



City of **Perth**

Minutes

Special Council Meeting

6 April 2021

Approved for release

Michelle Reynolds

Chief Executive Officer

13 April 2021

Minutes to be confirmed at the next meeting of Council

These minutes are hereby certified as confirmed.

Presiding member's signature _____ Date _____

Information

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

Disclaimer

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1. Declaration of Opening

The Lord Mayor formally declared the Special Council Meeting for the City of Perth open at 4.01pm.

2. Acknowledgement of Country/Prayer

Acknowledgement of Country

I respectfully acknowledge the Traditional Owners of the land on which we meet, the Whadjuk (Whad-juk) Nyoongar people of Western Australia, and pay my respects to Elders past and present. It is a privilege to be standing on Whadjuk Nyoongar country.

Prayer

Almighty God, under whose providence we hold responsibility for this City grant us wisdom to understand its present needs, foresight to anticipate its future growth, and grace to serve our fellow citizens with integrity and selfless devotion. And to Thee, be all blessing and glory forever. Amen.

3. Attendance

Elected members in attendance

Lord Mayor	Basil Zempilas (Presiding Member)
Deputy Lord Mayor	Sandy Anghie
Councillors	Clyde Bevan
	Brent Fleeton
	Liam Gobbert
	Rebecca Gordon
	Viktor Ko
	Catherine Lezer

Officers in attendance

Chief Executive Officer	Michelle Reynolds
Acting General Manager Community Development	Kylie Johnson
General Manager Infrastructure and Operations	Allan Mason
Acting General Manager Infrastructure and Operations	Michael Foley
Acting Alliance Manager Council and Executive Services	Danielle Uniza
Council Governance Manager	Siobhan Rippington
Governance Officer	Ashlee Rutigliano

3.1 Apologies

Councillor Di Bain

3.2 Approved Leave of Absence

Nil.

4. Public Participation

4.1 Public Questions

Nil.

4.2 Deputations

Fiona Kalaf from Celebrate WA spoke for Item 6.1 WA Day Sponsorship Application.

5. Disclosures of Interests

Name	Lord Mayor Zempilas
Item number and title	6.2 Tender for Marketing Creative Services RFT000027
Nature of interest	Direct Financial
Interest description	Dixie Marshall of Marketforce Group is known to the Lord Mayor as he received an in-kind donation for video production services of \$1800.

Name	Lord Mayor Zempilas
Item number and title	6.1 WA Day Sponsorship Application
Nature of interest	Indirect Financial
Interest description	The Lord Mayor is closely associated with a board member of the applicant via his employer, Seven West Media WA.

Name	Councillor Fleeton
Item number and title	6.1 WA Day Sponsorship Application
Nature of interest	Direct Financial
Interest description	The applicant, Celebrate WA, is a client of Councillor Fleeton's employer, Clarity Communications.

Name	Deputy Lord Mayor Anghie
Item number and title	6.1 WA Day Sponsorship Application
Nature of interest	Direct Financial
Interest description	The Chair of Celebrate WA, Michael Anghie, is married to Deputy Lord Mayor Anghie and, through this position, receive tickets to Celebrate WA events.

4.17pm *The Lord Mayor disclosed a financial interest in Items 6.1 and 6.2 and departed the meeting.
The Deputy Lord Mayor and Councillor Fleeton each disclosed a financial interest in Item 6.1 and departed the meeting.*

As the Lord Mayor and Deputy Lord Mayor were no longer present at the meeting, in accordance with Section 5.6 of the *Local Government Act 1995*, Councillor Lezer was chosen to preside over the meeting.

4.18pm *Councillor Lezer assumed the Chair.*

6. Reports

6.1 WA Day Sponsorship Application

Responsible Officer	Kylie Johnson, Acting General Manager Community Development
Voting Requirement	Absolute Majority
Attachments	Nil

Purpose

To consider an application for a Major Events and Festivals Sponsorship to Celebrate Western Australia (Inc.), under the 2020/21 Grants and Sponsorship Program.

Recommendation

That Council:

1. APPROVES an amendment \$150,000 (to be sourced from the Budget Surplus) to the 2020/21 Arts Sponsorship Budget to increase the budget to \$950,000.
 2. APPROVES a Major Events and Festivals Sponsorship of \$150,000 (ex GST) to Celebrate Western Australia (Inc.) for, as a minimum, the delivery of WA Day Festival, Play in Perth and Fireworks.
 3. AUTHORISES the Chief Executive Officer (or an appointed delegate) to negotiate with the applicant the final list of sponsorship recognition for inclusion in the agreement, according to the Council-approved funding amount.
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Background

1. Major Events and Festivals sponsorship is available to organisations delivering large-scale annual events of national significance. The program is designed to support events that enhance Perth's local, national and international reputation as a major events destination.
2. Through the Major Events and Festivals sponsorship program, the City supports major cultural events, sporting events and festivals which attract visitors, tourists and enhance Perth's reputation as a capital city to position it as a city that is internationally recognisable, unique and inviting.
3. A major event or festival is an event that generates significant economic, social and community benefits for Perth city.
4. A major event or festival may be:
 - a. Regular anchor events, that generate significant return on investment and visitation outcomes; and/or
 - b. One-off major events that generate significant economic impact and enhance the Perth brand and reputation.

