  - Budget amendments
  - Receivables

- Cashed Back Reserves
- Capital Disposals
- Rating Information
- Information on Borrowings
- Grants and Contributions

The attached Monthly Financial Reports are prepared in accordance with the amended *Local Government (Financial Management) Regulations 1996*; together with supporting material to provide Council with easy to understand financial information covering activities undertaken during the financial year.

#### **Consultation**

Nil.

#### **Statutory Environment**

Section 6.4 of the *Local Government Act 1995* and Regulation 34 of the *Local Government (Financial Management) Regulations 1996* detail the form and manner in which a local government is to prepare its Statement of Financial Activity.

#### **Policy Implications**

Significant Accounting Policies are adopted by Council on an annual basis. These policies are used in the preparation of the statutory reports submitted to Council.

#### **Financial Implications**

Material variances are disclosed in the Statement of Financial Activity.

There are no proposed changes to the current budget forecast as presented to Council in the mid-year budget review.

The statement of financial activity is to be supported by such information as is considered relevant by the local government containing:

- an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets; and
- an explanation of each of the material variances; and
- supporting information as is considered relevant by the local government.

#### **Strategic Implications**

The matter being put to the Council is not likely to have a direct impact on the strategies of the Council.

*4.9 A financially sustainable Town – Provide financial management services to enable the Town to sustainably provide services to the community.*



### Risk Implications

Risk	Risk Likelihood (based on history & with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk Theme	Risk Action Plan (Controls or Treatment proposed)
That Council does not endorse the financial statements	Rare (1)	Moderate (3)	Low (1-4)	COMPLIANCE Minor regulatory or statutory impact	Accept Officer Recommendation

### Risk Matrix

Consequence		Insignificant	Minor	Moderate	Major	Extreme
		1	2	3	4	5
Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating is provided below. Any items with a risk rating over 16 will be added to the Risk Register, and any item with a risk rating over 16 will require a specific risk treatment plan to be developed.

Risk Rating	3
Does this item need to be added to the Town's Risk Register	No
Is a Risk Treatment Plan Required	No

### Site Inspection

Not applicable.

### Comment

The following is a summary of headline numbers from the attached financial reports:

	Original Budget	Year to Date Budget	January Actuals
<b>Opening Surplus</b>	<b>782,857</b>	<b>782,857</b>	<b>785,889</b>
Operating Income	10,430,366	9,445,526	9,483,610
Operating Expenditure	(12,130,190)	(7,139,293)	(6,407,976)
Capital Expenditure	(2,980,169)	(1,798,317)	(409,431)
Capital Income	307,479	307,479	174,000

Net Transfers from Reserves	867,277	0	(11,649)
Non-Cash Items	2,722,380	1,599,419	1,463,667
<b>Closing Surplus</b>	<b>0</b>	<b>3,197,671</b>	<b>5,078,107</b>
Unrestricted Cash			4,542,748
Rates Receivables			1,693,639
Restricted Cash			2,094,283

- Rates were levied in the month of July;
- Year to date budgets have been entered into the financial system. The majority of variances between year to date actuals and the year to date budget are attributable to timing differences, and are further explained in Note 2 of the Monthly Financial Report. There is a permanent downward adjustment to depreciation expense on infrastructure assets following a circa \$7m decrement in the carrying value of infrastructure assets as at 30 June 2018.
- The capital program has commenced with \$409k in expenditure as at end of January. Major expenditures relate to plant and equipment and footpath construction.
- 75% of rates were collected by the end of January, meaning that the Town has a significant unrestricted cash position, with majority of these funds placed in short term deposits, ranging in term from one to four months.

The Statements of Financial Activity have been updated to include additional columns; being the annual budget entered in the financial system (SynergySoft), the amended budget following approved budget variations at the August 2018 OCM, and the forecast position as at 30 June 2019 following the mid-year budget review. The Annual Budget (Synergy) column confirms that the budgets entered into the financial system reconcile to the adopted budget (rounding of \$3). The amended budget captures all budget variations that have approved by Council since the original budget adoption.

#### 12.2.2 OFFICER RECOMMENDATION/COUNCIL RESOLUTION 090219

Moved Cr Nardi, seconded Cr Watkins

That Council:

1. receives the Monthly Financial Report (Containing the Statement of Financial Activity) for the month ended 31 January 2019.
2. notes the Forecast column in the Statements of Financial Activity, forecasting a small surplus of \$16,225 as at 30 June 2019.
3. notes the municipal surplus of \$5,078,107, which comprises of \$4,542,748 in unrestricted cash, as at 31 January 2019.

(CARRIED UNANIMOUSLY)

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### 12.2.3 Accounts for Payment – December 2018/January 2019

<b>File ref</b>	F/FNS2
<b>Prepared by</b>	Peter Kocian, Executive Manager, Corporate Service
<b>Meeting Date</b>	19 February 2019
<b>Voting requirements</b>	Simple Majority
<b>Documents tabled</b>	Nil
<b>Attachments</b>	1. Monthly List of Payments – December 2018 2. Monthly List of Payments – January 2019

#### **Purpose**

For Council to receive the monthly list of accounts paid.

#### **Executive Summary**

To endorse the list of payments made under delegated authority for the months of December 2018 and January 2019.

It is therefore recommended that Council receives the Lists of Accounts paid for the period 1 December 2018 to 31 January 2019, as per the summary table.

#### **Background**

The Chief Executive Officer has delegated authority to make payments from the Municipal and Trust Accounts in accordance with budget allocations.

The Town provides payments to suppliers by electronic funds transfer, cheque or credit card. Attached is an itemised list of all payments made under delegated authority during the said period.

#### **Consultation**

Nil.

#### **Statutory Environment**

Regulation 13: *Local Government (Financial Management) Regulations 1996 (as amended)*

#### **Policy Implications**

Policy 4.2.4 Purchasing Policy

#### **Financial Implications**

Accounts for Payment are sourced from budget allocations.

All amounts quoted in this report are inclusive of GST.

### Risk Implications

Risk	Risk Likelihood (based on history & with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk Theme	Risk Action Plan (Controls or Treatment proposed)
That Council does not accept the list of payments	Rare (1)	Moderate (3)	Low (1-4)	COMPLIANCE Minor regulatory or statutory impact	Accept Officer Recommendation

### Risk Matrix

Consequence		Insignificant	Minor	Moderate	Major	Extreme	
		1	2	3	4	5	
Likelihood	Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
	Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
	Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
	Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
	Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating is provided below. Any items with a risk rating over 16 will be added to the Risk Register, and any item with a risk rating over 16 will require a specific risk treatment plan to be developed.

Risk Rating	3
Does this item need to be added to the Town's Risk Register	No
Is a Risk Treatment Plan Required	No

### Strategic Implications

The Town of East Fremantle Strategic Community Plan 2017 – 2027 states as follows:

#### **STRATEGIC PRIORITY 5: Leadership and Governance**

*A proactive, approachable Council which values community consultation, transparency and accountability.*

### Site Inspection

Not applicable.

### Comment

The attached itemised list of payments is prepared in accordance with Regulation 13 of the amended *Local Government (Financial Management) Regulations 1996*.



