



City of **Perth**

Agenda

Ordinary Council Meeting

28 March 2023

Notice of Meeting

To the Lord Mayor and Councillors

The next Ordinary Council Meeting will be held on Tuesday, 28 March 2023 in the Council Chamber, Level 9, 27 St Georges Terrace, Perth commencing at 5:00pm.

Michelle Reynolds

Chief Executive Officer

24 March 2023

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.

Question Time for the Public

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

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

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

Disclaimer

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

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1. Declaration of Opening
2. Acknowledgement of Country/Prayer
3. Attendance
 - 3.1 Apologies
 - 3.2 Leave of Absence
 - 3.3 Applications for Leave of Absence

4. Announcements by the Lord Mayor

5. Disclosures of Interests

Name	Deputy Lord Mayor Liam Gobbert
Item number and title	12.1 Local Heritage Survey
Nature of interest	Proximity
Interest description	<i>"1 Adelaide Terrace and 2 Plain Street directly abuts my residential address"</i>

Name	Deputy Lord Mayor Liam Gobbert
Item number and title	12.1 Local Heritage Survey
Nature of interest	Impartiality
Interest description	<i>"69-75, 77-85, 87-93, 95-99 Barrack Street were the subject of a Development Application I determined. I briefly discussed the Liberty Theatre proposal with Mr Humich prior to DA submission."</i>

Name	Councillor Di Bain
Item number and title	12.1 Local Heritage Survey
Nature of interest	Impartiality
Interest description	<i>"People known to me - but given there are more than 3800 pages I've diligently scanned for proximity and financial connections but haven't been able to identify any - but wanted to point this out."</i>

6. Public Participation

6.1 Public Questions

7. Confirmation of Minutes

Recommendation

That Council CONFIRMS the minutes of the Ordinary Council Meeting held on 28 February 2023 as a true and correct record.

8. Questions by Members which due Notice has been Given

9. Correspondence

10. Petitions

11. Planning and Economic Development Alliance Reports

Nil.

12. Community Development Alliance Reports

12.1 Local Heritage Survey

Responsible Officer	Kylie Johnson – General Manager Community Development
Voting Requirements	Simple Majority
Attachments	Attachment 12.1A – Schedule of Submissions and Officer Recommendations (under separate cover)  Attachment 12.1B – Index - Heritage Place Record Forms (under separate cover)  Attachment 12.1C – Heritage Place Record Forms (1 of 3) (under separate cover)  Attachment 12.1D – Heritage Place Record Forms (2 of 3) (under separate cover)  Attachment 12.1E – Heritage Place Record Forms (3 of 3) (under separate cover) 

Purpose

To seek Council’s approval to adopt the final Local Heritage Survey (LHS).

Recommendation

That Council ADOPTS the Local Heritage Survey (LHS) as provided in attachments 12.1B through to 12.1E.

Background

1. The *Heritage Act 2018* requires each local government to identify places of cultural heritage significance in a Local Heritage Survey (LHS) (previously known as Municipal Heritage Inventory or MHI).
2. The purpose of the LHS is to record information on places of cultural heritage significance, providing an accessible public record of places of cultural heritage significance. Inclusion of a place on the LHS does not have any implications for the development of a place.
3. A general review of the LHS was completed in June 2022, comprising 405 existing places previously adopted and 316 places assessed by Element and proposed to be included. New places were drawn from those proposed but not adopted in 2000/2001, and places nominated for inclusion by the community through the 2021 community engagement process.
4. Council received the Draft Local Heritage Survey at the Ordinary Council Meeting held on 28 June 2022 for endorsement to progress to public notification. Council resolved:

That Council, in accordance with property owner notification requirements in the State Government Guideline for Local Heritage Surveys:

1. *APPROVES progressing the Draft Local Heritage Survey (LHS) on the proposed heritage places to public notification.*
2. *APPROVES the inclusion of places on the final LHS that receive zero submissions during public notification.*
3. *REQUESTS the Chief Executive Officer to submit to Council any places that receive at least one submission during public notification, for Council's determination to include on the final LHS.*

Discussion

5. Public notification was undertaken between August and November 2022 via letters to place owners and public advertising on Engage Perth. As noted in the Department of Planning, Lands and Heritage Guidelines for Local Heritage Surveys, the assessment of a place should not be conditional on owner support.
6. The City has reviewed comments received during the public notification period and has provided a recommendation for the place's inclusion or removal from the Draft LHS for Council's consideration.
7. Original submissions from respondents have been provided to Council separately to this Item prior to the meeting. Council may refer to the submissions in full as required in reviewing the Officer Recommendations.
8. As per the Council resolution from the Ordinary Council Meeting held on 28 June 2022, the places which did not receive a public response or submission are recommended to be adopted onto the final LHS.

Consultation

9. Owners of all places in the Draft LHS were contacted via 846 letters. Due to some delays in delivery of all letters the notification period was extended to ensure the notification period remained open for sufficient time from receipt of the last letter. The Draft LHS was also available for public viewing on Engage Perth from August until end November 2022.

10. The City received 21 written submissions during the notification period held between August and end November 2022.
11. Of the written submissions received, 17 respondents objected to the inclusion of a place on the LHS and/or requested that the property be removed from the LHS, three related to information contained within the Place Record Form and one on the approach to how a site has been included.

Table 1. Summary of responses

Nature of Response	Written submission
Object to inclusion	17
Provide information /updates for Place Record Form	3
Submission on approach / categorisation	1
Total	21

12. The Schedule of Submissions and Officer Recommendations provides a record of the submissions and Officer recommendation regarding places' inclusion on the final LHS, including any amendments to the Place Record Forms. The following Place Record Forms have been updated and are within the attached LHS:

No.	Property	Officer Recommendation
1	Parliament House, 4 Harvest Terrace, West Perth	Recommend change to LHS. Note and include corrections to information where agreed. No change made to final image to include historical date as the approach is consistent with all Place Record Forms, however will consider adding this field in the future consistently across all Place Record Forms.
2	Various properties – The Roman Catholic Archbishop of Perth	Recommend change to LHS. Updates to Place Record Forms made for St Mary's Cathedral, Archbishop's Palace, St John's Pro-Cathedral, St Brigid's School and St Brigid's Church as requested in the submission. No changes to information for Victoria Square Cottages. Retain entry in as Category 1 in line with the approach for the cottages to be considered one heritage place. Note No. 19 is of lesser significance and consider classifications for future reviews.
3	21 Rheola Street, West Perth	Recommend change to LHS. Classification changed to Category 4 Place – has elements of values worth noting for community interest (as the rear of the building is still original).
4	484 Murray Street, Perth	Recommend change to LHS. Classification changed to Category 3 Place – contributes to the heritage of the locality. Some/moderate cultural heritage significance. Reference to Conservation Management Plan deleted.
5	WA Cricket Ground	Recommend change to LHS. Amendments made to Heritage Place Record to reflect requested changes in place name, corrections and history as submitted.

13. The following submissions have not been recommended to be amended and remain as recommended in the attached LHS. Refer to Schedule of Submissions and Officer Recommendations for detail.

No.	Property	
6	8/11 Colin Street, West Perth	No change. Retain entry as a Category 3 Place of some/moderate cultural heritage significance. Contributes to the heritage of the locality.
7	69 Mount Street, West Perth	No change. Retain entry as a Category 2 Place of considerable cultural significance. Very important to the heritage of the locality.
8	324-332 Murray Street, Perth	No change. Retain entry as a Category 2 Place of considerable cultural significance. Very important to the heritage of the locality.
9	60 Havelock Street, West Perth	No change. Retain entry as a Category 3 Place of some/moderate cultural heritage significance. Contributes to the heritage of the locality.
10	989 Wellington Street, West Perth	No change. Retain entry as a Category 2 Place of considerable cultural significance. Very important to the heritage of the locality.
11	201 – 2017 William, Street, Northbridge	No change. Retain entry as a Category 2 Place of considerable cultural significance. Very important to the heritage of the locality.
12	370 Murray Street, Perth	No change. Retain entry as a Category 3 Place of some/moderate cultural heritage significance. Contributes to the heritage of the locality.
13	38-40 Outram Street, West Perth	No change. Retain entry as a Category 3 Place of some/moderate cultural heritage significance. Contributes to the heritage of the locality.
14	42 Outram Street, West Perth	No change. Retain entry as a Category 3 Place of some/moderate cultural heritage significance. Contributes to the heritage of the locality.
15	13-15 Ord Street, West Perth	No change. Retain entry as a Category 2 Place of considerable cultural significance. Very important to the heritage of the locality.
16	27 Outram Street, West Perth	No change. Retain entry as a Category 3 Place of some/moderate cultural heritage significance. Contributes to the heritage of the locality.
17	28-42 Ventnor Street, West Perth	No change. Retain entry as a Category 4 Place – has elements of values worth noting for community interest.
18	University of Western Australia, Crawley	No change to detail/approach recommended.
19	18 Emerald Terrace, West Perth	No change. Retain entry as a Category 2 Place of considerable cultural significance. Very important to the heritage of the locality.
20	23 Rheola Street, West Perth (Unit 3)	No change. Retain entry as a Category 2 Place of considerable cultural significance. Very important to the heritage of the locality.

21	23 Rheola Street, West Perth (Unit 1)	No change. Retain entry as a Category 2 Place of considerable cultural significance. Very important to the heritage of the locality.
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14. Respondents providing written submissions were advised of the process for consideration of submissions by Council and where to find information on accessing the Council Report and how to make a deputation.
15. During the notification period August to end November 2022, 263 people visited the LHS Engage Perth page.

Decision Implications

16. If Council supports the recommendation then the places provided in the attachments to this report will be included in the final LHS.

Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Liveable
Related Documents (Issue Specific Strategies and Plans):	Corporate Business Plan Heritage Strategy 2020 -2024 Goal: Heritage places in Perth are well researched, documented and easily available to the public.