History of WA Day

5. Prior to 2012, June 1 was known as Foundation Day, which marked the day when the first European settlers, under the command of Captain James Stirling RN, Lieutenant Governor, arrived from Britain to settle the Swan River Colony.
6. In April 2012, Foundation Day was formally changed to WA Day by the Western Australian Parliament.
7. The legislation emphasised that the new 'State Day' was to be inclusive of all people no matter how long they have called themselves Western Australians.
8. This welcomed in a new era for the State, with WA Day being a universal celebration of all Western Australians, recognising Aboriginal history, early European settlers and the many people from all over the world who have made, and continue to make, Western Australia their home.
9. The WA Day holiday always takes place on the first Monday in June and is now the focal point for encouraging state-wide participation in the wide range of activities and events that showcase the Western Australian spirit and our many achievements. As a vast geographic area comprising many different urban, rural and regional communities, as well as being a very multicultural community, the emphasis for WA Day celebrations is the inclusion of all people no matter how long they have called themselves Western Australians.

WA Day Festival – Event History

10. Since 2012, Celebrate WA has successfully delivered an extensive program of WA Day events that have engaged more than 500,000 Western Australians in metro and regional communities across the state.
11. Between 2012 and 2018, the WA Day program of events were held within the City of Perth. In 2019, WA Day Festival moved to a new location at Burswood Park and was attended by over 157,000 people from across the State.

12. In 2020, WA Day Festival and SOTA (State of the Art) Music Festival were cancelled due to COVID-19 government restrictions. The event adapted accordingly and delivered an online livestream concert (SOTAstream) which showcased WA music and had over 50,000 viewers from around the globe.
13. The event has traditionally been funded through a combination of corporate and state government support and has never received City of Perth sponsorship (see further details under Funding).

Discussion

Applicant Details

Entity Name	Celebrate Western Australia (Inc.)
Entity Type	Other Incorporated not-for-profit Entity
ABN	17 998 993 055
ABN status	Active
ATO Endorsed Charity type	Not endorsed

Applicant Description

14. Celebrate WA is a not-for-profit organisation responsible for promoting and organising the annual WA Day celebrations, promoting excellence and achievement by Western Australians in all fields of endeavour, and encouraging pride in all things Western Australian.
15. Celebrate WA's purpose is:
 - a. Community Participation - encourage state-wide participation, with a focus on regional and remote Western Australia;
 - b. Social Inclusion - unite all people, young and old, from all ethnicities and cultures, who have made Western Australia their home. Celebrate WA Day legislated principles acknowledging Aboriginal people as the original inhabitants and traditional land owners;
 - c. Civic Pride - increase sense of pride and community, celebrating all that it means to be Western Australian;
 - d. Aboriginal Engagement - acknowledge the histories, the diverse cultures and contributions made by Aboriginal people to Western Australia;
 - e. Celebrate History - raise awareness and foster discussion on the history of WA Day, unique heritage, culture and diversity, identity and location; and
 - f. Promote Excellence - recognise and celebrate excellence and achievements by inspirational Western Australians who deliver positive outcomes for communities at a state, national or international level.

Project Details

Category	Major Events and Festivals Sponsorship
Project title	WA Day Festival and SOTA (State of the Art) Festival
Project date	Friday 4 June 2021 – Monday 7 June 2021
Venue	Langley Park Forrest Place Perth Cultural Centre RAC Arena Crown Perth
Estimated attendance	130,000
Total project cost	\$2,678,195
Total amount requested	\$500,000 (18.67% of the total project cost)
Recommendation	APPROVE
Recommendation amount	\$150,000 (5.6% of the total project cost)
Assessment score	48.62 out of 75 (64.83%)

Project Description

16. The applicant is seeking support to bring the WA Day Festival including the SOTA Festival back into the City of Perth, after one year of delivery outside the City of Perth boundaries.
17. The 2021 WA Day program of events will include free, family-friendly WA Day Festival activations across multiple locations within the city plus the free, all-ages contemporary music SOTA Festival at RAC Arena.
18. The events will be held over four days on the June long weekend, starting Friday 4 June 2021 with the Western Australian of the year Awards Gala Dinner and the main program of events held on Sunday 6 June and Monday 7 June 2021. These hallmark WA Day events will be supported by an additional program of 10 satellite events across the State.