**12.2.3 OFFICER RECOMMENDATION/COUNCIL RESOLUTION 100219**

Moved Cr A McPhail, seconded Cr White

That the list of accounts paid for the period 1 December 2018 to 31 January 2019 be received, as per the following summary table:

DECEMBER 2018		
Voucher No	Account	Amount
5199 – 5202	Municipal (Cheques)	10,702.79
EFT26827 – EFT27029	Municipal (EFT)	\$1,146,614.55
Payroll	Municipal (EFT)	\$259,357.22
Superannuation	Municipal (EFT)	\$43,848.64
Credit Card	Corporate Credit Card	\$1,111.32
	<b>Total Payments</b>	<b>\$1,461,634.52</b>
JANUARY 2019		
Voucher No	Account	Amount
5203 – 5208	Municipal (Cheques)	\$1,401.95
EFT27030– EFT27128	Municipal (EFT)	\$273,494.99
Payroll	Municipal (EFT)	\$392,035.95
Direct Debt	Municipal (EFT)/Corporate Credit Cards	\$68,040.63
	<b>Total Payments</b>	<b>\$734,973.52</b>

(CARRIED UNANIMOUSLY)

#### 12.2.4 Donation – Fremantle Chamber Orchestra

<b>Applicant</b>	Town of East Fremantle
<b>File ref</b>	F/DNS1
<b>Prepared by</b>	Janine May, Executive Assistant to CEO
<b>Supervised by</b>	Gary Tuffin, Chief Executive Officer
<b>Date of Meeting</b>	19 February 2019
<b>Voting requirements</b>	Simple Majority
<b>Documents tabled</b>	Nil
<b>Attachments</b>	1. Donation Request

#### **Purpose**

To consider providing sponsorship to the Fremantle Chamber Orchestra (FCO).

#### **Executive Summary**

The Fremantle Chamber Orchestra is an incorporated not-for-profit orchestra which provides performance experience to young professional musicians (UWA and WAAPA students, ex students, WASO casual and freelancers). All organisational, administration and marketing work is voluntary. The professional musicians get paid low rates to cover their expenses (instrument upkeep, transport). The orchestra relies on sponsors and donors to keep ticket prices low.

It is recommended that Council provide sponsorship of \$2,000 to the Fremantle Chamber Orchestra.

#### **Background**

Previously, Council has made the following donations to FCO:

Feb 2011	\$1,000
Jan 2012	\$1,200
Nov 2012	\$2,000
Nov 2013	\$3,000
April 2017	\$2,000

#### **Statutory Environment**

Local Government Act Section 2.7.

#### **Policy Implications**

This donation requires Council endorsement as it is outside the criteria of Council's Donations Policy (4.2.11) which reads as follows:

*Council will make an allocation in the annual budget of an amount for donations requested on an adhoc basis during the year. The criteria for allocating to requests will be on the following basis:*

- (a) *Charitable and Community Benefit Organisations*  
*Public Appeals from organisations that provide a service to persons resident in the community of East Fremantle – Limit \$200*
- (b) *Youth Sponsorship*
  - i. *Applications from individuals who are representing the State or competing at national or international level whether as an individual or as part of a team.*
  - ii. *Applications from intellectual and cultural representation will be considered with this item Limit interstate \$300 and international \$500 as a contribution to travel costs.*

*Applications cannot be considered from persons who previously received a sponsorship in the current or previous financial year.*

(c) *Amounts Determined by Council*

- i. *Funding for appeals, which arise from major events or catastrophes and are usually part of a Lord Mayor's Appeal such as Floods, Fire, Cyclones etc.*
- ii. *Council may determine contribution in excess of the limits specified above where there are extraordinary costs involved in the funding application.*

**Financial Implications**

This amount would be funded from the Donations allocation in the 2018/19 Budget which currently has a balance of \$4,500.

**Strategic Implications**

Strategic Priority 1: Social

Aspiration: A socially connected, inclusive and safe community

1.3.3 *Enrich Identity, culture and heritage through program, event and celebrations.*

**Risk Implications**

Risk	Risk Likelihood (based on history & with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk Theme	Risk Action Plan (Controls or Treatment proposed)
That Council is not seen as supportive of cultural events.	Unlikely (2)	Insignificant (1)	Low (1-4)	REPUTATIONAL Unsubstantiated, low impact, low profile or 'no news' item	Accept Risk

**Risk Matrix**

Consequence		Insignificant	Minor	Moderate	Major	Extreme	
		1	2	3	4	5	
Likelihood	Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
	Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
	Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
	Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
	Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating is provided below.

Any items with a risk rating over 16 will be added to the Risk Register, and any item with a risk rating over 16 will require a specific risk treatment plan to be developed.

<b>Risk Rating</b>	2
<b>Does this item need to be added to the Town's Risk Register</b>	No
<b>Is a Risk Treatment Plan Required</b>	No

#### Site Inspection

N/A

#### Comment

As Council provides funds for a large number of sporting pursuits, the financial support of a local cultural organisation which offers invaluable performance experience for young musicians and gives local residents access to reasonably priced quality classical concerts is considered appropriate.

It is further recommended that an annual allocation of at least \$2,000 pa be made in future draft budgets for Council's consideration.

#### **12.2.4 OFFICER RECOMMENDATION/COUNCIL RESOLUTION 110219**

**Moved Cr Collinson, seconded Cr Watkins**

**That Council provide sponsorship of \$2,000 to the Fremantle Chamber of Orchestra for 2019, and include an ongoing allocation in future draft budgets for Council's consideration.**

**(CARRIED UNANIMOUSLY)**



### 12.2.5 Community Assistance Grants and Sponsorship Program – 2018-2019 (Round Three) Request Approvals

<b>File ref</b>	A/CFG1
<b>Prepared by</b>	Karen Dore, Economic & Community Development Officer
<b>Supervised by</b>	Peter Kocian, Executive Manager Corporate Services
<b>Meeting Date</b>	19 February 2019
<b>Voting requirements</b>	Simple Majority
<b>Documents tabled</b>	Nil
<b>Attachments</b>	1. CAG Advisory Group Minutes dated 29/01/19 2. Armando Sports Direct Quote dated 29/01/19

#### Purpose

Council is requested to consider endorsing the recommendation from the Community Grants Advisory Group meeting, held on 29 January 2019, to approve the five (5) proposed Community Assistance Grants 2018-2019 (Round Three) requests.

#### Executive Summary

The Community Grants Advisory Group met on 29 January 2019 to assess six (6) submissions received under the Community Assistance Grants (CAG) Program, 2018-2019.

Group	Purpose	Request
East Fremantle Bowling Club	Equipment (vacuum cleaner)	499.00
East Fremantle Junior Cricket Club	Equipment (unspecified)	1,000.00
East Fremantle Women's Football Club	Infrastructure (storeroom upgrade)	961.00
Hurricane Dragon Boat & O/r Canoe Club	Equipment (safety)	882.44
Lions' Club of East Fremantle	Equipment (batteries)	836.00
Fremantle Sea Scouts	Equipment (safety)	1,407.45
<b>TOTAL</b>		<b>\$5,585.89</b>

The Advisory Group members, being elected members Mayor Jim O'Neill and Cr Andrew McPhail; community members Suzi Nelson and John Chisholm; and Town Staff, Chief Executive Officer Gary Tuffin and Executive Manager Corporate Services Peter Kocian, discussed all six (6) submissions and recommended that the following five (5) requests be funded as requested.

Group	Amount requested
East Fremantle Bowling Club	499.00
East Fremantle Women's Football Club	961.00
Hurricane Dragon Boat & Outrigger Canoe Club	882.44
Lions' Club of East Fremantle	836.00
Fremantle Sea Scouts	1,407.45
<b>SUB-TOTAL</b>	<b>\$4,585.89</b>

Whilst the application was supported, the East Fremantle Junior Cricket Club submission was not recommended by the Group as there was no supporting documentation to outline what equipment was to be purchased, along with a cost breakdown. This information was received on 04/02/19 (please refer to Attachment 2).

## Background

The Community Grants and Sponsorship Policy and the Community Assistance Grants Program were adopted by Council in June 2016 to provide an orderly and consistent way of dealing with small funding requests on an annual basis. The program was introduced for the first time in 2016-2017 financial year and the following allocations have been made to date:

- 2016-2017 \$9,305.00
- 2017-2018 \$9,699.00
- 2018-2019 \$14,478.46 (of \$20,000.00) allocated to date

Submissions totalling \$5,585.89 have been received for 2018-2019 Round Three, which closed on Monday 21 January 2019. A balance of \$5,521.54 is available.