Legislation, Delegation of Authority and Policy	
Legislation:	<p>Section 103 of the <i>Heritage Act 2018</i> (Part 8) prescribes:</p> <p>103. Local heritage survey</p> <p>(1) <i>A local government must prepare a survey of places in its district that in its opinion are, or may become, of cultural heritage significance.</i></p> <p>(2) <i>In preparing, or reviewing and updating, a local heritage survey, a local government must have regard to —</i></p> <p style="margin-left: 20px;">(a) <i>the purposes set out in section 104; and</i></p> <p style="margin-left: 20px;">(b) <i>guidelines published under section 105.</i></p> <p>(3) <i>Nothing in subsection (2) —</i></p> <p style="margin-left: 20px;">(a) <i>derogates from the duty of the local government to exercise its discretion in a particular case; or</i></p> <p style="margin-left: 20px;">(b) <i>precludes the local government from taking into account matters not set out in the guidelines.</i></p> <p>(4) <i>After preparing a local heritage survey, or reviewing and updating, a local heritage survey, a local government must —</i></p> <p style="margin-left: 20px;">(a) <i>provide the Council with a copy of the local heritage survey; and</i></p>

	<i>(b) make the local heritage survey available to the public.</i>
Authority of Council/CEO:	The DPLH Guidelines for Local Heritage Surveys item 2.3.3 states that at the end of the review the LHS requires formal adoption by the local government.
Policy:	Nil.

Financial Implications

Nil.

Further Information


17. Questions and responses forming part of the Agenda Briefing Session held on 21 March 2023 were as follows:

	Question	Response
1.	How many officer hours (estimate) have been spent on this project?	The equivalent of 2 FTE staff have been working on this project for the past 2 years. This equates to over 3,000 officer hours on the project since 2021.
2.	How much has it cost in terms of consultation, advertising, postage etc?	Since 2021 \$98,000 has been spent across external consultation/research, engagement sessions, information/promotional material and postage. The majority of this cost (\$87k) was for external consultancy to provide an independent analysis of proposed properties. This cost was incurred in the 2020/2021 and 2021/2022 financial years.
3.	What is the tangible benefit to the City and ratepayers by doing this?	<p>Completing the Local Heritage Survey (LHS) is a compulsory requirement under the Heritage Act 2018. It provides an up-to-date and comprehensive record of our city's cultural heritage.</p> <p>The Place Record Forms are on a state wide available database for public access.</p>
4.	What happens if Council resolves to do nothing from here?	<p>Council resolved to review the Local Heritage Survey.</p> <p>Council resolved the following in June 2022:</p> <ol style="list-style-type: none"> 1. <i>APPROVES progressing the Draft Local Heritage Survey (LHS) on the proposed heritage places to public notification.</i> 2. <i>APPROVES the inclusion of places on the final LHS that receive zero submissions during public notification.</i> 3. <i>REQUESTS the Chief Executive Officer to submit to Council any places that receive at least one submission during public notification, for Council's determination to include on the final LHS.</i> <p>Therefore, the decision for Council consideration relates to whether the 20 properties that received a submission are to be included in the Local Heritage Survey.</p>

	Question	Response
5.	Does the Act state how often we need to do this?	Section 103 of the <i>Heritage Act 2018</i> states that a Local Government must prepare, review and update a Local Heritage Survey with due regard to the Department of Planning, Lands and Heritage Guidelines for Local Heritage Surveys. These Guidelines indicate that a local government with ongoing urban development is likely to require a review every 5-8 years.
6.	What implications are there for property owners if they find their property on this list? Will it stop them from developing, or hinder them in anyway?	There are no statutory planning and development implications arising from inclusion on the Local Heritage Survey (LHS).
7.	Can the detail of an item of the list be amended/adjusted as time goes on or for an inaccuracy?	Yes.
8.	There is a common perception among our community that a property placed on the Local Heritage Survey means it is effectively “on the radar” of “or next in line to” be placed on the State Heritage Register (offered referred to as the Heritage List). Is this necessarily the case? And if not, how can that be demonstrated or what guarantees, if any, can we give to demonstrate this is not the case?	<p>A Local Heritage Survey may be used to inform development of the Heritage List under the City’s Planning Scheme. Places may be nominated for inclusion on the Heritage List, either by drawing from the Local Heritage Survey or via an independent nomination (i.e., a property could be included on the Heritage List that is not currently included in the Survey).</p> <p>The City does not currently have a defined scope or program of work for review of the Local Heritage List. This is a complex and time-consuming process.</p> <p>The City cannot, at this stage, guarantee what will or will not be included on the Heritage List as this will be subject to a separate process and a thorough community engagement process.</p> <p>The State Heritage Register is managed by the WA State Government via the Department of Planning, Lands and Heritage and is a separate process to that undertaken by local government. Therefore, the City cannot provide guarantees in relation to the State process.</p>

	Question	Response
9.	<p>Adding to the LM's question - if there are no implications for landowners wishing to demolish their properties - then why do planning consultants engaged by the landowner make comments such as:</p> <p><i>"The Classification of the Significance needs to be reviewed as the current wording suggests a higher level of heritage significance and protection than the Record Form suggests 'very important to the heritage of the locality' and <u>will have future implications</u> for the landowner."</i></p> <p>Realistically, what are the implications for landowners? Do we have any precedents of property developments going on to be stalled because of the heritage survey?</p>	<p>There are no implications for landowners from being listed in the Local Heritage Survey.</p> <p>There are no examples we are aware of where property developments have stalled because they are on the Local Heritage Survey.</p>
10.	<p>Almost \$100,000 on consultation since 2021 plus two full-time staff. In the interim period between now and the OCM, would the staff be able to please find out if there are any grants or any way that we can recoup this? The answer was that it sits on the State list or a State site and this is a State piece of legislation – could we possibly get some State funds to pay for it?</p>	<p>No, there are no applicable Department of Planning, Lands and Heritage grants available for the costs incurred.</p>

12.2 Events Plan 2023/24

Responsible Officer	Kylie Johnson – General Manager Community Development
Voting Requirements	Simple Majority
Attachments	Attachment 12.2A – Events Plan 2023/24 ↓ 

Purpose

To present the City of Perth Events Plan 2023/24 for Council approval.

Recommendation

That Council APPROVES the Events Plan 2023/24 (Attachment 12.2A).

Background

1. Since Council's adoption of the City's first Events Strategy on 25 May 2021, the City has shifted focus from City-led to facilitating events and gained momentum in creating the right environment for success through the attraction of events to deliver high return on investment.
2. The City of Light brand launched in February 2022, and subsequent Find Your Scene campaign has also provided a platform for Perth as a destination, as well as the promotion of events, and strengthened the City's ability to secure partners and sponsors for City-led events.
3. The Events Plan 2022/23 embodies the evolution of City-led events to align with the new direction set by the Events Strategy. The delivery of the City's biggest Christmas Lights Trail and the shift from Skyworks to a series of six City of Light Shows has provided a strong return on investment for the community, and in conjunction with other events including the Christmas Nativity, Twilight Hawkers Market and New Year's Eve, successfully attracted over 500,000 people to the City to date.
4. The annual Events Plan is complemented by the City's extensive sponsorship and grant program which provides approximately \$5,000,000 in support annually for a wide range of activities, projects and programs that benefit our community.

Discussion

5. The Events Plan 2023/24 has been drafted through undertaking a review of the current annual events calendar and post-event impact reporting, guidance from Council members, and feedback from the community and key stakeholders.
6. The proposed plan strategically fills gaps where the market is unable to deliver key events important to the community, whilst providing pillars of activation which can be leveraged by third-party event organisers to create compelling experiences within the city. Through incoming sponsorship, the City continues to strengthen its offering and maximise return on investment.
7. The proposed plan outlines the scope, scale and budget of City-led events which were workshopped with Elected Members at an Elected Member Engagement Session in February 2023. There is no proposed increase to City-costs.
8. The budget allocations within the proposed plan align with the actual cost to deliver the events in 2022/23. Any additional deliverables and outcomes would require an increase to the annual budget adopted by Council.
9. The Christmas Lights Trail is the City's signature event and continues to evolve in response to event impact analysis and feedback from the community. In 2023, the opportunity exists to consolidate the Trail stops into activated hubs with larger, more artistic installations.
10. The City of Light Show returns with five shows from November to February and will feature innovative light displays. The shows are expected to continue attracting large crowds to Elizabeth Quay and Langley Park over the summer, activating the City at key periods and supporting local businesses.
11. For over 10 years, the Birak Concert continues to provide the community with an opportunity to celebrate Aboriginal and Torres Strait Islander culture and talent on Australia Day.
12. To support the variety of events and businesses operating across the City for both families and late-night revellers, New Years Eve will be celebrated at Elizabeth Quay with family fireworks from 9pm, and in Northbridge with fireworks at midnight.

13. Other returning events and activations include Christmas Nativity, Twilight Hawkers Market, Lunar New Year and Boorloo Heritage Festival. The City will also continue to activate the City's neighbourhoods with curated events to support community connection.
14. The City will actively pursue opportunities to deliver something new by strategically responding to opportunities that strengthen the events calendar and bring vibrancy to the City all year-round including the winter period.
15. The City will collaborate with key stakeholders and third-party event organisers to leverage major events and festival programs to maximise outcomes and support public-facing activation.
16. Third party events in FY23/24 and future years may be able to be supplemented by the Major Event Activation Reserve providing the event is consistent with the specified purpose of the reserve.
17. The FY23/24 Marketing Plan recommends separation of the events and brand campaign strands, to ensure more singular focus on the differing objectives, audiences and partner requirements of each.
18. The events marketing strand will provide greater focus on driving awareness of, and participation in, specific City-led and sponsored events. This separation from the brand campaign will also ensure the target audience, media channels and creative executions are better able to meet the individual requirements of the different events, including partner deliverables.
19. Events marketing will still retain the overall look and feel of the City of Light Masterbrand (to be developed), ensuring all City of Perth marketing efforts look as though they belong to the same 'family'.
20. The budget proposed for marketing within the attached City of Perth Events Plan has been incorporated in the overall City of Perth Marketing Plan discussed at the Elected Member Engagement Session on 14 March 2023.

Consultation

21. The development of the 2025 Events Strategy involved in-depth workshops with over 60 industry stakeholders from hospitality, tourism, State Government agencies, other Local Governments, events professionals and community groups.
22. The City sought feedback from the community and key stakeholders to inform the Events Plan 23/24 and ensure it provides a program of activity which is complimentary to third-party events.
23. The neighbourhoods provided feedback via Engage Perth, through a Neighbourhood Activation Survey conducted in early March 2023.