19. The information presented in this section was provided by the applicant to the City. The elements that comprise the event are:

WA Day Festival – Play in Perth (working title)

<i>Date:</i>	<i>Sunday 6 June 2021 – Monday 7 June 2021</i>
<i>Venue:</i>	<i>Langley Park</i>
<i>The parklands will be transformed into a family fiesta, filled with fun and engaging activities to for children. There will be a huge, inflatable playground to explore, animals petting zoo, arts and crafts, free amusement rides, ‘come and try’ sporting clinics, reading corner and storytelling with WA authors, illustrators and spoken word artists. Connect with history and become part of Western Australia’s gold rush era by panning for gold with The Perth Mint. There will be a huge array of tantalising food trucks showcasing cuisine from around the world and roving performers including stilt walkers, disco swans, giant bubbles, and more.</i>	

WA Day Festival Fireworks

<i>Date:</i>	<i>Sunday 6 June 2021</i>
<i>Venue:</i>	<i>Swan River, Langley Park</i>
<i>The Sunday family fun will conclude with a fireworks display over the Swan River, choreographed to a sound track celebrating WA artists.</i>	

WA Day Twilight Hawkers Market

<i>Date:</i>	<i>Sunday 6 June 2021</i>
<i>Venue:</i>	<i>Forrest Place</i>
<i>The Twilight Hawkers Market will feature street food from around the globe to the heart of Perth.</i>	

WA Day Festival – Our History, Our Culture, Our Land (working title)

<i>Date:</i>	<i>Sunday 6 June 2021 – Monday 7 June 2021</i>
<i>Venue:</i>	<i>Perth Cultural Centre</i>
<i>Rediscover Perth’s cultural centre with Aboriginal performances and art; Synergy Space Escape; SciTech science shows and hands-on activities.</i>	

WA Day Festival – City Music (working title)

<i>Date:</i>	<i>Sunday 6 June 2021 – Monday 7 June 2021</i>
<i>Venue:</i>	<i>James Street Amphitheatre</i>
<i>This space is all about featuring WA’s home-grown buskers, allowing them a platform to showcase their talents while earning an income. Performances will be curated into sessions and free to the public.</i>	

SOTA (State of the Art) Music Festival

<i>Date:</i>	<i>Sunday 6 June 2021 – Monday 7 June 2021</i>
<i>Venue:</i>	<i>RAC Arena</i>
<i>SOTA is WA’s biggest free music festival, held over two days at the RAC Arena. The State’s best emerging and established, and world-renowned music acts will take to the big stage to perform to thousands of festival goers.</i>	

SOTAstream

<i>Date:</i>	<i>Sunday 6 June 2021 – Monday 7 June 2021</i>
<i>Venue:</i>	<i>Yagan Square Digital Tower and WA Day YouTube Channel</i>
<i>SOTA Music Festival will be livestreamed direct to living rooms around the State, and even globally, with an estimated 54,000 viewers.</i>	

20. *Associated Activities and Promotions that are part of the WA Day Festival include:*

Western Australian of the Year Awards Gala Dinner

<i>Date:</i>	<i>Friday 4 June 2021</i>
<i>Venue:</i>	<i>Crown Perth</i>
<i>Every year, the achievements of remarkable Western Australians are recognised at the Western Australian of the Year Awards Gala Dinner on the Friday night of the WA Day long weekend, signifying the beginning of a weekend full of celebratory activities across the state.</i>	
<i>Over 800 of WA’s leading business, community and key government representatives will come together to pay tribute to the 2021 exceptional award category winners and the overall Western Australian of the Year.</i>	

WA Retail Collaboration

*The applicant will engage city retailers and would like to collaborate with the City of Perth on marketing and promotional activities.**

**Note: this collaboration would require some internal City of Perth resource allocation (FTE and/or financial), to what extent is yet to be determined.*

Partner Activations

The applicant will engage their partners WA Museum Boola Bardip, Art Gallery of WA, The Perth Mint and Cathedral Square to deliver activations as part of the WA Day program of events. Details TBC.

21. The WA Day Festival and SOTA Festival will be supported by an extensive integrated marketing campaign to promote WA Day using the combined assets of digital, social media, print, radio, TV and outdoor advertising.

Funding

22. The applicant has identified several other funding and income sources for the 2021 event as detailed below:
- BHP \$950,000 (Year 1 out of a 2-year agreement);
 - Government of Western Australia \$500,000 (Year 2 out of a 3-year agreement);
 - Lotterywest \$906,639 (Year 3 out of a 3-year agreement);
 - Stan Perron Charitable Trust \$10,000; and
 - Food Truck Revenue \$49,000 (estimated).