## Consultation

Local community groups were informed of the opportunity through the following mediums;

- Town's email newsletter
- Direct email (37 clubs / groups)
- Facebook
- Website – [www.eastfremantle.wa.gov.au/community/community-assistance-grants-cag-program-2018-2019-now-open.aspx](http://www.eastfremantle.wa.gov.au/community/community-assistance-grants-cag-program-2018-2019-now-open.aspx)

## Statutory Environment

Not applicable.

## Policy Implications

### 1.2.2 Community Grants and Sponsorship

## Financial Implications

An allocation of \$20,000.00 is included in the 2018-2019 budget. Should all of the recommended applications be endorsed by Council the total amount released in Round Three would be \$4,585.89, leaving a final balance of \$935.65.

## Strategic Implications

Community Strategic Plan 2017-2027:

### **Strategic Priority 1 – Social – A socially connected, inclusive and safe community**

#### **1.1 Facilitate appropriate local services for the health and wellbeing of the community**

- 1.1.1 Facilitate or partner to ensure a range of quality services are provided at a local level
- 1.1.2 Strengthen the sense of place and belonging through inclusive community interaction and participation

#### **1.2 Inviting open spaces, meeting places and recreational facilities**

- 1.2.1 Provision of adequate recreational, sporting and social facilities
- 1.2.2 Activate inviting open spaces that encourage social connection

#### **1.3 Strong community connection within a safe and vibrant lifestyle**

- 1.3.1 Partner and educate to build a strong sense of community safety
- 1.3.2 Facilitate opportunities for people to people to develop community connections and foster local pride
- 1.3.3 Enrich identity, culture and heritage through programs, events and celebrations
- 1.3.4 Facilitate community group capacity building

### Risk Implications

Risk	Risk Likelihood (based on history & with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk Theme	Risk Action Plan (Controls or Treatment proposed)
That Council does not support the allocation of funding under the Community Grants Program	Unlikely (2)	Moderate (3)	Moderate (5-9)	REPUTATIONAL Substantiated, low impact, low news item	Accept Officer Recommendation

### Risk Matrix

Consequence		Insignificant	Minor	Moderate	Major	Extreme	
		1	2	3	4	5	
Likelihood	Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
	Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
	Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
	Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
	Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating is provided below. Any items with a risk rating over 16 will be added to the Risk Register, and any item with a risk rating over 16 will require a specific risk treatment plan to be developed.

Risk Rating	6
Does this item need to be added to the Town's Risk Register	No
Is a Risk Treatment Plan Required	No

### Site Inspection

Not applicable.

### Comment

All members of the Community Assistance Grants Advisory Group were fully agreeable to the recommendation of five of the six submissions, being;

- \$ 499.00 East Fremantle Bowling Club
- \$ 961.00 East Fremantle Women's Football Club
- \$ 882.44 Hurricane Dragon Boat and Outrigger Canoe Club
- \$ 836.00 Lions' of East Fremantle
- \$ 1,407.45 Fremantle Sea Scouts

Council is additionally requested to consider the inclusion of the East Fremantle Junior Cricket Club's application for funding to assist with equipment, which (as previously stated) was supported by the Group but unable to be recommended without the provision of a quote / estimate.

Should Council agree to add this request to their endorsement it is suggested that the balance of funding available, \$935.65, be allocated with the Club needing to meet the \$64.05 shortfall.

**12.2.5 COMMITTEE RECOMMENDATION/COUNCIL RESOLUTION 120219**

**Moved Cr A McPhail, seconded Cr Nardi**

**That Council:**

- 1. endorse the release of funds to the following local organisations:**
  - \$ 499.00 East Fremantle Bowling Club;
  - \$ 961.00 East Fremantle Women's Football Club;
  - \$ 882.44 Hurricane Dragon Boat and Outrigger Canoe Club;
  - \$ 836.00 Lions' of East Fremantle;
  - \$ 1,407.45 Fremantle Sea Scouts;
  - \$ 935.65 East Fremantle Junior Cricket Club; and
- 2. advise all applicants of the outcomes of their application.**

(CARRIED UNANIMOUSLY)

### 12.2.6 Amendment of Policy – Debt Collection

<b>File ref:</b>	F/RAT1 & C/POL1
<b>Prepared by:</b>	Jessica Melia, Rates Officer
<b>Supervised by:</b>	Peter Kocian, Executive Manager Corporate Services
<b>Meeting Date:</b>	19 February 2019
<b>Voting requirements:</b>	Simple Majority
<b>Attachments:</b>	<ol style="list-style-type: none"><li>1. Policy 4.4.2 Debt Collection (Proposed Deletion/Additions Marked in Red)</li><li>2. Local government collection of overdue rates for people in situations of vulnerability: Good Practice Guidance</li></ol>

#### **Purpose**

The purpose of this report is for Council to consider adopting a proposed amendment to Policy 4.4.2 Debt Collection.

#### **Executive Summary**

Financial stewardship is one of four Key Result Areas for the Chief Executive Officer, as well as being a statutory responsibility. The adoption of Policy 4.4.2 Debt Collection presented at Ordinary Council Meeting (OCM), Tuesday 18 September 2018 was developed to ensure the Town of East Fremantle (Town) continues to improve on performance with regards to debt management in accordance with statutory requirements.

#### **Background**

Council has adopted a new policy for debt management used to assist with the recovery of outstanding debt for ratepayers and sundry debtors, which has been formalised by new procedures and in accordance with legislative requirements under the *Local Government (Financial Management) Regulations 1996 (as amended)*.

The Office of the Western Australian Ombudsman has, over a period of time, received complaints regarding processes used by Local Governments for the collection of overdue rates for people in situations of vulnerability.

A person in a situation of vulnerability may have low income or, as a result of their circumstances, be experiencing a financial shock, leading to difficulties in paying rates by the due date. This can take the form of 'payment difficulties' or 'financial hardship'.

Payment difficulties can be defined as:

*"A state of immediate financial disadvantage that results in a debtor being unable to pay an outstanding amount by reason of a change in personal circumstances"*

Financial hardship can be defined as:

*"A state of more than immediate financial disadvantage which results in a debtor being unable to pay an outstanding amount without affecting the ability to meet the basic living needs of the debtor or a dependant"*.

Following an investigation by the Ombudsman, including considering relevant legislative and regulatory requirements, the Ombudsman has developed Good Practice Guidance for local

governments regarding their role in collecting overdue rates owed by people in situations of vulnerability.

The Good Practice Guidance has been designed to assist local governments to consider their own policies and practices for the collection of rates and overdue rates in respect to people in situations of vulnerability and identify any aspects of these policies and practices that may present opportunities for improvement to ensure that the process is efficient and effective for local governments and is fair and equitable for all ratepayers.

Where ratepayers are unable to make payment of their rates by the prescribed instalment options and they are in situations of vulnerability they may apply for a special payment arrangement in order to avoid legal action for recovery. Special payments arrangements involve scheduled repayments of an agreed amount and full payment of the outstanding rates are to be paid by the end of the financial year. Each special Payment Arrangement requires the approval of the Executive Manager Corporate Services in accordance with Delegation DA14 – Rates and Services Charges.

The following table is a summary of the total number of ratepayers who have requested a special payment arrangement. The Town has assisted the ratepayer in formalising these arrangements.

Assessment Number	Total Amount Outstanding	Rate Levied Amount 2018/19 Rating Year
A10270	3,095.34	4,642.34
A11350	2,166.09	2,690.17
A21290	1,161.63	1,789.63
A25820	1,711.60	3,260.61
A30110	2,253.46	5,133.46
A32280	920.72	2,449.72
A32510	2,200.77	2,200.77
A32825	705.46	1,967.46
A33100	403.68	3,063.68
A35990	1,360.30	2,092.30
A40120	1,984.09	8,076.75
A40200	2,532.20	3,792.20
A41120	4,403.00	4,403.76
A44090	2,638.16	4,138.16
A51612	2,957.12	5,357.12
A51913	816.00	1,458.00
A11350	2,166.00	2,690.00
A13940	1,387.72	2,015.00
<b>TOTAL</b>	<b>\$34,863.34</b>	<b>\$61,221.13</b>

### Policy Amendment

The Town has recently considered the current processes in regards to the collection of overdue rates in respect of people in vulnerable situations. Thereby the following amendment to the current policy is recommended to ensure that the process of collecting rates is fair and equitable for all rate payers.