Decision Implications

24. If Council does not support the recommendation to approve the Events Plan 2023/24, the City will not be able to meet community expectations to deliver on key events and outcomes.
25. The budget is structured on the minimum requirement to deliver the scale of event outlined in the Events Plan 2023/24 however increase cost in services and changes to incoming sponsorship forecasts may impact budget estimates.
26. If Council defers the decision on supporting the recommendation to approve the Events Plan 2023/24 planning will be critically delayed for the procurement of key contracts required.

Strategic, Legislative and Policy Implications

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

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

Financial Implications

The financial implications of the recommendation(s) are subject to the 2023/24 budget adoption:

Account Number	1065 100 50 10365	Operating
Account Description	Christmas Lights Trail	
Total Budget	\$1,800,000	
Budget – This report	\$0	
Remaining Budget	\$0	
Budget Impact	Neutral	

Account Number	1065 100 50 10311	Operating
Account Description	City of Light Shows	
Total Budget	\$1,840,000	
Budget – This report	\$0	
Remaining Budget	\$0	
Budget Impact	Neutral	

Account Number	1065 100 50 10189	Operating
Account Description	Australia Day Program	
Total Budget	\$220,000	
Budget – This report	\$0	
Remaining Budget	\$0	
Budget Impact	Neutral	

Account Number	1065 100 50 10139	Operating
Account Description	New Years Eve	
Total Budget	\$415,000	
Budget – This report	\$0	
Remaining Budget	\$0	
Budget Impact	Neutral	

Account Number	1065 100 50 10039	Operating
Account Description	Christmas Nativity	
Total Budget	\$70,000	
Budget – This report	\$0	
Remaining Budget	\$0	
Budget Impact	Neutral	

Account Number	1065 100 50 10606	Operating
Account Description	Neighbourhood Activations	
Total Budget	\$100,000	
Budget – This report	\$0	
Remaining Budget	\$0	
Budget Impact	Neutral	

Account Number	1065 100 50 10598	Operating
Account Description	Leveraging and Activation	
Total Budget	\$200,000	

Budget – This report	\$0
Remaining Budget	\$0
Budget Impact	Neutral

Account Number	1065 100 50 10207	Operating
Account Description	Twilight Hawkers Market	
Total Budget	\$20,000	
Budget – This report	\$0	
Remaining Budget	\$0	
Budget Impact	Neutral	

Account Number	1065 100 50 10059	Operating
Account Description	Lunar New Year	
Total Budget	\$55,000	
Budget – This report	\$0	
Remaining Budget	\$0	
Budget Impact	Neutral	

Account Number	1062 100 50 10269	Operating
Account Description	Boorloo Heritage Festival	
Total Budget	\$150,000	
Budget – This report	\$0	
Remaining Budget	\$0	
Budget Impact	Neutral	

Account Number	TBC	Operating
Account Description	Marketing	
Total Budget	\$600,000	
Budget – This report	\$0	
Remaining Budget	\$0	
Budget Impact	Neutral	

Further Information

27. Questions and responses forming part of the Agenda Briefing Session held on 21 March 2023 were as follows:

	Question	Response
1.	<p>Under City-Led Events</p> <p>Signature Event Budget shows an allocation of \$1.8 million – what is the events team doing to secure, facilitate or create “a major event with a clear unique selling point, generating visitation including interstate audiences which adds to the profile of Perth”?</p>	<p>The Signature Event in the City Events Plan 2023-2024 is the Christmas Lights Trail.</p>
2.	<p>Under Financial Implications</p> <p>I see an amount of 200k for “Leveraging and Activation”. Is this for a/the winter event we have discussed at EMES? At that session we were told of plans to leverage off an “existing” event. Kings Park Light Festival and WA Day Festival were mentioned. Can we get an outline of what the events team is planning for this year’s winter events calendar?</p>	<p>The calendar of winter events, including those sponsored by the City, was provided as part of the EMES on the City Events Plan and is also available on Council hub.</p> <p>In June sponsored events include Perth International Cabaret Festival and Strange Festival.</p> <p>Facilitated events are still in discussion.</p>
3.	<p>Page 29 - Measures for success</p> <p>Has the City established an agreed ROI calculation to measure the return of its “owned” events investment?</p> <p>If so, can we have an EMES educating us on how this works?</p>	<p>Yes, in alignment with the success measures in the Events Plan, the event impact reporting and calculation using intercept surveys is completed by a third party provider.</p> <p>Yes, an EMES session is possible.</p>

City of Perth Events Plan 2023/24

Summary

Perth is our capital city and the events heart of WA

This Events Plan 2023/24 is informed by the 2025 Events Strategy and the City of Perth's three strategic pillars *liveable, sustainable and prosperous*.

Background

Events contribute to the fabric of the city through vibrancy, inclusiveness and supporting the economic prosperity of city businesses. Overall, events staged in a destination build the liveability of a city.

The City of Perth's successful staging of several new and returning events in 2022/23, including the attraction of sponsorship, grants and co-funding partnerships has laid the foundation for the City to deliver a stronger events calendar for 2023/24.

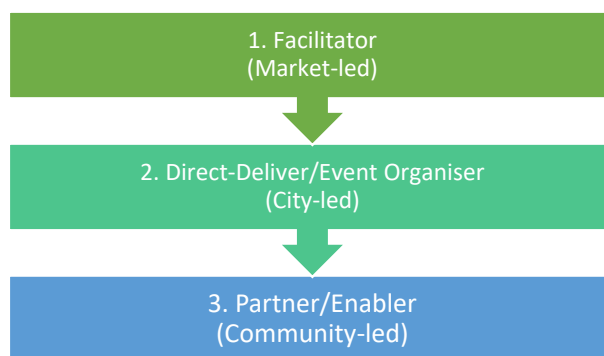
This plan covers the key pillars of the City's 2025 Events Strategy:

- Event friendly
- Uniquely Perth
- Community benefit
- Something for everyone
- Sustainability
- Support local

Our Role

The City of Perth creates the right environment for success by attracting, facilitating, and sponsoring events. We build effective and sustainable partnerships aimed at enabling others. The 2025 Events Strategy sets the frame, including the order of priority for the City's roles regarding events.

2025 Events Strategy Event Role Priorities



In the third year of the 2025 Events Strategy, the City of Perth will further align with these priorities by increasing the investment in City-led events from partners, enabling investment to be directed to collaboration and enabling others to deliver priority outcomes.

Key Principles

Initial 2022/23 data analysis indicates events have continued to attract significant visitation to the city and provided a positive economic impact. Key considerations for the Events Plan 2023/24 also include:

- Market forces (where the market is unable to deliver a major event)
- Return on investment (value for money)
- Brand alignment (City of Light)
- Ability to enhance the city's reputation as an events destination
- Community pride and connectedness
- Seasonality
- Diversity of content (cultural diversity)
- Alignment and opportunity with desired market segments
- Sustainability

The City has also maintained focus on local activation of priority venues including **Elizabeth Quay** and **Forrest Place** to attract families to the heart of the CBD.

Sponsored Events

Proactively attracting event organisers to hold their events in the city through financial and in-kind support is how we will achieve the City's 2025 Event Strategy objectives. Sponsorship and grants impact reporting demonstrates a high return on investment for the City of Perth. Through the Grants and Sponsorship Program, the City can support a wide range of events to take place throughout the calendar year, whilst building capacity in other organisations and community groups and leveraging public outcomes.

Other Facilitated Events

The City of Perth plays an important role in facilitating events to take place in the city by providing a concierge approach to event organisers. A key focus is to continuously improve the customer experience of facilitated events with a simple, competitively priced event bookings process together with a can-do attitude and supportive services. The City actively seeks new and returning events and continues to support external event organisers to book the City's venues and provide enriching experiences for all throughout the year. On a basis of shared benefits, we will promote facilitated events using the City of Perth's brand and Visit Perth platforms. Organic social and digital communication tools across both platforms as well as paid marketing campaigns will offer increased promotional support.

City-Led Events

Events delivered by the City of Perth strategically fill gaps in the portfolio and respond to community needs and expectations. Events are categorised as follows:

Signature Event Budget: \$1,800,000	<i>A major event with a clear unique selling point, generating visitation including intrastate audiences which adds to the profile of Perth.</i>
Events Budget: \$2,695,000	<i>Events of various scales which attract visitation to the city, deliver economic impact and engender community pride.</i>
Activations Budget: \$375,000	<i>Activities which add vibrancy to a specific precinct, engages the community and contributes towards creating a sense of place.</i>
Marketing Budget: \$600,000	<i>A marketing approach that tactfully promotes events, and leverages the City's new municipality brand - City of Light.</i>

Approach to Incoming Sponsorship

Sponsorship, grants and co-funding partnerships are critical to the Events Plan 23/24, as is sound financial management. Government and corporate sectors can contribute to the activation, vibrancy and prosperity of Perth by supporting City events.







Historically the City has attracted approximately \$1,800,000 from various partners including Lotterywest and the corporate sector. The Events Plan 23/24 responds to the current community context and economic climate. The City will undertake its best endeavours to obtain the incoming sponsorship projected within the plan, however is subject to change.

Signature Event

Christmas Lights Trail November 2023 to January 2024

The Christmas Lights Trail has cemented its place as the City’s Signature Event. Delivering significant economic impact and consistently high visitation numbers, this Signature Event continues to strengthen the City’s position as a must-see destination over the summer.

Christmas Lights Trail Achievements 2022/23

-  Direct Economic Impact of \$12,453,273
-  384,600 attendees
-  89% of attendees had a good/excellent experience with a Net Promoter Score of 17
-  84% of attendees would not have visited the area without the event
-  68% of intrastate attendees noted the event was their main reason for travelling
-  Awarded Bronze for *Major Festivals & Events* at the Perth Airport WA Tourism Awards 2022 (2021 event)

A family favourite, the magical Christmas Lights Trail returns with new, larger-scale and impressive lighting installations activating the malls, streets and open spaces throughout the CBD and Northbridge. The inclusion of an activation program including festive entertainment and performances connects the stops and increases vibrancy and sense of safety for visitors.