Impact Report

23. According to the applicant, the 2018 WA Day Festival saw Perth city receive the following benefits:

BENEFIT	KEY OUTCOMES
Vibrancy and activation across the city	<ul style="list-style-type: none"> • 93% of survey respondents highlighted the 2018 WA Day Festival's contribution to making Perth more vibrant.
Free and inclusive cultural experiences	<ul style="list-style-type: none"> • 70% of survey respondents reported that the 2018 WA Day Festival gave them the opportunity to access cultural activities they would not normally have access to. • 91% indicated that the WA Day Festival is a celebration of the diverse people of Western Australia.

New and repeat visitation to the city	<ul style="list-style-type: none"> • The WA Day Festival appeals to and attracts new audiences, while maintaining a loyal repeat audience. • 76% of the 2018 WA Day Festival audience were first time attendees. • 89% expressed a strong desire to attend WA Day events in the future.
Economic benefits for the city and its stakeholders	<ul style="list-style-type: none"> • The 2018 WA Day Festival at Elizabeth Quay saw an \$8.1 million economic impact generated through spending by patrons before, during and after the event, plus Celebrate WA's expenditure on local organisations involved in the event.
Exposure for local artists	<ul style="list-style-type: none"> • The WA Day Festival, incorporating SOTA Music Festival, provides an opportunity to showcase WA talent by engaging many local artists, performers, entertainers, musicians and food vendors.

24. The applicant engaged Culture Counts to conduct an impact report which reported on the impact of the event since 2018. The applicant can demonstrate the total economic impact of the WA Day Festival and SOTA Festival as detailed below:
- In 2018, evidence was gathered that showed attendee spending at the event in Perth city was \$3,056,409, and spending on local businesses was \$1,367,846.
 - In 2019, the direct economic impact of the event was \$7.6m, representing a 30% increase from 2018. The total economic impact was \$22,859,142. Further information on the 2019 event (not held within City of Perth boundaries) can be viewed in the [WA Day Festival 2019 and Annual Report](#).

Previous Support and Acquittals (5-year period)

25. The City of Perth has not previously supported this applicant.

Sponsorship Recognition

26. The applicant will provide the following opportunities for acknowledgement of the City's support (for a \$500,000 contribution):
- Official designation – Major supporter
 - City of Perth to be acknowledged as Major Supporter on all marketing and advertising materials in 6-week media campaign in lead up to WA Day Festival, including TV, press, print, digital, out of home;
 - City of Perth to be acknowledged across all WA Day Festival social media channels;
 - City of Perth logo included on all WA Day Festival PR media releases;
 - City of Perth to be acknowledged in WA Day Festival Guides distributed across the State through The Sunday Times and The West Australian in the weeks leading up to WA Day Festival;
 - City of Perth logo to be featured on 20,000+ WA Day Festival maps handed out over the two-day WA Day Festival;
 - City of Perth to be acknowledged as Major Supporter on all signage at WA Day Festival event, including all printed and electronic signage across the site;
 - City of Perth provided with the opportunity to activate at two-day WA Day Festival;

- i. City of Perth to be provided with the opportunity to provide City branded promotional items and giveaways at WA Day Festival;
- j. City of Perth to be recognised as Major Supporter at the Western Australian of the Year Awards;
- k. City of Perth to be acknowledged on all marketing materials relating to the Western Australian of the Year Awards, including promotion of Gala Dinner, guest invitations, tickets and Awards program;
- l. City of Perth to be provided with the opportunity for a City of Perth representative to deliver Major Supporter speech at Gala Dinner;
- m. City of Perth to be acknowledged in full colour DPS advertorial in The West Australian, congratulating winners and wrapping up WA Day Festival;
- n. City of Perth to be provided with the opportunity for City of Perth representatives to be introduced to the Western Australian of the Year Award winners to facilitate potential corporate engagement;
- o. City of Perth to be provided with the opportunity for a City of Perth representative to attend other Celebrate WA networking functions leading up to WA Day;
- p. City of Perth to be acknowledged as Major Supporter on the footer of all pages of website waday.com;
- q. Include the City of Perth's logo and profile featured on Our Partners page of waday.com; and
- r. City of Perth to be acknowledged as Major Supporter in Celebrate WA Annual Report.

Major Events and Festivals Sponsorship - Assessment Scorecard

27. The application was assessed in accordance with Policy 18.13 Grants and Sponsorship.
28. The application was assessed by a three-person assessment panel of subject matter experts from across the Community Development Alliance and Planning & Economic Development Alliance. Scoring has been averaged for each outcome.
29. The application has received an assessment score of 64.83% which is considered average when benchmarked against other applications in the Major Events and Festivals Sponsorship program and indicates satisfactory alignment with the objectives of the program.