“Pursuant to section 6.49 of the *Local Government Act 1995*, where a person is assessed to be under financial hardship, a special payment arrangement will be offered, and Council resolves to waive all administration charges and penalty interest associated with the assessment, on the proviso that all rates and charges (arrears plus current) and paid in full by the end of the current financial year.”

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Rate payers who are claiming financial hardship will be required to provide evidence. Types of evidence required include:

- Loss of employment
- The unexpected death of family member
- Loss of income or failure of a business
- Adversely effected by a major disaster
- Destruction or severe damage to your home, necessitating relocation of the family
- Victim of domestic violence
- Other evidence to support the link between the above circumstance and financial hardship.

### **Statutory Environment**

Regulation 5 of the *Local Government (Financial Management) Regulations 1996* outlines the CEO's duties as to financial management of the local government which includes:

- That efficient systems and procedures are to be established for the proper collection of all money owing to the local government.

Section 6.49 of the *Local Government Act 1995* states that a local government may accept payment of a rate or service charge due and payable by a person in accordance with an agreement made with the person.

Council is also requested to amend the Schedule of Fees and Charges, and resolve on a \$0 administration fee for special rates payment arrangement where financial hardship is evidenced. Council is required to give notice of the \$0 fee in accordance with the requirements of section 6.19 of the *Local Government Act 1995*.

### **Policy Implications**

The role of Council is defined under section 2.7 of the *Local Government Act 1995*. Council is to govern the local government's affairs and one of the ways Council does this is by establishing Policies.

### **Financial Implications**

Should Council support the proposed amendment to the Policy, there will be a slight reduction in income as a result of administration charges and penalty interest being waived for special payment arrangements under financial hardship circumstances. It is anticipated that foregone income will not exceed \$2,000pa.

### Risk Implications

Risk	Risk Likelihood (based on history & with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk Theme	Risk Action Plan (Controls or Treatment proposed)
That Council does not support waiving fees and penalties for special payment arrangements for debtors under financial hardship	Rare (1)	Moderate (3)	Low (1-4)	REPUTATIONAL Substantiated, low impact, low news item	Accept Officer Recommendation

### Risk Matrix

Consequence		Insignificant	Minor	Moderate	Major	Extreme	
		1	2	3	4	5	
Likelihood	Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
	Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
	Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
	Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
	Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating is provided below. Any items with a risk rating over 16 will be added to the Risk Register, and any item with a risk rating over 16 will require a specific risk treatment plan to be developed.

Risk Rating	3
Does this item need to be added to the Town's Risk Register	No
Is a Risk Treatment Plan Required	No

### Consultation

Town of East Fremantle employees have been consulted and included in the process of developing this policy and support the amendment to the current policy.

- Executive Manager of Corporate Services
- Manager of Administration and Finance
- Rates Officer



### Strategic Implications

The Town of East Fremantle Strategic Community Plan 2017 – 2027 states as follows:

#### Strategic Priority 5: Leadership and Governance

5.1 Strengthen organisational accountability and transparency

5.3 Strive for excellence in leadership and governance

#### Comment

The current policy for Debt Collection procedures has been developed to provide clarity with regard to how the Town of East Fremantle will carry out debt recovery in a fair and equitable manner, ensuring the processes of the recovery of outstanding debt are simple to administer, cost effective and compliant with all regulatory requirements under the *Local Government Act 1995*.

The recommendation to amend the current policy will ensure greater efficiency in the collection of rates thereby assisting the Town to plan and fund their service delivery priorities. Furthermore, addressing overdue rates through an early intervention approach without resorting to court recovery processes minimises legal and court costs to individual ratepayers, the local government and ultimately, to the wider community.

It is recommended Council amend Policy 4.4.2 Debt Collection as proposed.

#### 12.2.6 OFFICER RECOMMENDATION/COUNCIL RESOLUTION 130219

Moved Cr A McPhail, seconded Cr White

That Council:

1. note the publication received from the Office of Ombudsman “ Local government collection of overdue rates for people in situations of vulnerability: Good Practice Guidance”
2. adopt the proposed amendment to Policy 4.4.2 Debt Collection, as per the tracked changes in the attached Policy.
3. provide local public notice of the \$0 administration fee for special rate payment arrangements, where financial hardship has been proven.

(CARRIED UNANIMOUSLY)

### 12.2.7 Property Management Framework

<b>Applicant</b>	Town of East Fremantle
<b>File ref</b>	F/RPR1
<b>Prepared by</b>	Peter Kocian, Executive Manager Corporate Services
<b>Supervised by</b>	Gary Tuffin, Chief Executive Officer
<b>Date of Meeting</b>	19 February 2019
<b>Voting requirements</b>	Simple Majority
<b>Documents tabled</b>	Nil
<b>Attachments</b>	1. Town of East Fremantle Property Management Framework (Draft)

#### **Purpose**

This report recommends that Council adopt the attached Property Management Framework.

#### **Executive Summary**

A draft Property Management Framework has been developed for Council consideration. The objectives of the framework are:

1. To define the classifications for which Town owned and managed property is held.
2. To establish the categories and associated principles under which Town owned and managed property may be used and occupied.
3. To promote equitable, effective and sustainable management practices for the use and occupation of Town owned and managed property.

#### **Background**

The Town of East Fremantle manages 44 buildings/facilities either as freehold or managed property which are reserved or dedicated under the *Land Administration Act 1997*. These properties have been set aside for a diversity of purposes, such as recreation, public open space, drainage and administrative or infrastructure purposes.

A Property Management Framework is thus recommended to provide the Town with a guide to managing all property under the Town's ownership, care and control. The framework takes into account the Town's statutory obligations and the desire to promote the wellbeing of all people in the community through support of recreational and community groups and the provision of high quality and accessible facilities.

The Town acknowledges the City of Joondalup for sharing the resources upon which the Property Management Framework has been developed.

#### **Statutory Environment**

*Land Administration Act 1997*

*Local Government Act 1995*

*Telecommunications Act 1997*

*Public Places and Local Government Property Local Law 2016 (Town of East Fremantle)*

#### **Policy Implications**

Requests for New or Capital Upgrades to Existing Community Buildings Policy

### Financial Implications

The Property Management Framework informs the setting of property rent, so once adopted, it will govern price setting for all property rentals.

### Strategic Implications

#### **Strategic Priority 5: Leadership and Governance**

5.1 Strengthen organisational accountability and transparency

5.3 Strive for excellence in leadership and governance

### Risk Implications

Risk	Risk Likelihood (based on history & with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk Theme	Risk Action Plan (Controls or Treatment proposed)
That the draft Property Management Framework not be endorsed, leading to adhoc tenure arrangements	Unlikely (2)	Moderate (3)	Moderate (5-9)	FINANCIAL IMPACT \$50,000 - \$250,000	Accept Officer Recommendation

### Risk Matrix

Consequence		Insignificant	Minor	Moderate	Major	Extreme	
		1	2	3	4	5	
Likelihood	Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
	Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
	Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
	Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
	Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating is provided below. Any items with a risk rating over 16 will be added to the Risk Register, and any item with a risk rating over 16 will require a specific risk treatment plan to be developed.

Risk Rating	6
Does this item need to be added to the Town's Risk Register	No
Is a Risk Treatment Plan Required	No

### Site Inspection

Not applicable.

### Comment

The following sections of the Property Management Framework are referenced for Council information and endorsement:

#### 4.0 Classification of Property

- Property held for Community Purposes
- Property held for Capital Appreciation
- Property held for Income Generation

#### 5.0 Property utilisation by groups

- Facility Hire (as per Schedule of Fees and Charges)
- Lease Agreement (exclusive use)
- Licence Agreement (non-exclusive use)

#### 6.0 Standard tenure arrangements

- Type of agreement
- Period of tenure
- Main responsibilities of lessee/licensee
- Main responsibilities of lessor/licensor
- Tenure guidelines

It is important to note that all land which is vested for community purposes will be retained for the reserved purpose, and categorized as Property held for Community Purposes.