FY23/24 Budget	Projected Incoming Sponsorship	City Cost
\$1,800,000	\$800,000 [^]	\$1,000,000

[^]*Christmas Lights Trail be a priority focus for third-party support, including sponsorship opportunities and co-funding partnerships.*

Events

City of Light Shows

November 2023 to February 2024

Building on the success of the inaugural City of Light Shows in 2022/23, this event series will provide local activation to the Elizabeth Quay precinct and drive economic impact to city businesses. Each event will activate the precinct before a spectacular light show. Special edition will take place on Australia Day*.

FY23/24 Budget	Projected Incoming Sponsorship	City Cost
\$1,840,000	\$900,000^	\$940,000

*Australia Day edition to be held on Langley Park.

^City of Light Shows be a priority focus for third-party support, including sponsorship opportunities and co-funding partnerships.

Christmas Nativity

December 2023

The traditional story of Christmas is told live on stage in Forrest Place with Christmas carols and performances. Back by popular demand over two nights, the family concert is a show for everyone and a chance to sing-along to Christmas favourites.

FY23/24 Budget	Projected Incoming Sponsorship	City Cost
\$70,000	\$0	\$70,000

New Year's Eve

31 December 2023

Elizabeth Quay comes alive with festivities, roving performances and entertainment, plus fireworks at the family-friendly time of 9pm. Late-night crowds ring in the New Year in the Northbridge entertainment and hospitality precinct and enjoy a midnight fireworks display.

FY23/24 Budget	Projected Incoming Sponsorship	City Cost
\$415,000	\$50,000^	\$365,000

^This incoming sponsorship is subject to new partnership opportunities and is untested.

Birak Concert

26 January 2024

The Birak Concert, an Aboriginal and Torres Strait Islander concert celebrating culture through music and dance will return to Supreme Court Gardens. The program features a stellar line-up of WA talent on stage, plus market stalls and family-friendly entertainment.

FY23/24 Budget	Projected Incoming Sponsorship	City Cost
\$220,000	\$0	\$220,000

Boorloo Heritage Festival

April 2024

The program will celebrate Perth’s natural, cultural and built heritage. There is something for everyone with aboriginal storytelling, history and heritage walks, talks, ‘behind the scenes’ tours of iconic heritage buildings, children’s activities, exhibitions and experiences.

FY23/24 Budget	Projected Incoming Sponsorship	City Cost
\$150,000	\$100,000^	\$50,000

^Projection based on previous support from Lotterywest and DLGSC which may be subject to change.

Activations

Neighbourhood Activations

Curated local-scale events such as community concerts will be delivered for each of the six neighbourhoods to support community connection and diversity. Events to take place at locations and times in collaboration with neighbourhood groups to maximise impact.

FY23/24 Budget	Projected Incoming Sponsorship	City Cost
\$100,000	\$0	\$100,000

Leveraging and Activation

To strategically respond to opportunities that bring strengthen the events calendar and bring vibrancy to the city all year-round including the winter period. The City will collaborate with key stakeholders and third-party event organisers to leverage major events and festival programs to maximise outcomes and support public-facing activation.

FY23/24 Budget	Projected Incoming Sponsorship	City Cost
\$200,000	\$0^	\$200,000

^Partnership funding not anticipated however will be actively pursued and prioritised for increased scale and impact.

Twilight Hawkers Market October 2023 to March 2024

Twilight Hawkers Market takes place seasonally every Friday evening in Forrest Place creating vibrancy to directly support and activate the CBD's retail core.

FY23/24 Budget	Projected Incoming Sponsorship	City Cost
\$20,000	\$0	\$20,000

Lunar New Year 9 February to 26 February 2024

Red Lanterns will hang throughout streets in Northbridge and in Murray and Hay Street Malls to celebrate Lunar New Year, the Year of the Dragon. Lion Dance performances will also entertain lunch-time crowds in the malls.

FY23/24 Budget	Projected Incoming Sponsorship	City Cost
\$55,000	\$20,000^	\$35,000

^This incoming sponsorship is subject to new partnership opportunities and is untested.

Marketing

Leveraging the City’s new municipality brand - City of Light – the City will deliver assets to promote visitation to the city all year around. Events are targeted to appeal to specific audiences to ensure strong outcomes and alignment to the City’s visitation objectives.

The FY23/24 Marketing Plan recommends separation of the events and brand campaign strands, to ensure more singular focus on the differing objectives, audiences and partner requirements of each, whilst aligning under a City of Light Masterbrand approach.

The City of Perth, City of Light Masterbrand will be developed in early FY23/24, ensuring that all City of Perth marketing efforts, including events marketing, belong to the same ‘family’. Developing a strong Masterbrand for the City will ensure that campaigns work together in consumer consciousness, rather than competing for attention. This approach will ensure all campaigns are more recognisable, ownable and campaigns – part of an identifiable set - while maintaining their own independent identities, relevant to the specific priorities and objectives of each. This will allow choices around target audience/s, media channels and creative executions are better able to meet the individual requirements of the different campaign, and different events, including partner deliverables.

The marketing investment for events will prioritise support of marquee City-led events in paid advertising channels, as well as owned digital and social channels.

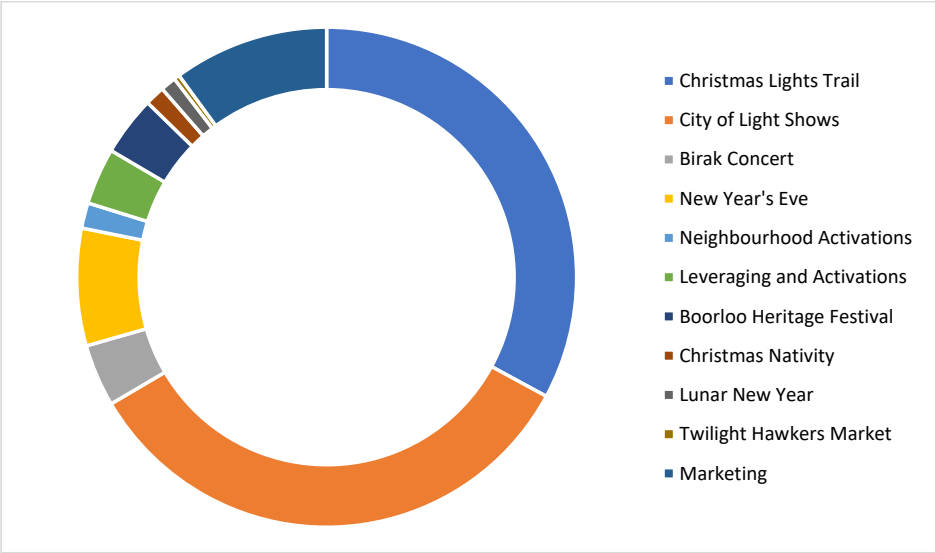
High profile events supported by the City that deliver positive brand association and improve consumer perception will continue to be supported through the City’s owned channels.

FY23/24 Budget	Projected Incoming Sponsorship	City Cost
\$600,000	\$0 [^]	\$600,000

[^]Partnership funding not anticipated however will be actively pursued and prioritised for increased scale and impact.

Events Budget FY23/24

Total: \$5,470,000*
Projected Incoming Sponsorship: \$1,870,000^
Total City Cost: \$3,600,000



**Actual expenditure may vary.*
^Projected incoming sponsorship is variable and outside of the City's control.

Measures of Success

Measuring events is an important stage in an events lifecycle. Evaluating outcomes not only determines the impact events have on the community and its ratepayers, they inform and inspire future decision making, and provide assurance or direction for the City’s investments in the future.

Outcomes



Measures







Outcome	Measure	Format/Method
Sponsorship		
Visitation	Year on year total attendance	Acquittal report through SmartyGrants within three months of project completion
Economic impact	Year on year total economic impact	
Social impacts	Levels of social impact	
Cultural impacts	Levels of cultural impact	
Facilitated		
Visitation	Year on year total attendance	Event debriefs
Portfolio of Events	Average number of events per month	Event reports
City-led Events		
Visitation	Year on year total attendance	<ul style="list-style-type: none"> WiFi activity sensors Crowd counting technology using active mobile devices Hand clicker counters (fenced events) Scanned tickets (ticketed events) Visual observations including density calculation estimates
Economic impact	Return on investment; attendee spend; direct economic impact	
Cultural impact	Cultural connection; sense of place; vibrancy	
Social impact	Safety; community; pride; belonging; bridging social differences	
Attendee Satisfaction	Net Promoter Score and attendee feedback	
Marketing		
Awareness	Event awareness (unprompted)	<ul style="list-style-type: none"> Brand Health Tracker reporting: third party led consumer dashboard Media plan post-campaign report
	Event awareness (unprompted)	
Audience reach	Audience reach and frequency data	
	Audience engagement – clicks and views	

13. Infrastructure and Operations Alliance and Commercial Services Reports

Nil.

14. Corporate Services Reports

14.1 Monthly Financial Statements - January 2023

Responsible Officer	Michael Kent – Chief Financial Officer
Voting Requirements	Simple Majority
Attachments	Attachment 14.1A – Financial Activity Statement and Notes to the FAS ↓  Attachment 14.1B – Net Current Position P7 ↓  Attachment 14.1C – Operating Variances by Alliance ↓  Attachment 14.1D – Capital Project Variances P7 ↓  Attachment 14.1E – Investment Report P7 ↓  Attachment 14.1F – Rates Monthly Report P7 ↓ 

Purpose

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

Recommendation

That Council RECEIVES the following financial reports for the period ended 31 January 2023:

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

Background

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

Understanding the Financials

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

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

Discussion

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

Table 1:

Item Details	YTD Budget	YTD Actual	Variance	F/ U
Operating Revenue - Excluding Rates	\$ 62.976 M	\$ 65.850 M	\$ 2.874 M	F
Rates Revenue	\$ 99.377 M	\$ 100.484 M	\$ 1.107M	F
Operating Expenditure	\$ 115.239 M	\$ 112.865 M	\$ 2.374 M	F
Non-Operating Revenue	\$ 0.367 M	\$ 0.794 M	\$ 0.427 M	F
Capital - Infrastructure	\$ 19.586 M	\$ 14.503 M	\$ 5.083 M	F
Property, Plant & Equipment	\$ 6.135 M	\$ 5.248 M	\$ 0.887 M	F

15. Material operating revenue and expenditure variances from Attachment 14.1A are detailed (with explanatory comments) in the Notes to the FAS (also contained within Attachment 14.1A).
16. Comments on the material variances between budget and actual capital expenditures are presented in Attachment 14.1D - Capital Projects Schedule which lists all approved, budgeted capital projects for 2022/23.
17. Each line item listed in the FAS by Nature & Type Attachment 14.1A can be cross referenced (using the Note reference) back to the relevant note.
18. Attachment 14.1C provides an alternative view showing how the organisation is tracking against budget by Alliance - and then disaggregating those figures by Service. This reporting view includes all internal charges and internal recoveries so the full service-cost can be understood.
19. Examining the FAS (Attachment 14.1A) in more detail; the aggregation of operating revenues and operating expenses reflects a year-to-date Net Cash Deficit from Operations of (\$24.29M) compared to a year-to-date budgeted Deficit of (\$28.36M). This is a favourable variance of \$4.07M at the end of the month.
20. Investing activities reflect a result of (\$18.42M) compared to a year-to-date budget of (\$25.35M). This is a favourable variance of \$6.93M. A significant portion of this is related to invoicing delays associated with the capital program specifically the Roe St project.