Prestige and Significance	Score (max 5)
Is the event a large-scale event that has the ability to position Perth on a national and/or international stage?	3.33
Does the event demonstrate prestige and significance through the quality and status of competitors/performers/artists, participants, sponsors, media and involvement or endorsement from international federations and organisations?	4
Economic Impact and Attendance	Score (max 5)
Does the event demonstrate a proven track record of attracting a large audience into the central city and surrounds for the event or have the capacity to do so?	4.5
Does the event demonstrate significant direct economic benefit to the city economy?	4.17
Does the event identify ways to proactively engage with City businesses and traders to maximise visitor spend within the city?	3

Is the event preferably longer than one day in duration, with events over multiple days or weeks highly regarded?	2
Media Impact	Score (max 5)
Does the event demonstrate a proven track record, or have the potential of attracting, significant mainstream media coverage? Demonstrated media coverage that drives awareness of Perth as a destination, on a local, national and international platform will be assessed favourably under this criterion.	3.47
Other Funding and Private Sector Investment	Score (max 5)
Does the event demonstrate significant investment through a variety of funding sources, including the private sector, and that the event is not reliant on City of Perth funding to be delivered?	3.33
Does the event demonstrate it is operating through a commercial structure through the management of various revenue streams, including the sale of broadcast and media rights, commercial sponsorship, ticketing, membership etc?	2
Commercial Sponsorship Benefits	Score (max 5)
Does the event offer, and demonstrate it is able to deliver on, negotiated commercial sponsorship benefits to the City of Perth?	1.83
The City of Perth aims to sponsor a range of events that presents City residents and visitors with a diverse calendar. Does the event complement and diversify the existing offering within the City?	3
Community Involvement	Score (max 5)
Does the event demonstrate accessibility to a broad demographic?	4.33
Does the event demonstrate potential to involve the local and larger communities in the event or the surrounding support activities?	3
COVID-19 Risk Mitigation	Score (max 5)
Does the event have measures in place to ensure the health and safety of attendees and staff at the event?	3.33
Does the applicant have a reasonable and realistic contingency plan should restrictions on large gatherings be enforced at the time of the event?	3.33
TOTAL ASSESSMENT SCORE: 48.62 out of 75 (64.83%)	

Assessment Panel Comments

30. WA Day is an important day for the State and City to celebrate inclusion, diversity and sense of community. There is importance for the event to return to the City of Perth, after being hosted in Burswood Park in 2019, to assist in raising the profile of Perth as a capital city and positioning the city as a major events destination.
31. This event is a celebration of all Western Australia and ideally, the State Government should have primary role in funding such a state-wide celebration.
32. The event does not offer similar value for money when compared to our other Major Events and Festivals sponsorships (Perth Festival and Fringe World Festival), offering less benefit to the city and community:
 - a. Funding/Value for Money – both Perth Festival and Fringe World Festival received sponsorship of \$263,750 for the 2021 events. WA Day Festival have requested \$500,000 which is almost double the two other Major Events and Festival sponsorships.
 - b. Duration of the event - Perth Festival and Fringe World Festival activate the city and change crowd/street behaviour for at least two months of the year. The duration of the WA Day Festival is limited to two days.
 - c. Estimated attendance – the estimated attendance for the 2021 Perth Festival was 325,000 visitors (of which 100,000 were at free events), and the estimated attendance for the 2021 Fringe World Festival was 355,000 visitors (of which 176,000 were at free events). The estimated attendance of the WA Day Festival is 130,000 which is significantly less than the other current Major Events and Festivals sponsorships.
 - d. Economic Benefit – the total economic benefit reported by Perth Festival for the 2020 event was \$84.7 million, and the total economic benefit reported by Fringe World Festival for the 2020 event was \$100.6 million. The total economic benefit reported by the applicant for the 2019 WA Day Festival was \$22.8 million. The estimated economic returns are modest given the requested level of funding.
33. With respect to the shortfall between the requested amount and the recommended amount, it is noted that there is an opportunity to leverage commercially viable aspects. For instance, SOTA could be a ticketed event that subsidised the cost of other WA Day activities. It is felt that most people would pay a reasonable amount to see a line-up of WA's best musicians with quality production.
34. The event relies on funding for it to proceed in City of Perth, however the event could proceed with reduced activations if the full amount is not received. The proposal contains multiple events/event components for consideration of funding. The City's preference would be to fund the WA Day Festival at Langley Park as this is a free, family-friendly, mass appeal event which will draw in large visitation numbers.
35. The application contained a concise plan and included some well-thought-out sustainability measures that are being put in place, with actual outcomes rather than outputs being pegged for evaluation.
36. The City's Sponsorship Guidelines and application process encourages applicants to have already lodged an event application to Activity Approvals. Concerns have been raised that the applicant has not yet submitted event plans to the City's Activity Approvals team.