Appendix 8.1 of the Property Management Framework illustrates a comparison of tenure guidelines. The framework does allow some level of discretion in determining terms and conditions of tenure arrangements for not-for-profit community groups; however, the following key principles apply:

- Market rent will apply for all commercial organisations
- Local government rates will apply for all commercial organisations
- The Town will maintain building insurance cover for all buildings and recoup this cost from lessees/licensees
- The Town is responsible for all structural maintenance
- Lessees/Licensees are responsible for all cleaning and non-structural maintenance
- Lessees/Licensees are responsible for all outgoings include utilities, water rates, refuse collection charges and the Emergency Services Levy
- Rent for Not-for-Profit Community Groups is set at 0.1% of the capital replacement cost of facilities that comprise the lease area (as per the most recent Building/Infrastructure Valuation Report). A minimum lease fee of \$1,000 will apply for not for profit community groups.



**12.2.7 OFFICER RECOMMENDATION/COUNCIL RESOLUTION 140219**

Moved Cr M McPhail, seconded Cr White

That Council:

1. adopt the Town of East Fremantle Property Management Framework as presented;
2. note the following key principles that underpin the standard tenure arrangements for leases and licences:
  - Market rent will apply for all commercial organisations
  - Local government rates will apply for all commercial organisations
  - The Town will maintain building insurance cover for all buildings and recoup this cost from lessees/licensees
  - The Town is responsible for all structural maintenance
  - Lessees/Licensees are responsible for all cleaning and non-structural maintenance
  - Lessees/Licensees are responsible for all outgoings include utilities, water rates, refuse collection charges and the Emergency Services Levy
  - Rent for Not-for-Profit Community Groups is set at 0.1% of the capital replacement cost of facilities that comprise the lease area (as per the most recent Building/Infrastructure Valuation Report). A minimum lease fee of \$1,000 will apply for not for profit community groups.

(CARRIED UNANIMOUSLY)

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*Mayor O'Neill declared a proximity interest in this matter and left the meeting at 8.13pm*

In the absence of the Presiding Member, the Deputy Mayor assumed the Chair.

## 12.3 GOVERNANCE REPORTS

### 12.3.1 East Fremantle Oval Precinct Revitalisation Project - Vision Report – Advertise for Feedback

<b>Applicant</b>	Town of East Fremantle
<b>File ref</b>	R/RSO9
<b>Prepared by</b>	Wendy Cooke, Project Coordinator
<b>Supervised by</b>	Gary Tuffin, Chief Executive Officer
<b>Date of Meeting</b>	19 February 2019
<b>Voting requirements</b>	Simple Majority
<b>Documents tabled</b>	East Fremantle Oval Revitalisation -
<b>Attachments</b>	1. East Fremantle Oval Project Revitalisation Project – Draft Vision Report

#### **Purpose**

To seek endorsement from Council to advertise the East Fremantle Oval Project Revitalisation Project – Vision Report as presented by GHD Pty Ltd.

#### **Executive Summary**

Following the four day Design Forum and meeting with a range of stakeholders, consultants GHD Pty Ltd have prepared the East Fremantle Oval Precinct Revitalisation Project – Vision Report (the Report) for Council consideration and endorsement for advertising.

The Charrette process has been a very positive experience for the Town and the community, resulting in a possible vision for the revitalisation and development of the East Fremantle Oval Precinct.

The prepared Community Preferred Option outlined in the Report provides an option that is a result of the engagement process. During the process of preparing the Report, the consultants, in conjunction with Town officers, also provided an alternative option based on the community input received, the main difference being the location of the proposed building(s). The Building locations have moved from the Northern Eastern corner to the North West corner.

It is recommended that Council advertise the report and seek further feedback from the community and stakeholders.

#### **Background**

The objective of this project has been to investigate a range of concepts, together with funding options, to provide a preferred revitalisation vision plan for the East Fremantle Oval Precinct (the Precinct).

The Project included a comprehensive community engagement process by way of a Charrette to prepare concepts that explore various scenarios, and a variety of options to maximise the use of the Precinct.

The following options are outlined in the report:

- **Vision Concept 1** – opening the Park - Concepts provide a broad spatial representation for how the community's vision might be delivered within the precinct.

Vision Concept 1 retains current functional arrangements on site, with a strong focus on unifying the precinct through connected open space. The concept opens up underutilised land for community and passive recreation purposes.

Vision Concept 1 is presented to show the least/minimal intervention and extensive landscaping. This concept, whilst not the preferred, provides an example of an acceptable outcome albeit with clubs remaining in existing locations on site.

- **Vision Concept 2** - Community Hub - Concepts provide a broad spatial representation for how the community's vision might be delivered within the precinct.

Vision Concept 2 creates a community hub in the heart of the precinct, surrounded by a parkland setting that maximises connectivity and visual aesthetic to all boundaries.

Vision Concept 2 is the community's preferred representation of the future, delivering a community hub surrounded by parkland.

- **Adaptability in the Preferred Concept**- Adaptability is necessary to the success of a revitalisation vision.

The analysis of the community's preferred concept identifies that strategic planning for Preston Point Recreation Precinct may identify additional co-location opportunities for local clubs.

Further testing explored how the community's preferred concept could be adapted over time, if there are changes to users in the precinct.

### Consultation

- Elected members were advised of the process to be undertaken at a Council Forum via a Project Plan (December 2017) and also at Council Forum May 2018.
- Project Control Group (PCG) was formed to assist the Town with guiding the project.
- A tender process was undertaken to appoint consultants – GHD Pty Ltd were awarded the Tender to undertake the Charrette.
- GHD Pty Ltd consultant team proceeded to undertake the project under the direction and guidance of the Town of East Fremantle and the Project Control Group.
- A comprehensive Design Forum (Charrette) was undertaken in September 2018.
- GHD Pty Ltd presented the findings of the Charrette to Council in December 2018 seeking further comment from the Town.

### Statutory Environment

N/A

### Policy Implications

There are no policy implications.

### Financial Implications

Funding of \$75,000 was received from the Department of Local Government, Sport and Cultural Industries (DLGSCI) for the project.

Council budgeted a total of \$150,000 for 2018/19 financial year for this project.

The potential financial implication of the potential revitalisation options are contained within the East Fremantle Oval Project Revitalisation Project – Vision Report.

### **Strategic Implications**

The Town of East Fremantle **Strategic Community Plan 2017-2027** states:

#### **Strategic Priority 1 – Social – A socially connected, inclusive and safe community**

##### **1.1 Facilitate appropriate local services for the health and wellbeing of the community**

- 1.1.3 Facilitate or partner to ensure a range of quality services are provided at a local level
- 1.1.4 Strengthen the sense of place and belonging through inclusive community interaction and participation.

##### **1.2 Inviting open spaces, meeting places and recreational facilities**

- 1.2.1 Provision of adequate recreational, sporting and social facilities
- 1.2.2 Activate inviting open spaces that encourage social connection

##### **1.3 Strong community connection within a safe and vibrant lifestyle**

- 1.3.1 Partner and educate to build a strong sense of community safety
- 1.3.2 Facilitate opportunities for people to develop community connections and foster local pride
- 1.3.3 Enrich identity, culture and heritage through programs, events and celebrations develop community connections and foster local pride
- 1.3.4 Facilitate community group capacity building

The Town of East Fremantle **Recreation and Community Facilities Strategy** adopted in 2016 identified that *'the East Fremantle Oval Precinct is a major recreation and sporting precinct in East Fremantle that is currently perceived as poorly planned as a precinct, is underutilised in terms of community use and access and is an ineffective use of major open space.*

*In response, a key recommendation of the Strategy calls for a long term perspective for the development and revitalisation of the Precinct and suggests to:*

- *Develop the area to service the whole East Fremantle community;*
- *Provide active sporting, passive recreation and community spaces;*
- *Reduce and/or minimise the number of buildings;*
- *Establish a community centre hub;*
- *Create multipurpose playing fields; and*
- *Possibly relocate the Council depot to an alternate site.'*

Community Perceptions Survey April 2017 - a number of comments were made by the community in relation to the East Fremantle Oval Precinct, and the need for something to be done in relation to current condition.