21. Construction of infrastructure to month end is at 74% of year-to-date budget expectations at \$14.50M, against \$19.58M budget as noted at paragraph 14. Attachment 14.1D provides comments on specific variances for capital projects.
22. Acquisition of non-infrastructure to month end is \$5.2M and is 85% of the year-to-date budget. Readers are directed to Attachment 14.1D for comments on specific variances.
23. Adjusting for opening funds (Net Current Position), generates the Budget Deficiency before Rates. This then indicates the Amount Required to be Raised from Rates. The difference between the Rates amount, and the Deficiency before Rates, is the Closing Position.
24. The FAS for the period to 31 January shows that a rate yield of \$100.5M has been levied compared to the \$99.4M budget at rates strike date. Interim rates for a newly rated Office property added \$552K. The rates levied figure will be reduced to reflect the impact of the resent WACA rate exemption (\$199K) which was gazetted in January and the anticipated Heritage Concessions (\$232K) as they are processed. The net difference was adjusted in the statutory mid-year budget review.
25. The disclosed year to date FAS Closing Position of \$77.04M compares favourably to the year-to-date budgeted closing position of \$65.10M - a 18.3% variance reflecting the combined impact of the favourable variances noted in this report for revenues, expenses and financing activity. It should be noted however, that this report does not include the adjustments in the mid-year budget review which will substantially close this gap.
26. The Net Current Position Report (Attachment 14.1B) indicates a year-to-date adjusted Net Current Position value of \$80.06M versus the budget of \$77.43M. This is primarily attributable to better than anticipated revenue performance. Where appropriate, relevant items will be adjusted in the budget review process.
27. Headline data from this month's Net Current Position report is shown in Table 2 below. Comparative figures are provided for 2021 as well as the 30 June 2023 budgeted year-end figures.

Table 2:

Item Details	June 2023 Annual Budget	Jan 2022 YTD Actual	Jan 2023 YTD Actual
Current Assets	\$ 179.788 M	\$ 245.678 M	\$ 250.380 M
Current Liabilities	(\$ 37.105 M)	(\$ 49.684 M)	(\$ 39.587 M)
Unadjusted Net Assets	\$ 142.683 M	\$ 195.993 M	\$ 210.792 M
Less Restricted Items	(\$ 138.951 M)	(\$ 101.592 M)	(\$ 130.726M)
Adjusted Net Current Position	\$ 3.731 M	\$ 94.401 M	\$ 80.066 M

28. The comparative numbers from the Net Current Position report for January 2022 and January 2023 reflect the impact of a higher value of reserve funds and a lower value of creditors in 2023.
29. As noted above, there is currently a higher value of reserve funds (restricted assets) in 2023 than in 2022, and this difference will remain until drawn down to make the capital contributions for the WACA Aquatic Facility and Perth Concert Hall when required.
30. Attachment 14.1E - Investment Report for January 2023 presents detail of the City's cash investment portfolio in terms of performance, percentage exposure of total portfolio by credit risk, counterparty exposure and maturity profile.

31. The report indicates the City has adequate cash flow to meet its financial obligations as and when they will fall due; and it has achieved compliance with the various Investment Policy limits.
32. It also shows the impact of the recent uplift in investment rates and performance is now ahead of the upward revision to the interest revenue budget at the October OCM. Future projections in the Long Term Financial Plan have also been revised upwards based on current performance.
33. Attachment 14.1F - Rates Debtors provides a monthly update and analysis of rates collections by differential property rating category and overall. The 2022/23 rates notices were issued on 28 July with a due date for the first instalment of 7 September 2022. At month end, (after the due date for the third instalment) collections represented 89% of the collectible amount.

Consultation

Nil.

Decision Implications

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

Strategic, Legislative and Policy Implications

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

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

Authority of Council/CEO:	The above legislation prescribes that this report be presented to Council on a monthly basis.
Policy:	CP 2.1 Management of Investments.

Financial Implications

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

Further Information

36. Employee related costs are disclosed at the end of December as being 0.2% (or \$108K) under year to date budget - compared to 5.7% (or \$1.0M) below at the end of September. This is because the earlier apparent favourable variance was due largely to the timing of registering the outside workers EBA agreement and the resultant lag in paying both the back pay and the increment, the timing of the additional 0.25% increase from 2.75% to 3.0% for the staff covered by the inside workers EBA and the final employee entitlement payouts to the childcare centre staff.
37. With all those factors incorporated into the management accounts, and the reclassification of costs relating to agency (temporary) staff as employee costs rather than materials and contacts, employee related costs across the organisation are now largely in line with budget expectations.
38. **Questions and responses forming part of the Agenda Briefing Session held on 21 March 2023 were as follows:**

	Question	Response
1.	Attachment C - Operating Variances by Alliance What is our employee vacancy rate at the moment? What is the total required FTE versus the actual FTE?	<p>he City's 22/23 employee expenses is \$78.84M for the full year. The accounts which Council will consider on Tuesday show a year to date budget of \$46.05M and actual costs of \$45.95M.</p> <p>The salaries budget and associated FTE fluctuates from month to month with the end of financial year salaries budget being pre-eminent.</p> <p>Obtaining accurate employee vacancy rate data is a manual process across a number of disparate systems given the current HR system's limitations.</p> <p>The procurement and implementation of a new HR system is the City's highest Corporate Services priority for technology investment with a tender proposed to go to market in late May/early June 2023.</p>



City of Perth Financial Activity Statement - Nature and Type

Jan - 2023

Attachment A

Detail	Note	Revised Annual Budget	YTD Budget	YTD Actual	YTD Budget Variance \$	YTD Budget Variance %	Budget Impact
Revenue from Operating Activities							
Operating Grants	1	1,345,570	774,982	1,024,815	249,833	32.2%	✓
Contributions and Donations	2	1,449,300	1,003,116	1,164,417	161,301	16.1%	✓
Fees and Charges - Waste	3	10,183,504	9,870,439	9,665,521	(204,918)	(2.1%)	✗
Fees and Charges - Community Services	4	3,129,055	2,107,449	2,111,138	3,689	0.2%	✓
Rental and Hire Revenue	5	4,194,600	2,485,574	2,587,007	101,434	4.1%	✓
Parking Fees	6	65,911,921	38,478,328	38,872,356	394,028	1.0%	✓
Fines and Costs	7	6,866,743	4,191,526	4,319,055	127,529	3.0%	✓
Interest Earned	8	5,832,502	3,227,211	4,034,656	807,445	25.0%	✓
Profit on Disposal of Assets*	9	384,293	21,732	116,134	94,402	434.4%	✓
Distribution from Investments*	10	325,000	243,750	909,917	666,167	273.3%	✓
Other Revenue	11	946,669	571,809	909,999	338,190	59.1%	✓
Recoverable works	39	0	0	135,224	135,224	0.0%	!
Subtotal		100,569,157	62,975,916	65,850,238	2,874,323	4.6%	✓
Expenses							
Employee Costs	12	(78,843,579)	(46,058,705)	(45,950,866)	107,839	0.2%	✓
Advertising	13	(1,244,826)	(912,927)	(914,780)	(1,852)	(0.2%)	✗
Contractors and Consultants	14	(29,278,028)	(16,233,649)	(15,538,487)	695,162	4.3%	✓
Insurance	15	(1,417,862)	(828,753)	(838,433)	(9,680)	(1.2%)	✗
Waste Tipping Charges	16	(3,467,769)	(1,990,743)	(1,612,914)	377,828	19.0%	✓
Other Charges	17	(4,495,841)	(2,623,381)	(2,360,190)	263,191	10.0%	✓
Materials	18	(3,233,513)	(1,906,494)	(1,847,823)	58,671	3.1%	✓
IT Support and Maintenance	19	(5,150,574)	(2,831,635)	(2,546,290)	285,345	10.1%	✓
Plant and Fleet Costs	20	(688,093)	(399,503)	(490,454)	(90,950)	(22.8%)	✗
Utilities	21	(3,556,630)	(1,928,433)	(2,043,804)	(115,371)	(6.0%)	✗
Depreciation*	22	(37,493,726)	(22,708,086)	(22,655,370)	52,716	0.2%	✓
Interest Expenses	23	(112,302)	(66,961)	(71,375)	(4,414)	(6.6%)	✗
Loss on Asset Disposal*	24	(1,996,630)	(1,216,544)	(896,917)	319,627	26.3%	✓
Change in valuation of Disposal*	25	0	0	0	0	0.0%	!
Work in Progress not Capitalised*	26	0	0	(30,491)	(30,491)	(100.0%)	✗
Parking Bay Levy	27	(17,760,732)	(10,353,901)	(9,363,056)	990,845	9.6%	✓
Other Expenses	28	(23,276,857)	(5,169,641)	(5,703,729)	(534,088)	(10.3%)	✗
Recoverable works	39	(10,000)	(10,000)	0	10,000	100.0%	✓
Subtotal		(212,026,963)	(115,239,356)	(112,864,976)	2,374,380	2.1%	✓
Total - Operating Activities		(111,457,806)	(52,263,441)	(47,014,737)	5,248,703	10.0%	✓
Add Back Non Cash Items*		39,106,063	23,902,898	22,723,270	(1,179,628)	(4.9%)	✗
Net Surplus / (Deficit) from Operations		(72,351,743)	(28,360,542)	(24,291,467)	4,069,075	14.3%	✓
Investing Activities							
Non Operating Grants	29a	15,597,092	366,875	794,333	427,458	116.5%	✓
Initial recognition/Contributed Assets	29b	0	0	533,306	533,306	(100.0%)	✗
Purchase of Property, Plant & Equipment	30	(18,149,447)	(6,135,913)	(5,248,541)	887,372	14.5%	✓
Construction of Infrastructure	30	(43,444,874)	(19,586,342)	(14,502,982)	5,083,360	26.0%	✓
Proceeds from Sale of Plant & Equipment	31	996,471	0	0	0	0.0%	!
Sub Total - Investing Activities		(45,000,757)	(25,355,380)	(18,423,884)	6,931,496	27.3%	✓
Financing Activities							
New Loan Proceeds	32	0	0	0	0	0.0%	!
Repayment of Borrowings	33	(705,434)	(705,434)	(705,434)	0	0.0%	!
Lease Principal Payments	34	0	0	0	0	0.0%	!
Transfers to Reserves	35	(31,267,661)	(22,603,566)	(22,778,207)	(174,641)	(0.8%)	✗
Transfers from Reserves	36	35,643,039	23,943,039	23,943,039	0	0.0%	!
Sub Total - Financing Activities		3,669,944	634,039	459,398	(174,641)	(27.5%)	✗
Budget Deficiency before Rates		(113,682,556)	(53,081,883)	(42,255,953)	10,825,930	20.4%	✓
Opening Position at 1 July	37	18,811,084	18,811,084	18,811,084	0	0.0%	!
Amount Raised from Rates	38	99,401,428	99,376,746	100,484,329	1,107,583	1.1%	✓
Closing Position Surplus (Deficit)		4,529,956	65,105,947	77,039,460	11,933,513	18.3%	✓
Legend							
Favourable impact on Budget Surplus		✓	Unfavourable impact on Budget Surplus			✗	