Stakeholder Engagement

Not applicable.

Decision Implications

37. The applicant has noted that if the sponsorship is declined the event will not proceed in the City of Perth and will remain in Burswood. In addition, the applicant noted that if the sponsorship was approved at a lesser amount than what was requested, the WA Festival site at Langley Park will be reduced in size with a reduced number of activations and a reduced capacity of visitors.
38. If the sponsorship is approved, the City's 2020/21 Sponsorship Budget will be overspent by the approved amount (eg. by \$150,000 if the officer recommendation is approved). This is because most funding programs have either been fully allocated, or are close to being fully subscribed (in the case of quick-response grants). Specifically, the Arts Sponsorship budget (under which Major Events and Festivals sits for the Financial Year 2020/21) has already been fully allocated.
39. If the sponsorship is approved for an amount higher than the recommended level, potential implications include:
 - a. Perception of equity amongst other Major Events and Festivals sponsorship applicants may be reduced; and
 - b. Community and stakeholder perceptions of governance and transparency, which are supported through the implementation of a robust applications and assessment process, may be reduced.

Strategic, Legislative and Policy Implications

Strategic	
Strategic Community Plan Aspiration:	Prosperity, People, Place
Strategic Community Plan Objective:	Prosperity 4.8 Iconic signature events positioned strategically to create vibrancy that attracts intrastate, interstate and international visitors People 1.6 Thriving and sustainable cultural, artistic and heritage industries, activities and events that encourage locals and visitors to come back for more. Place 2.1 A city that is seen by all as a great place to be
Issue Specific Strategies and Plans:	COVID-19 Economic Rebound Strategy 6.2 Re-invent and Revive, Table 4.

Legislation, Delegation of Authority and Policy	
Legislation:	Connection with mandates in the City of Perth Act 2016
Authority of Council/CEO:	<p>Delegation 1.2.11 Determine Grants, Sponsorship and Donation Allocations</p> <p>In accordance with this delegation, the CEO only has authority to allocate grants and sponsorships to the value of \$5000. As this application exceeds \$5000, the determination must be made by a decision of Council.</p>
Policy:	<p>18.13 – Sponsorship and Grants.</p> <p>The policy directs that there be a consistent and transparent assessment process and criteria to guide recommendations to Council. An eligibility check has been conducted on this application to ensure it is compliant with the Policy and the necessary assessment process has been followed.</p>

Financial Implications

40. The financial implications of the recommendation(s) are not accommodated within the existing budget. To accommodate them will require an amendment to reduce the budget surplus by \$150,000.

Account Number	106610050102717901	Operating
Account Description	Arts Sponsorship (Major Events and Festivals subcategory)	
Current Budget	\$800,000 (Fully Expended)	
Budget Amendment	\$150,000	
Revised Budget	\$950,000	
Budget Impact	Negative impact - Budget surplus will be reduced by \$150,000.	

Relevant Documents

[COVID-19 Grants and Sponsorship Program Guidelines](#)

[WA Day Festival 2019 and Annual Report](#)

Further Information

Not applicable.

Council Resolution (SCM-21/04-078)

Mover Councillor Gordon

Seconded Councillor Gobbert

That Council:

1. APPROVES an amendment \$150,000 (to be sourced from the Budget Surplus) to the 2020/21 Arts Sponsorship Budget to increase the budget to \$950,000.
2. APPROVES a Major Events and Festivals Sponsorship of \$150,000 (ex GST) to Celebrate Western Australia (Inc.) for, as a minimum, the delivery of WA Day Festival, Play in Perth and Fireworks.
3. AUTHORISES the Chief Executive Officer (or an appointed delegate) to negotiate with the applicant the final list of sponsorship recognition for inclusion in the agreement, according to the Council-approved funding amount.

CARRIED UNOPPOSED BY ABSOLUTE MAJORITY (5/0)

For Councillors Bevan, Gobbert, Gordon, Ko and Lezer

Against None

4.22pm Deputy Lord Mayor Anghie and Councillor Fleeton returned to the meeting prior to Item 6.2.

As the Lord Mayor also disclosed a financial interest in Item 6.2, he did not return to the Chamber following Item 6.1. Accordingly, the Deputy Lord Mayor assumed the Chair in accordance with Section 5.6 of the Local Government Act 1995.

6.2 Tender for Marketing Creative Services RFT000027

Responsible Officer	Kylie Johnson – Acting General Manager Community Development
Voting Requirement	Simple Majority
Attachments	Confidential Attachment 6.2A – Evaluation Report Confidential Attachment 6.2B – Schedule of Rates and Comparison Confidential Attachment 6.2C – Further Information

Purpose

To appoint a suitably qualified and experienced supplier to the Marketing Creative Services contract.