### Risk Implications

Risk	Risk Likelihood (based on history & with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk Theme	Risk Action Plan (Controls or Treatment proposed)
That should Council not seek community feedback before finalising the Plan, it may impact on level of community support for the project	Unlikely (2)	Major (4)	High (10-16)	REPUTATIONAL Substantiated, public embarrassment, moderate impact, moderate news profile	Accept Officer Recommendation

### Risk Matrix

Consequence		Insignificant	Minor	Moderate	Major	Extreme	
		1	2	3	4	5	
Likelihood	Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
	Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
	Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
	Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
	Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating is provided below. Any items with a risk rating over 16 will be added to the Risk Register, and any item with a risk rating over 16 will require a specific risk treatment plan to be developed.

Risk Rating	8
Does this item need to be added to the Town's Risk Register	No
Is a Risk Treatment Plan Required	No

### Site Inspection

N/A

### Comment

The design forum (charrette) was promoted through newspaper advertisements, direct letter invitations, multiple signs around the precinct, and flyers to all properties in the Town of East Fremantle. Over 1,000 people were reached through social media posts. The wide promotion,

numerous in-person opportunities to engage, and the online design forum provided considerable opportunity for club and community members to engage and shape the vision for revitalisation.

Over 145 individuals attended workshop sessions and additional people participated through an online design forum on Facebook.

#### OPEN SESSION 1

- Session 1 included a walking tour to discuss and understand the context and key issues for the precinct.
- This was followed by a short, intensive workshop session to gain priority feedback regarding key issues and ideas for the precinct.
- The session was repeated. A breakfast session was held on Saturday 13 September and an afternoon session on Sunday 16 September.

#### INVITED SESSION

- A day-long invited workshop was held with government stakeholders, club representatives (including within and beyond the precinct) and immediate residents.
- The session involved a contextual presentation followed by in-depth facilitated discussions to discover themes of consensus that became the consensus statements. The session ended with a design exercise to commence generation of the concept vision options.

#### OPEN SESSION 2

- Session 2 involved similar activities as the invited sessions, but for a wider audience during an evening workshop.
- The session involved the same contextual presentation followed by small-table discussions on key elements that formed the consensus statements. The session ended with a design exercise to generate community-led concept vision options.

#### INTERNAL DESIGN SESSIONS

- Using the consensus statements and community design outcomes, the precinct designs prepared by the community were synthesised into four preliminary concept options.
- As the options were prepared, they were workshopped with technical specialists including a Quantity surveyor to confirm their feasibility. A discussion was held with elected members to confirm consistency with the community's direction.

#### OPEN SESSION 3

- Session 3 facilitated a conversation on the preliminary concept options with participants.
- Group discussions focused on preferred concept options, funding opportunities, and recommended modifications to refine the preliminary concepts into a representative vision.

#### OPEN SESSION 4

- Session 4 presented the final two concept options for revitalisation, based on feedback during session 3.

#### ONLINE DESIGN FORUM

- An online design forum, hosted within a Facebook page, provided opportunity for community members not able to attend workshop sessions to be involved in the visioning process.

- Information, videos, and ideas were posted for comment and consideration during the community design workshop.
- Over four days, many conversations were had about the various elements that influence the revitalisation of the precinct.

The outcome of these key conversations reflects the journey of achieving consensus on how the precinct should be revitalised, and provide much of the context for the consensus statements and vision concepts.

**12.3.1 OFFICER RECOMMENDATION/COUNCIL RESOLUTION 150219**

**Moved Cr White, seconded Cr Harrington**

**That Council request:**

- 1. the Chief Executive Officer advertise the draft East Fremantle Oval Precinct Revitalisation Project Vision Report for further community comment and feedback for a period of 2 months.**
- 2. a further report be presented to the May Ordinary Council meeting to consider any submissions, prior to the reports final adoption.**

**(CARRIED UNANIMOUSLY)**

*Mayor O'Neill returned to the meeting at 8.26pm and resumed the Chair. It was noted he did not speak or vote on the previous motion.*

### 12.3.2 Fremantle City Soccer Club – Proposed Lease

<b>Applicant</b>	N/A
<b>File ref</b>	R/RSD3
<b>Prepared by</b>	Gary Tuffin, Chief Executive Officer
<b>Supervised by</b>	Gary Tuffin, Chief Executive Officer
<b>Meeting Date</b>	19 February 2019
<b>Voting requirements</b>	Simple Majority
<b>Documents tabled</b>	Nil
<b>Attachments</b>	Nil

#### **Purpose**

To consider a request from the Fremantle City Soccer Club (Formerly East Fremantle Tricolore Soccer Club) to have a formal lease for its premises located on a portion of Reserve 22365.

#### **Executive Summary**

It is recommended that Council:

1. authorise the Chief Executive Officer to finalise lease terms and have Council's solicitors prepare a 20 year lease between the Town and the Fremantle City Soccer Club for portion of Reserve 22365 as detailed in this report.
2. authorise the Mayor and Chief Executive Officer to sign and affix the Common Seal to the new lease agreement with Fremantle City Soccer Club for portion of Reserve 22365.

#### **Background**

The Club has expressed a desire to undertake capital improvements to the building by constructing a new purpose built canteen in the back half of the building facing out to the lower soccer field. However, prior to undertaking such works they would like to formalise their tenure on site with a lease.

The club has been operating without a lease and has made a financial contribution to the Town based on membership numbers.

This building currently is jointly used by the Town's Home and Aged Care (HACC) services unit during business hours Monday to Friday for the delivery of its day services and administration.

#### **Consultation**

Fremantle City Soccer Club  
TOEF HACC

#### **Statutory Environment**

**Local Government Act 1995** - Section 3.58 Disposing of property

Regulation 30 of the ***Local Government (Functions & General) Regulations 1996*** states;

#### **30. Dispositions of property excluded from Act s. 3.58**

- (1) *A disposition that is described in this regulation as an exempt disposition is excluded from the application of section 3.58 of the Act.*

- (2) *A disposition of land is an exempt disposition if —*
- (a) *the land is disposed of to an owner of adjoining land (in this paragraph called the transferee) and —*
    - (i) *its market value is less than \$5 000; and*
    - (ii) *the local government does not consider that ownership of the land would be of significant benefit to anyone other than the transferee;*
  - or
  - (b) *the land is disposed of to a body, whether incorporated or not —*
    - (i) *the objects of which are of a charitable, benevolent, religious, cultural, educational, **recreational**, sporting or other like nature; and*
    - (ii) *the members of which are not entitled or permitted to receive any pecuniary profit from the body's transactions;*

Therefore, this disposal is exempt under Regulation 30 (b) from the requirements of section 3.58 (3), and does not need to be advertised.

**Land Administration Act 1997.**

The proposed Lease is subject to the prior approval of the Minister for Lands under the *Land Administration Act 1997*.

Error! Use the Home tab to apply Name of Act/Reg to the text that you want to appear here.

Section 136 states;

**136. Approval required for some dealings as to land not dealt with as lot or lots**

- (1) *Subject to sections 139 and 140 a person is not to —*
- (a) *lease or grant a licence to use or occupy land for any term exceeding 20 years, including any option to extend or renew the term or period; or*
  - (b) *lease and grant a licence to use or occupy land for terms in the aggregate exceeding 20 years, including any option to renew or extend the terms or periods; or*
  - (c) *sell or agree to sell land; or*
  - (d) *grant any option of purchase of land,*
- without the approval of the Commission unless the land is dealt with by way of such lease, licence, agreement or option of purchase as a lot or lots.*

Council delegation DA48 authorises the CEO to:

- initiate or respond to all lease proposals involving property that the Town owns or controls
- negotiate all draft lease proposals referred to above, to the point of a recommendation to Council.