Notes to Financial Activity Statement - January 2023 Attachment A

The Note reference and descriptor in each summary box below link back to the relevant line item on the Financial Activity Statement. The variance is then expressed as both a dollar value and a percentage. Letter F or U refers to the impact of the variance on the budget surplus (favourable / unfavourable).

Notes to Accompany FAS - Operating Revenues

Comments on the 4.6% favourable variances in Operating Revenues are provided below.

Note 1	Operating Grants	Variance \$	Variance %	Type
▲	Increase Actual Surplus	\$250K	32.2%	F

Additional grants for James Street Activation, Christmas Lights Trail and Heritage Perth weekend. This additional revenue is part of the statutory mid-year review. The favourable variance is partially offset by lower federal grant for local roads and the value of the local government assistance grant (at the time of budget setting this was only an estimate).

Note 2	Contributions & Donations	Variance \$	Variance %	Type
▲	Increase Actual Surplus	\$161K	16.1%	F

Mainly related to additional and higher than the budgeted contribution for City of Lights and Christmas Lights Trail. This additional revenue is part of the statutory mid-year budget review.

Note 3	Fees & Charges - Waste	Variance \$	Variance %	Type
▼	Decrease Actual Surplus	(\$205K)	(2.1%)	U

Fees & Charges for Waste are slightly under budget as the number of commercial services vary across the year. Costs associated with waste are also under budget.

Note 4	Fees & Charges - Community Services	Variance \$	Variance %	Type
▲	Increase Actual Surplus	\$4K	0.2%	F

Fees & Charges Community Services are in line with the budget.

Note 5	Rental & Hire Revenue	Variance \$	Variance %	Type
▲	Increase Actual Surplus	\$101K	4.1%	F

Rental & Hire Revenue is in line with the budget.

Note 6	Parking Fees	Variance \$	Variance %	Type
▲	Increase Actual Surplus	\$394K	1%	F

Parking fees are in line with the budget.

Note 7	Fines & Costs	Variance \$	Variance %	Type
▲	Increase Actual Surplus	\$128K	3%	F

The fines and costs are in line with the budget.

Note 8	Interest Earned	Variance \$	Variance %	Type
▲	Increase Actual Surplus	\$807K	25.0%	F

Interest earned on investments is higher due to the recent series of interest rate rises by the Reserve Bank.

Note 9	Profit on Disposal of Assets (Non-Cash)	Variance \$	Variance %	Type
Nil	No direct cash impact on Actual Surplus	\$94K	434.4%	F

Minor plant and fleet disposals have taken place earlier than anticipated and some at profit where a loss was budgeted. This is an unanticipated positive outcome of covid supply chain issues and higher trade in values.

Note 10	Distribution from Investments	Variance \$	Variance %	Type
▲	Increase Actual Surplus	\$666K	273.3%	F

The distribution from investments is an outcome from the required accounting treatment for the distributions from the City's Colonial First State Investment which is marked to the ASX share index. The performance of the market has been strong and has subsequently resulted in higher than budgeted distributions.

Note 11	Other Revenue	Variance \$	Variance %	Type
▲	Increase Actual Surplus	\$338K	59.1%	F

The variance mainly relates to LGIS insurance adjustment for last year based on lower cost burning method. This additional revenue is part of the Statutory mid-year review

Notes to Accompany FAS - Operating Expenses

Comments on the 2.1% favourable variance in Operating Expenses are provided below.

Note	Category	Variance \$	Variance %	Type
Note 12	Employee Costs			
▲	Increase Actual Surplus	\$108K	0.2%	F

The employee costs are in line with the budget.

Note	Category	Variance \$	Variance %	Type
Note 13	Advertising			
▼	Decrease Actual Surplus	(\$2K)	(0.2%)	U

The advertising costs are in line with the budget.

Note	Category	Variance \$	Variance %	Type
Note 14	Contractors & Consultants			
▲	Increase Actual Surplus	\$695K	4.3%	F

The favourable variance in expenditure is mainly caused by the timing of invoices to be paid pending receipt of goods and services. Further details by service are listed below:

- Facility Maintenance cleaning - related to disputed cleaning contract (\$378K)
- Economic Development – timing variance across Sector Development, Economic Research, Place & Business Development, Technology Action Plan as well as cancelled project Business case for Business Launch Pad (funds will be returned at Statutory mid year review). Total variance for the service is \$335K;
- Parking Services – mainly timing variance for the business case for obsolete ticket machines and consultancy as well as savings in contractors and security (\$302K);
- City Planning – timing variance related to Local Planning Scheme 3 and UWA QEII Precinct Plan (\$257K);
- Parks and Environment Operations – lower turf renovation and lake as well as wetlands requirements as well as pump, bore and general maintenance (\$155K);

The above mentioned and other delays in the delivery of services and invoicing are partially offset by fully funded expenses from additional revenue contributions for City of Lights, Christmas Lights Trail and James Street Activations (see note 1 and 2).

Note	Category	Variance \$	Variance %	Type
Note 15	Insurance			
▼	Decrease Actual Surplus	(\$10K)	(1.2%)	U

Insurance expenses are in line with budget expectations.

Note	Category	Variance \$	Variance %	Type
Note 16	Waste Tipping Charges			
▲	Increase Actual Surplus	\$378K	19.0%	F

Favourable variance due to lower than anticipated tipping fees. The budget was set conservatively during the period of uncertainty around the exit from Mindarie Regional Council. The financial impact of the new (reduced) tipping fees will be taken into consideration at the mid-year budget review.

Note	Category	Variance \$	Variance %	Type
Note 17	Other Charges			
▲	Increase Actual Surplus	\$263K	10.0%	F

Related to lower than anticipated parking fees (prosecution fees, subscription and memberships and parking cash collection fees).

Note	Category	Variance \$	Variance %	Type
Note 18	Materials			
▲	Increase Actual Surplus	\$59K	3.1%	F

Materials are in line with the budget.

Note	Category	Variance \$	Variance %	Type
Note 19	IT Support & Maintenance			
🕒	Timing Difference	\$285K	10.1%	F

Timing of software maintenance for core systems used.

Note	Category	Variance \$	Variance %	Type
Note 20	Plant & Fleet Costs			
▼	Decrease Actual Surplus	(\$91K)	(22.8%)	U


This variance is mainly related to higher than anticipated fuel costs (but not fuel usage).

Note	Category	Variance \$	Variance %	Type
Note 21	Utilities			
▼	Decrease Actual Surplus	(\$116K)	(6.0%)	U

Slightly higher costs of power and water rates and consumption than budgeted.

Note	Category	Variance \$	Variance %	Type
Note 22	Depreciation (Non-Cash)			
Nil	No cash impact on Actual Surplus	\$53K	0.2%	F

Depreciation is in line with the budget.

Note 23	Interest Expenses	Variance \$	Variance %	Type
	Increase Actual Surplus	(\$4K)	(6.6%)	U

Interest expenses are line with the budget.


Note 24	Loss on Asset Disposal (Non-Cash)	Variance \$	Variance %	Type
Nil	No cash impact on Actual Surplus	\$320K	26.3%	-

The loss on asset disposals occurs when road, landscaping, paths and kerbs components are scrapped and disposed of during the construction of new infrastructure and renewal projects. When these still have values recorded in the City's asset register, that value is recognised as a loss on disposal. The current variance on this line item is considered to be a timing difference.

Note 25	Loss on Revaluation of Asset (Non-Cash)	Variance \$	Variance %	Type
Nil	No cash impact on Actual Surplus	-	-	-


Note 26	Work in Progress not Capitalised	Variance \$	Variance %	Type
Nil	No cash impact on Actual Surplus	(\$31K)	(100%)	-

Expensing of minor project costs from the previous year that cannot be capitalised – these costs must be expensed in the current year.

Note 27	Parking Levy	Variance \$	Variance %	Type
	Increase Actual Surplus	\$991K	9.6%	F

Each year, the City prepays (in July and August) approximately \$17.8M in levies in advance for the parking bays used to generate our anticipated parking revenues. The prepayment is then expensed month by month to the City's accounts. Where parking bays are temporarily out of action, the City can seek a refund for the levy prepaid.