Recommendation

That Council ACCEPTS the most suitable tender, being that submitted by 303MullenLowe for the Marketing Creative Services (RFT000027) contract for a period of three years in accordance with their submitted schedule of rates in Confidential Attachment 17.1B and subject to the provision of a Council approved annual budget for this purpose.

Background

1. The City of Perth's contract for the supply of Marketing Creative Services expired on 31 January 2021.
2. The previous contract was held jointly by The Brand Agency and 303MullenLowe since September 2019. Work was allocated to each agency according to a forward calendar of approved projects. Prior to this, The Brand Agency held the contract exclusively for a period of three years.
3. The provision of media booking, buying and planning has been separated out of the Marketing Creative Services tender for the first time and was awarded separately to Initiative Media at the Ordinary Council Meeting on 23 February 2021.
4. This has resulted in a diversification of suppliers across marketing and advertising and is considered to provide the City with access to increased specialist expertise.
5. The City requires the provision of Marketing Creative Services as a critical part of its strategy of an outsourced model of marketing operations, to complement and work alongside Initiative Media.
6. The scope of the tender included:
 - a. Category 1 – Brand Strategy and Planning
 - b. Category 2 – Creative Concepting
 - c. Category 3 – Creative Production and Execution
7. Tenderers could nominate for all three or any combination of the categories.
8. The tender is non-exclusive, meaning the City has the option to procure Marketing Creative Services outside of this contract for specific purposes in the future, subject to compliance with the new Purchasing Policy 2.2. This allows the City suitable flexibility where required.
9. The City retained the option to appoint one supplier to any or all categories, or a panel of suppliers to any or all categories. Under the terms of the tender document, a panel had to be a minimum of three suppliers and ranked, with work awarded to rank 1 first, then to rank 2 and so on only if the higher ranked supplier declined the work.
10. The Request for Tender was advertised in The West Australian and released on the City's e-Tendering portal Tenderlink on 20 November 2020 and closed on 8 December 2020 at 2pm.

Discussion

11. Tenderers were required to address the following qualitative selection criteria:
 - a. Organisation, services on offer and client portfolio (15%)
 - b. Capability and experience (40%)
 - c. Success case studies (25%)
 - d. Account personnel (20%)
12. A total of nine tenders were received by the closing date.
13. The compliance criteria were assessed for all tenders. Some tenderers had minor omissions or areas for clarification in the compliance criteria, however, none of these ruled out or disqualified any of the tenderers as they were considered minor in nature.

14. Following an assessment of each tender response against their nominated category(ies) and selection criteria by the procurement panel, each tenderer was scored and then ranked from highest to lowest (Confidential Attachment 17.1B).
15. This process identified 303MullenLowe as the highest-ranked tenderer based on the qualitative selection criteria and weightings.
16. A comparative price analysis was undertaken to compare the schedule of rates submitted by the top three ranked tenders. Of the 58 line items analysed, it was found that 303MullenLowe had the best price for 25 line items, with the other two respondents both having the best price on 10 line items (Confidential Attachment 17.1B).
17. Comparing the schedule of rates for 303MullenLowe against those received in the previous comparable contracts expiring on 31 January 2021, it is considered that the new schedule of rates submitted in this tender will be equal to or more favourable for the City, depending on the makeup of the approved marketing projects through the duration of the contract.
18. Confidential Attachment 17.1A includes a detailed evaluation report of all tenderers.
19. Whilst the RFT indicated a maximum term of three years plus two one-year options, the panel recommends awarding the contract on the basis of three years with no options which provide the City with the advantage of access to the best rates, medium-term certainty and closer alignment with the term of contract offered to Initiative Media at the February Ordinary Council meeting.
20. The assessment panel strongly considered recommending a panel of suppliers in Category 2 and 3. However, due to the ranked system as advertised in the tender, it was considered highly unlikely that enough work would be made available to suppliers ranked second or third to warrant their inclusion.
21. Subsequent to this tender being released, at the Ordinary Council Meeting held on 15 December 2020, Council elected to reduce the scope and budget of the marketing projects for 2021 and this smaller project list would also reduce the benefits to the City of having a panel of suppliers.

Stakeholder Engagement

Not applicable.

Decision Implications

22. If Council supports the recommendation, a contract will be entered into with 303MullenLowe for the provision of services as requested in the Marketing Creative Services tender for a period of three years, commencing as soon as practical after Council approval.
23. If Council does not support the recommendation, a new tender process may need to be conducted under the City's new Purchasing Policy 2.2 which is estimated to take up to four months to complete. This carries a reputational risk to the City, where responding to tenders is a time consuming and costly exercise for suppliers who may not be willing to resubmit offers.
24. If Council does not support the recommendation, and a new tender process is not run, the City will have to procure its Marketing Creative Services separately for each approved marketing project. This will increase the administrative burden on the City's officers, increase the planning time required for each marketing project and potentially increase the costs to access these services, as the current schedule of rates are based on a three-year commitment.