**Policy Implications**

In line with the newly adopted Town of East Fremantle Property Management Framework it is recommended that an annual lease amount be set at 0.01% of the buildings replacement value, being \$2,297pa plus all outgoings

### Financial Implications

The contribution paid by the Soccer club in 2017/18 was \$6,469.50.

Calculation of lease value (Replacement value of buildings and infrastructure \$2,297,077 x 0.01%)  
\$2,297

Under the proposed lease the soccer club will be responsible for all outgoings, previously the Town was responsible for the electrical & water costs, including \$12,237 in power for the Tricolore Community Centre which will need to be apportioned. The soccer club already reimburses the Town for building insurance (approx. \$700pa).

It is normal practice for the lessee to cover the cost of preparation of the lease documents.

### Strategic Implications

**KEY FOCUS AREA 2:** Infrastructure and waste services

**Aspiration:** The needs of our community are met through the provision of high quality infrastructure and waste services

4.3 Council owned buildings for public use are maintained, accessible and safe  
Provide facilities for sport and recreation

### Risk Implications

Risk	Risk Likelihood (based on history & with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Theme	Risk	Risk Action Plan (Controls or Treatment proposed)
Tenant continues to use premises without formal agreement in place	Unlikely (2)	Moderate (3)	Moderate (5-9)	FINANCIAL IMPACT	\$50,000 - \$250,000	Accept Officer Recommendation

### Risk Matrix

Consequence		Insignificant	Minor	Moderate	Major	Extreme	
		1	2	3	4	5	
Likelihood	Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
	Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
	Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
	Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
	Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating is provided below. Any items with a risk rating over 16 will be added to the Risk Register, and any item with a risk rating over 16 will require a specific risk treatment plan to be developed.

<b>Risk Rating</b>	6
<b>Does this item need to be added to the Town's Risk Register</b>	No
<b>Is a Risk Treatment Plan Required</b>	No

#### Site Inspection

Not required.

#### Comment

Reserve 22365 provides the Council with the ability to lease the property for up to 21 years with the requirement for Minister for Land's consent. However, under section 136 of *Planning and Development Act 2005* approval of the Planning Commission is required when dealing with portion of lots for a term exceeding 20 years. Therefore, to avoid any further delays it is recommended that the term not exceed 20 years.

In line with Council's recently adopted Property Management Framework the following base terms will be incorporated into the proposed lease agreement:

1. Leased Premises –Lease is for the change rooms & oval spaces. Oval spaces are to be made available to the general public when not being used for soccer training or soccer matches/games;
2. Term – 10 years with 2 options for further 5 years each;
3. Rent – \$2,297pa;
4. Outgoings –payable in addition to Rent;
5. Rent review mechanism –CPI each year, with building valuation review done every 5 years;
6. Permitted purpose of lease – 'Soccer Club and uses reasonably ancillary thereto';
7. Any specific maintenance obligations – the usual maintenance obligations to maintain, repair and keep clean the Premises. No structural maintenance required;
8. Hire to a third party permitted with the Town's consent;
9. Termination with 12 months' notice if premises is to be redeveloped.

The draft lease will be prepared by Council's solicitors McLeods & Co.

#### **12.3.2 OFFICER RECOMMENDATION/COUNCIL RESOLUTION 160219**

**Moved Cr M McPhail, seconded Cr Harrington**

**That Council:**

1. **authorise the Chief Executive Officer to finalise lease terms and have Council's solicitors prepare a 20 year lease between the Town and the Fremantle City Soccer Club for portion of Reserve 22365 as detailed in this report.**
2. **authorise the Mayor and Chief Executive Officer to sign and affix the Common Seal to the new lease agreement with Fremantle City Soccer Club for portion of Reserve 22365.**

**(CARRIED UNANIMOUSLY)**

### 12.3.3 Hurricane Dragon Boat & Outrigger Canoe Club – Proposed Lease

<b>Applicant</b>	N/A
<b>File ref</b>	R/RSB9
<b>Prepared by</b>	Gary Tuffin, Chief Executive Officer
<b>Supervised by</b>	Gary Tuffin, Chief Executive Officer
<b>Meeting Date</b>	19 February 2019
<b>Voting requirements</b>	Simple Majority
<b>Documents tabled</b>	Nil
<b>Attachments</b>	Nil

#### **Purpose**

To consider a request from the Hurricane Dragon Boat & Outrigger Canoe Club (HDBOCC) to have a formal lease for its 50 % portion of the 1<sup>st</sup> Leeuwin Scout premises located on Reserve 28785.

#### **Executive Summary**

It is recommended that Council:

1. authorise the Chief Executive Officer to finalise lease terms and have Council's solicitors prepare a 20 year lease between the Town and the HDBOCC for portion of Reserve 28785 as detailed in this report.
2. authorise the Mayor and Chief Executive Officer to sign and affix the Common Seal to the new lease agreement with HDBOCC for portion of Reserve 28785.

#### **Background**

Following protracted discussions between the 1<sup>st</sup> Leeuwin Scout Group and the HDBOCC regarding clubroom space and storage, a Memorandum of Understanding (MOU) was signed by both Clubs on 17 August 2018. This MOU sets out designated storage areas, usage times and shared costs.

HDBOCC began subleasing a portion the scout group's premises in 2013 and had been operating without any formal agreement/lease prior to the MOU.

The 1<sup>st</sup> Leeuwin Scout Group (formerly 3<sup>rd</sup> East Fremantle Sea Scouts) moved to the current premises in 1973 when the facility was built, after previously being located in the vicinity of what is now the Dome Café (at that time the Oyster Beds Restaurant). The scouts lease expired in December 1994.

Negotiations are underway with 1<sup>st</sup> Leeuwin Scout Group regarding a new lease and a further report will be provided to Council in the future once draft terms have been agreed.

#### **Consultation**

Executive Manager Corporate Services (financial information)  
Hurricane Dragon Boat & Outrigger Canoe Club  
1<sup>st</sup> Leeuwin Scout Group

#### **Statutory Environment**

**Local Government Act 1995** - Section 3.58 Disposing of property



Regulation 30 of the *Local Government (Functions & General) Regulations 1996* states;

**30. Dispositions of property excluded from Act s. 3.58**

- (1) *A disposition that is described in this regulation as an exempt disposition is excluded from the application of section 3.58 of the Act.*
- (2) *A disposition of land is an exempt disposition if —*
  - (a) *the land is disposed of to an owner of adjoining land (in this paragraph called the transferee) and —*
    - (i) *its market value is less than \$5 000; and*
    - (ii) *the local government does not consider that ownership of the land would be of significant benefit to anyone other than the transferee;*
  - or
  - (b) *the land is disposed of to a body, whether incorporated or not —*
    - (i) *the objects of which are of a charitable, benevolent, religious, cultural, educational, **recreational**, sporting or other like nature; and*
    - (ii) *the members of which are not entitled or permitted to receive any pecuniary profit from the body's transactions;*

Therefore, this disposal is exempt under Regulation 30 (b) from the requirements of section 3.58 (3), and does not need to be advertised.

**Land Administration Act 1997.**

The proposed Lease is subject to the prior approval of the Minister for Lands under the *Land Administration Act 1997*.

Error! Use the Home tab to apply Name of Act/Reg to the text that you want to appear here.

Section 136 states;

**136.Approval required for some dealings as to land not dealt with as lot or lots**

- (1) *Subject to sections 139 and 140 a person is not to —*
  - (a) *lease or grant a licence to use or occupy land for any term exceeding 20 years, including any option to extend or renew the term or period; or*
  - (b) *lease and grant a licence to use or occupy land for terms in the aggregate exceeding 20 years, including any option to renew or extend the terms or periods; or*
  - (c) *sell or agree to sell land; or*
  - (d) *grant any option of purchase of land,*

*without the approval of the Commission unless the land is dealt with by way of such lease, licence, agreement or option of purchase as a lot or lots.*

Council delegation DA48 authorises the CEO to:

- initiate or respond to all lease proposals involving property that the Town owns or controls
- negotiate all draft lease proposals referred to above, to the point of a recommendation to Council.