A parking bay variation has been approved by the Department of Transport for on-street bays due to reduced patronage. This saving is being returned to the parking levy reserve through the Special Budget Review - Reserves, where it can be used to support future years levy payments.

Note 28	Other Expenses	Variance \$	Variance %	Type
	Timing Difference	(\$534K)	(10.3%)	U

This variance is related to the timing of payment of event sponsorships which are dependent on when acquittals are completed by the sponsorship recipients. The cash flow implications are managed via the Sponsorships Reserve.

Notes to Accompany FAS - Investing Activities


Investing Activities include grants for capital projects, sale of assets, acquisition and construction of assets. Comments on the 27.3% overall favourable variance are made below.

Note 29a	Non-Operating Grants	Variance \$	Variance %	Type
	Timing Difference	\$428K	116.5%	-

The variance is mainly related to timing and amended scope of works for CBD Transport projects (Wittenoom Street works have been deferred to 23/24), Roe Street Enhancement and Bus Stop Replacement (production of shelters has been affected by significant delays). Reductions in total revenue as well as corresponding expenses have been addressed in the statutory mid-year budget review.


Note 29b	Initial Recognition/Contributed Assets	Variance \$	Variance %	Type
Nil	No cash impact on Actual Surplus	(\$533K)	(100%)	-

The initial recognition of roads, and drainage assets does not form part of the budget as this is a non-cash accounting treatment. The reported figure is related to a reconciliation of Gross Pollutant Traps (GPTs) throughout the City to align to the maintenance contract. The GPTs were not previously recognised in the asset system.

Note 30	Purchase of Property Plant & Equipment	Variance \$	Variance %	Type
	Timing Difference	\$887K	14.5%	F

An unbudgeted amortisation expense of \$591K has been recognised for the lease of Point Fraser lot 306 Riverside Drive. A 21-year lease from the State has existed since 2011. For the first 10 years, the lease rental was a peppercorn lease. From year 11 on, the peppercorn rental lapses and the lease moves to commercial terms. The current year is year 11, hence the need to recognise the lease expense of \$590,870 this year. This non-cash adjustment is to be addressed at the statutory mid-year budget review.

Refer to the separate Capital Projects Schedule (January 23) for details of all capital projects and commentary on material variances identified therein.

Note 30	Construction of Infrastructure	Variance \$	Variance %	Type
	Timing Difference	\$5,083K	26.0%	F

Refer to the separate Capital Projects Schedule (January 22) for details of all capital projects and commentary on material variances identified therein.

Note 31	Proceeds from Sale of Equipment	Variance \$	Variance %	Type
Nil	No cash impact on Actual Surplus	-	-	-

Notes to Accompany FAS - Financing Activities

Financing activities include borrowing, debt repayment and management of cash reserve funds. Currently these activities reflect a 27.5% unfavourable variance. Comments on the individual variances are detailed below.

Note 32	New Loan Proceeds	Variance \$	Variance %	Type
Nil		-	-	-

No borrowings were required for the 2022/23 budget.

Note 33	Repayment of Borrowings	Variance \$	Variance %	Type
Nil	No cash impact on Actual Surplus	-	-	-

The final repayments on the City's loan portfolio occurred in July.

Note 34	Lease Principal Repayments	Variance \$	Variance %	Type
Nil	No cash impact on Actual Surplus	-	-	-

Note 35	Transfer to Reserves	Variance \$	Variance %	Type
▼	Decrease Actual Surplus	\$175K	0.8%	U

Minor difference in Transfers to Reserves due to interest on reserves being slightly higher than anticipated.

Note 36	Transfers from Reserves	Variance \$	Variance %	Type
⌚	No impact on Actual Surplus	-	-	

Transfers from Reserves is in line with the budget.

Note 37	Opening Budget Position	Variance \$	Variance %	Type
Nil	Increase to Actual Surplus	-	-	-

To allow local governments to adopt their budgets before previous year accounting accruals are completed, they can conservatively estimate what the final year-end balance (which becomes the opening position for the next year) is. The City's estimated opening position for the purposes of adopting the budget was \$18.8M (including a \$14.8 M allowance for carry forward works).

The opening position is adjusted to reflect the actual audited figures in the mid-year budget review.

Note 38	Amount raised from Rates	Variance \$	Variance %	Type
▲	Increase Actual Surplus	\$1,100K	1.1%	F

The amount raised from rates is ahead of budget expectations largely due to new interim rates raised in September. It should be noted that concessions of around \$474K are yet to be applied. The recognised rates yield will reduce once these are processed.

Note 39	Recoverable works	Variance \$	Variance %	Type
▲	Increase Actual Surplus	\$145K	100%	F

The variance is a combination of the timing of works incurred and recovered. The variance mainly relates to expenses recovered for storm damage to the escalator at the Perth Concert Hall as well as recovered cost for a written off vehicle. Some insurance reimbursements take place in the following financial year of the expenses being incurred.



City of Perth - Net Current Position

31 January - 2023

Attachment B

Detail	Revised Annual Budget	YTD Budget	YTD Actual	YTD Budget Variance \$	YTD Budget Variance %	Budget Impact
Current Assets						
Cash & Cash Equivalents - Unrestricted	8,314,919	7,432,899	5,961,329	(1,471,570)	(19.8%)	✗
Cash & Cash Equivalents - Restricted	4,756,500	2,000,000	3,150,460	1,150,460	57.5%	✓
Investments - Municipal Fund	20,985,112	70,000,000	77,945,766	7,945,766	11.4%	✓
Investments - Reserves	134,900,000	128,000,000	127,832,553	(167,447)	(0.1%)	✗
Receivables - Rates	1,923,145	14,000,000	13,800,632	(199,368)	(1.4%)	✗
Receivables - Trade & Other Receivables	6,682,443	8,000,000	8,519,314	519,314	6.5%	✓
Inventories	837,190	850,000	1,666,800	816,800	96.1%	✓
Deposits & Prepayments	1,388,979	4,000,000	4,819,552	819,552	20.5%	✓
Prepaid Parking Levy	0	5,850,000	6,683,960	833,960	14.3%	✓
Subtotal	179,788,288	240,132,899	250,380,366	10,247,467	4.3%	✓
Current Liabilities						
Trade & Other Payables	(25,432,826)	(20,000,000)	(17,411,258)	2,588,742	(12.9%)	✗
Payables ESL	0	(10,500,000)	(10,407,452)	92,548	(0.9%)	✗
Borrowings	(705,434)	0	0	0	0.0%	!
Lease Liabilities	0	0	(256,682)	(256,682)	0.0%	!
Employee Entitlements	(10,966,987)	(11,500,000)	(11,512,231)	(12,231)	0.1%	✓
Subtotal	(37,105,247)	(42,000,000)	(39,587,623)	2,412,377	5.7%	✓
Unadjusted Net Assets	142,683,041	198,132,899	210,792,742	12,659,843	(6.4%)	✗
Less:						
Restricted Cash - Reserves	(139,656,500)	(130,000,000)	(130,983,013)	(983,013)	0.8%	✓
Add:						
Current Portion of Borrowings	705,434	0	0	0	0.0%	!
Lease Liabilities	0	0	256,682	256,682	0.0%	!
Adjusted Net Current Assets	3,731,975	68,132,899	80,066,412	11,933,513	(17.5%)	✗
Net Cash Position						
Cash on Hand - Unrestricted	8,314,919	7,432,899	5,961,329	(1,471,570)	(19.8%)	✗
Money Market Instruments - Unrestricted	20,985,112	70,000,000	77,945,766	7,945,766	11.4%	✓
Unrestricted Cash	29,300,031	77,432,899	83,907,095	6,474,196	(8.4%)	!
Financing Activities						
Cash on Hand - Restricted	4,756,500	2,000,000	3,150,460	1,150,460	57.5%	✓
Money Market Instruments Restricted	134,900,000	128,000,000	127,832,553	(167,447)	0.1%	✓
Restricted Cash	139,656,500	130,000,000	130,983,013	983,013	0.8%	✓
Net Cash	168,956,531	207,432,899	214,890,108	7,457,209	(3.6%)	✗

 **CEO Alliance Variances by Alliance & Service**

31 January - 2023

Attachment C

Detail	Revised Annual Budget	YTD Budget	YTD Actual	YTD Budget Variance \$	YTD Budget Variance %	Budget Impact	Comments on Material Variances Identified - by Service
Financial Summary - CEO Alliance							
Operating Revenue	305	305	1,364	1,059	347.1%	✓	
Core Service Total Expenditure	8,470,633	4,779,503	4,557,294	222,209	4.6%	✓	
Internal Allocations Total	2,987,271	1,714,770	1,581,997	132,772	7.7%	✓	
Internal Recovery Total	1,913,399	1,166,576	1,220,208	53,632	4.6%	✓	
Recoverable works Total	0	0	0	0	0.0%	!	
Operating Project Expenditure Total	13,865,000	940,804	880,383	60,421	6.4%	✓	
Total Expenditure	23,409,504	6,268,501	5,799,466	469,035	7.5%	✓	
Net Operating Surplus (Deficit)	(23,409,199)	(6,268,196)	(5,798,102)	470,093	7.5%	✓	
Total Capital Project Expenditure	120,000	120,026	40,647	79,379	66.1%	✓	

Figures in this view include all Internal Allocations and Internal Recoveries

Financial Summary - Services

Leadership - CEO Alliance

Operating Revenue Total	0	0	0	0	0.0%	!	
Core Service Expenditure Total	690,731	422,052	420,288	1,764	0.4%	✓	
Employee Costs	416,332	245,323	316,440	(71,117)	(29.0%)	✗	Higher duties for General Manager in acting role and salary review outside EBA.
Materials and Contracts	164,518	116,382	78,699	37,683	32.4%	✓	Consultancy timing variance for performance shaping.
Utility Charges	12,720	7,420	2,832	4,588	61.8%	✓	
Insurance Expenses	22,161	12,927	12,653	274	2.1%	✓	
Other Expenditure	75,000	40,000	9,664	30,336	75.8%	✓	The World Cities Summit in Singapore could not be attended as Council of Capital City Lord Mayors (CCCLM) was held during the same period.
Internal Allocations Total	692,919	399,993	328,217	71,776	17.9%	✓	
Internal Recovery Total	0	0	0	0	0.0%	!	
Operating Project Expenditure Total	12,810,000	20,000	0	20,000	100.0%	✓	
WACA Aquatic Centre Contribution	8,750,000	0	0	0	0.0%	!	Delays in the funding agreement have reduced the initial budget of \$17.5M to \$8.75M. Outcome of signed funding agreement has confirmed funding of \$1.25M in 22/23, this will be adjusted at statutory mid year review.
Perth Concert Hall Contribution	4,000,000	0	0	0	0.0%	!	Delays in the funding agreement, submission for budget to be removed in statutory mid year review.
City Investment Attraction Collateral	60,000	20,000	0	20,000	100.0%	✓	Completed project scoping.
Total Expenditure	14,193,650	842,045	748,505	93,540	11.1%	✓	
Net Operating Surplus (Deficit)	(14,193,650)	(842,045)	(748,505)	93,540	11.1%	✓	
Total Capital Project Expenditure	0	0	0	0	0.0%	!	Please refer to the capital project schedule for details