25. If Council does not support the recommendation, the promotional campaign to support the Winter Festival event in June and July will be at high risk of not being able to proceed. A new procurement process would need to be conducted which is estimated at a minimum of six weeks to conclude from decision of Council.

Strategic, Legislative and Policy Implications

Strategic	
Strategic Community Plan Aspiration:	Prosperity A city with a diverse and resilient economy capitalising upon its unique competitive advantages and creative reputation, attracting sustainable investment in education, tourism, entertainment, commerce, technology and trade.
Strategic Community Plan Objective:	4.1 A sustained increase in leisure and business tourism visitation 4.3 Strategic brand positioning for Perth as a city that is internationally recognisable, unique and inviting 4.4 Attract and support new and existing business to create a CBD retail experience that is superior to suburban competition.
Issue Specific Strategies and Plans:	Corporate Business Plan CBP4.5 Marketing Campaign to promote Perth as Safe & Open

Legislation, Delegation of Authority & Policy	
Legislation:	Section 3.57 of the <i>Local Government Act 1995</i> This section requires a local government to invite tenders before it enters into a contract for goods and services of a prescribed kind. <i>Part Four of the Local Government (Functions and General) Regulations 1996.</i> This Part prescribes when tenders are required to be invited and sets the procedural requirements for a tender process.
Authority of Council/CEO:	Under Regulation 18 of the <i>Local Government (Functions and General) Regulations 1996</i> , the local government may accept the tender which it thinks will be most advantageous. While this function has been delegated to the CEO, given the strategic importance, it has been referred to Council for a decision.
Policy	Policy 9.7 Purchasing The proposal process has been conducted in accordance with Council Policy 9.7 as the new Purchasing Policy 2.2 had yet to be adopted by Council

Financial Implications

26. There is no current approved expenditure within financial year 2020/21 as part of this contract.
27. A report to allocate budget for marketing of the Winter Festival program in financial year 2020/21 is being considered separately by Council, and the successful tenderer will be required to provide services in relation to this project.
28. The financial implications of the recommendation in financial year 2021/22 and financial year 2022/23 will be subject to the annual budget and service planning process, with all marketing projects to be approved by Council.

Relevant Documents

Not applicable.

Councillor Fleeton moved the following Alternate Motion:

Alternate Motion

Mover Councillor Fleeton

Second Councillor Lezer

That Council:

1. REJECTS all tenderers for the Marketing Creative Services (RFT000027) contract.
 2. REQUESTS that the Chief Executive Officer conducts a new tender process under Purchasing Policy 2.2.
-

During debate, Councillor Gordon moved a procedural motion to close the meeting to the public, as follows:

Council Resolution (SCM-21/04-079)

Mover Councillor Gordon

Second Councillor Lezer

That Council, in accordance with Clause 5.2(2) of the Standing Orders Local Law 2009, CLOSE the meeting to the public to discuss confidential attachments relating to Item 6.2.

CARRIED UNOPPOSED (7/0)

For Deputy Lord Mayor Anghie, Councillors Bevan, Fleeton, Gobbert, Gordon, Ko and Lezer

Against None

4.27pm *The meeting was closed to the public.*

Councillor Gordon moved a motion to re-open the meeting, as follows:

Council Resolution (SCM-21/04-080)

Mover Councillor Gordon

Second Councillor Fleeton

That Council, in accordance with Clause 5.2(3)(b) of the Standing Orders Local Law 2009, RE-OPEN the meeting to the public.

CARRIED UNOPPOSED (7/0)

For Deputy Lord Mayor Anghie, Councillors Bevan, Fleeton, Gobbert, Gordon, Ko and Lezer

Against None

4.31pm *The meeting was re-opened to the public.*

The Alternate Motion was put to the vote, as follows:

Alternate Motion and Council Resolution (SCM-21/04-081)

Mover Councillor Fleeton

Second Councillor Lezer

That Council:

1. REJECTS all tenderers for the Marketing Creative Services (RFT000027) contract
2. REQUESTS that the Chief Executive Officer conducts a new tender process under Purchasing Policy 2.2.

Reason:

To enable the establishment of a panel of suppliers.

CARRIED UNOPPOSED (7/0)

For Deputy Lord Mayor Anghie, Councillors Bevan, Fleeton, Gobbert, Gordon, Ko and Lezer

Against None

4.34pm *The Lord Mayor returned to the meeting and resumed the Chair.*

7. Closure

The Lord Mayor declared the meeting closed at 4.35pm.