### Policy Implications

In line with the newly adopted Town of East Fremantle Property Management Framework it is recommended that both clubs equally share an annual lease amount set at 0.01% of the buildings replacement value, being \$1,000pa plus all outgoings

### Financial Implications

The HDBOCC currently pays rent to 1<sup>st</sup> Leeuwin Scout Group for use of the building.

The contribution paid to Council by 1<sup>st</sup> Leeuwin in 2017/18 was \$941.33.

Calculation of lease value (Replacement value \$436,000 x 0.01%) \$436. In accordance with Council's Property Management Framework, a minimum rental of \$1,000 applies for non for profit community groups.

Under the proposed lease both clubs will be responsible for all outgoings – ESL Levy, Building insurance & utilities (Water & Power).

It is normal practice for the lessee to cover the cost of preparation of the lease documents.

### Strategic Implications

**KEY FOCUS AREA 2:** *Infrastructure and waste services*

**Aspiration:** *The needs of our community are met through the provision of high quality infrastructure and waste services*

4.3 *Council owned buildings for public use are maintained, accessible and safe  
Provide facilities for sport and recreation*

### Risk Implications

Risk	Risk Likelihood (based on history & with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk Theme	Risk Action Plan (Controls or Treatment proposed)
Tenant continues to use premises without formal agreement in place	Unlikely (2)	Moderate (3)	Moderate (5-9)	FINANCIAL IMPACT \$50,000 - \$250,000	Accept Officer Recommendation

### Risk Matrix

Consequence		Insignificant	Minor	Moderate	Major	Extreme
		1	2	3	4	5
Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating is provided below. Any items with a risk rating over 16 will be added to the Risk Register, and any item with a risk rating over 16 will require a specific risk treatment plan to be developed.

<b>Risk Rating</b>	6
<b>Does this item need to be added to the Town's Risk Register</b>	No
<b>Is a Risk Treatment Plan Required</b>	No

### Site Inspection

Not required.

### Comment

Reserve 28785 provides the Council with the ability to lease the property for up to 21 years with the requirement for Minister for Land's consent. However, under section 136 of *Planning and Development Act 2005* approval of the Planning Commission is required when dealing with portion of lots for a term exceeding 20 years. Therefore, to avoid any further delays it is recommended that the term not exceed 20 years.

In line with Council's recently adopted Property Management Framework the following base terms will be incorporated into the proposed lease agreement:

10. Leased Premises – 50% of the building;
11. Term – 10 years with 2 options for further 5 years each;
12. Rent – \$1,000pa;
13. Outgoings –payable in addition to Rent;
14. Rent review mechanism –CPI each year, with building valuation review done every 5 years;
15. Permitted purpose of lease – 'Rowing Club and uses reasonably ancillary thereto';
16. Any specific maintenance obligations – the usual maintenance obligations to maintain, repair and keep clean the Premises. No structural maintenance required;
17. Hire to a third party permitted with the Town's consent;
18. Termination with 12 months' notice if premises is to be redeveloped.

The draft lease will be prepared by Council's solicitors McLeods & Co.



**12.3.3 OFFICER RECOMMENDATION/COUNCIL RESOLUTION 170219**

**Moved Cr Watkins, seconded Cr White**

**That Council:**

- 1. authorise the Chief Executive Officer to finalise lease terms and have Council's solicitors prepare a 20 year lease between the Town and the Hurricane Dragon Boat & Outrigger Canoe Club for portion of Reserve 28785 as detailed in this report.**
- 2. authorise the Mayor and Chief Executive Officer to sign and affix the Common Seal to the new lease agreement with Hurricane Dragon Boat & Outrigger Canoe Club for portion of Reserve 28785.**

**(CARRIED UNANIMOUSLY)**

#### 12.3.4 2017/18 Elector's Meeting

<b>Applicant</b>	Town of East Fremantle
<b>File ref</b>	C/ELM1
<b>Prepared by</b>	Janine May, Executive Assistant to CEO
<b>Supervised by</b>	Gary Tuffin, Chief Executive Officer
<b>Date of Meeting</b>	19 February 2019
<b>Voting requirements</b>	Simple Majority
<b>Documents tabled</b>	Nil
<b>Attachments</b>	1. Minutes of Annual Electors' Meeting 29/1/19

#### **Purpose**

To present the Minutes of the 2017/8 Annual Electors' Meeting and facilitate consideration of any decisions taken at the meeting.

#### **Executive Summary**

This report documents items raised at the Annual Electors' Meeting and resulting proposed action.

#### **Background**

Council held its Annual Electors' Meeting on Tuesday, 29 January 2019 which was attended by 6 members of the public.

A copy of the minutes were circulated to all elected members on the 12 February 2019.

#### **Statutory Environment**

Under Section 5.33(1) of the *Local Government Act 1995*, all decisions made at an Electors' Meeting "are to be considered at the next ordinary council meeting or, if that is not practicable at the next meeting thereafter".

Section 5.33(2) of the Act provides that *if* the Council makes a decision in response to a decision made at an Electors' Meeting, the reasons for the decision are to be recorded in the minutes.

#### **Policy Implications**

There are no policy implications.

#### **Financial Implications**

There are no financial implications.

#### **Strategic Implications**

STRATEGIC PRIORITY 5: Leadership & Governance

*A proactive approachable Council which values community consultation, transparency and accountability.*

#### **Site Inspection**

N/A

#### **Comment**

Apart from receiving the Minutes of the previous Electors' Meeting and the 2016/2017 Annual Report, there were no additional resolutions passed at this Electors' Meeting.

**12.3.4 OFFICER RECOMMENDATION/COUNCIL RESOLUTION 180219**

Moved Cr Nardi, seconded Cr Collinson

That the minutes of the Electors' meeting held on 29 January 2019 be received.

(CARRIED UNANIMOUSLY)



**13. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

Nil.

**14. NOTICE OF MOTION FOR CONSIDERATION AT THE NEXT MEETING**

Nil.

**15. QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN**

Nil.

**16. NEW BUSINESS OF AN URGENT NATURE**

Nil.

**17. MATTERS BEHIND CLOSED DOORS**

**17. PROCEDURAL MOTION**

Moved Cr White, seconded Cr Harrington

That Council resolve the meeting be closed to the public to discuss item 17.1 under the terms of the *Local Government Act 1995, Section 5.23(2)(c) & (d)*.

(CARRIED UNANIMOUSLY)

**17.1 Grant of an Access Easement, Land Exchange & Road Dedication**

A Confidential Report, prepared by the CEO, was considered.

**17.1 OFFICER'S RECOMMENDATION/COUNCIL RESOLUTION 190219**

Moved Cr Nardi, seconded Cr White

That Council:

1. endorses the Terms of Acceptance as contained within Report 17.1 (dated 19/02/19).
2. authorises the Chief Executive Officer to undertake any actions necessary to conclude the transactions in line with the Terms of Acceptance contained in Report 17.1 (dated 19/02/19)
3. authorise the Mayor and Chief Executive Officer to sign and affix the Common Seal to any documents required to facilitate the conclusion of the transactions as per Terms of Acceptance contained in Report 17.1 (dated 19/02/19).

(CARRIED 7:1)

**17. PROCEDURAL MOTION**

Moved Cr White, seconded Cr M McPhail

That the meeting be reopened to members of the public.

(CARRIED UNANIMOUSLY)

**18. CLOSURE**

There being no further business, the Presiding Member declared the meeting closed at 8.57pm.

*I hereby certify that the Minutes of the meeting of the **Council** of the Town of East Fremantle, held on **19 February 2019**, Minute Book reference **1. to 18.** were confirmed at the meeting of the Council on*

.....

\_\_\_\_\_  
*Presiding Member*