Figures in this view include all Internal Allocations and Internal Recoveries

Detail	Revised Annual Budget	YTD Budget	YTD Actual	YTD Budget Variance \$	YTD Budget Variance %	Budget Impact	Comments on Material Variances Identified - by Service
Audit and Risk							
Operating Revenue Total	0	0	0	0	0.0%	!	
Core Service Expenditure Total	701,043	265,005	421,048	(156,043)	(58.9%)	×	
Employee Costs	371,673	216,805	278,068	(61,263)	(28.3%)	×	Unbudgeted vehicle allowance, contribution to superannuation, relocation costs and transfer of long service leave liability from another Council.
Materials and Contracts	322,022	43,914	137,650	(93,736)	(213.5%)	×	Timing variance. Audit budget to be adjusted based on updated Audit schedule.
Insurance Expenses	7,348	4,286	5,330	(1,044)	(24.3%)	×	Timing variance for Lord Mayor Distress Relief Fund public liability insurance.
Internal Allocations Total	33,008	18,636	17,190	1,446	7.8%	✓	
Internal Recovery Total	684,456	398,715	404,050	5,335	1.3%	✓	
Operating Project Expenditure Total	0	0	0	0	0.0%	!	
Total Expenditure	49,596	(115,074)	34,188	(149,262)	(129.7%)	×	
Net Operating Surplus (Deficit)	(49,596)	115,074	(34,188)	(149,262)	(129.7%)	×	
Total Capital Project Expenditure	0	0	0	0	0.0%	!	Please refer to the capital project schedule for details
Corporate Communications							
Operating Revenue Total	0	0	0	0	0.0%	!	
Core Service Expenditure Total	2,105,012	1,159,597	1,016,856	142,741	12.3%	✓	
Employee Costs	1,593,518	927,458	815,737	111,721	12.0%	✓	Employee vacancies
Materials and Contracts	501,549	226,337	195,508	30,829	13.6%	✓	Timing variance related to digital content production.
Insurance Expenses	9,945	5,801	5,678	123	2.1%	✓	
Other Expenditure	0	0	(68)	68	0.0%	!	
Internal Allocations Total	660,318	377,514	352,710	24,804	6.6%	✓	
Internal Recovery Total	0	0	0	0	0.0%	!	
Operating Project Expenditure Total	0	0	0	0	0.0%	!	
City of Light Brand Roll Out	0	0	0	0	0.0%	!	
Total Expenditure	2,765,330	1,537,111	1,369,566	167,545	10.9%	✓	
Net Operating Surplus (Deficit)	(2,765,330)	(1,537,111)	(1,369,566)	167,545	10.9%	✓	
Total Capital Project Expenditure	0	0	0	0	0.0%	!	Please refer to the capital project schedule for details

Figures in this view include all Internal Allocations and Internal Recoveries

Detail	Revised Annual Budget	YTD Budget	YTD Actual	YTD Budget Variance \$	YTD Budget Variance %	Budget Impact	Comments on Material Variances Identified - by Service
Council Governance and Policy							
Operating Revenue Total	0	0	0	0	0.0%	!	
Core Service Expenditure Total	1,048,110	584,766	368,820	215,946	36.9%	✓	
Employee Costs	877,540	485,445	273,987	211,458	43.6%	✓	Position transferred to Leadership Strategy and Governance
Materials and Contracts	151,414	88,325	81,991	6,334	7.2%	✓	
Utility Charges	776	274	95	179	65.4%	✓	
Insurance Expenses	17,380	10,138	9,923	215	2.1%	✓	
Other Expenditure	1,000	583	2,824	(2,240)	(384.1%)	✗	This variance relates to the cost of approved parking cards provided to officers who are required (as part of their role) to attend Council meetings, briefings and EMES out of hours but who do not have an assigned parking bay. The budget provision was insufficient and this will be addressed in the statutory mid year review.
Internal Allocations Total	607,469	354,552	336,294	18,258	5.1%	✓	
Internal Recovery Total	0	0	0	0	0.0%	!	
Operating Project Expenditure Total	0	0	1,408	(1,408)	0.0%	!	
Neighbourhood & Strategic Community Plan	0	0	1,408	(1,408)	0.0%	!	
Total Expenditure	1,655,579	939,318	706,522	232,796	24.8%	✓	
Net Operating Surplus (Deficit)	(1,655,579)	(939,318)	(706,522)	232,796	24.8%	✓	
Total Capital Project Expenditure	0	0	0	0	0.0%	!	Please refer to the capital project schedule for details
Legal Services							
Operating Revenue Total	0	0	0	0	0.0%	!	
Core Service Expenditure Total	982,362	633,311	678,179	(44,868)	(7.1%)	✗	
Employee Costs	559,052	328,463	277,432	51,031	15.5%	✓	The favourable variance reflects savings from an officer being on approved but unpaid leave.
Materials and Contracts	419,900	302,858	398,682	(95,823)	(31.6%)	✗	The mix between outsourced versus in-house expertise is being temporarily re-balanced in favour of external advice pending the review of the legal service delivery model.
Insurance Expenses	3,410	1,989	1,947	42	2.1%	✓	
Other Expenditure	0	0	118	(118)	0.0%	!	
Internal Allocations Total	27,390	15,430	15,882	(452)	(2.9%)	✗	
Internal Recovery Total	1,009,752	648,741	694,060	45,319	7.0%	✓	
Operating Project Expenditure Total	30,000	0	5,261	(5,261)	0.0%	!	
WACA Aquatic Centre Contribution	0	0	5,261	(5,261)	0.0%	!	Legal advice on the draft funding agreement.
Roe Street Enhancement (Fitzgerald to Beaufort)	0	0	0	0	0.0%	!	
Parking Local Law	15,000	0	0	0	0.0%	!	
Health Local Law	15,000	0	0	0	0.0%	!	
Total Expenditure	30,000	0	5,261	(5,261)	0.0%	!	
Net Operating Surplus (Deficit)	(30,000)	0	(5,261)	(5,261)	0.0%	!	
Total Capital Project Expenditure	0	0	0	0	0.0%	!	Please refer to the capital project schedule for details

Figures in this view include all Internal Allocations and Internal Recoveries

Detail	Revised Annual Budget	YTD Budget	YTD Actual	YTD Budget Variance \$	YTD Budget Variance %	Budget Impact	Comments on Material Variances Identified - by Service
Leadership - Strategy and Governance							
Operating Revenue Total	0	0	0	0	0.0%	!	
Core Service Expenditure Total	478,085	279,640	333,308	(53,668)	(19.2%)	✘	
Employee Costs	477,279	279,170	332,848	(53,678)	(19.2%)	✘	Executive Assistant agency staff costs.
Materials and Contracts	0	0	0	0	0.0%	!	
Insurance Expenses	806	470	460	10	2.1%	✓	
Internal Allocations Total	264,488	151,374	129,419	21,955	14.5%	✓	
Internal Recovery Total	0	0	0	0	0.0%	!	
Operating Project Expenditure Total	0	0	0	0	0.0%	!	
Total Expenditure	742,572	431,015	462,727	(31,713)	(7.4%)	✘	
Net Operating Surplus (Deficit)	(742,572)	(431,015)	(462,727)	(31,713)	(7.4%)	✘	
Total Capital Project Expenditure	0	0	0	0	0.0%	!	Please refer to the capital project schedule for details
Marketing							
Operating Revenue Total	0	0	0	0	0.0%	!	
Core Service Expenditure Total	651,535	378,918	440,582	(61,664)	(16.3%)	✘	
Employee Costs	456,522	265,217	268,916	(3,699)	(1.4%)	✘	
Materials and Contracts	182,001	106,111	164,522	(58,412)	(55.0%)	✘	Variance related to the commencement of a consumer deep dive focus group and is addressed in the statutory mid year review.
Insurance Expenses	12,512	7,299	7,144	155	2.1%	✓	
Other Expenditure	500	292	0	292	100.0%	✓	
Internal Allocations Total	215,670	123,263	123,969	(705)	(0.6%)	✘	
Internal Recovery Total	0	0	0	0	0.0%	!	
Operating Project Expenditure Total	830,000	755,804	760,654	(4,850)	(0.6%)	✘	
Winter Festival	0	0	8,678	(8,678)	0.0%	!	Delayed invoicing by suppliers for the 21/22 transactions for Winter festival.
Heritage Perth Weekend	0	0	(2,533)	2,533	0.0%	!	
City of Light Brand Roll Out	830,000	755,804	754,509	1,295	0.2%	✓	Project on track. Surplus funds from core services have been transferred to this project with additional funding requested to support extended activities beyond March.
Total Expenditure	1,697,205	1,257,985	1,325,205	(67,219)	(5.3%)	✘	
Net Operating Surplus (Deficit)	(1,697,205)	(1,257,985)	(1,325,205)	(67,219)	(5.3%)	✘	
Total Capital Project Expenditure	0	0	0	0	0.0%	!	Please refer to the capital project schedule for details

Figures in this view include all Internal Allocations and Internal Recoveries

Detail	Revised Annual Budget	YTD Budget	YTD Actual	YTD Budget Variance \$	YTD Budget Variance %	Budget Impact	Comments on Material Variances Identified - by Service
Council Affairs							
Operating Revenue Total	305	305	1,364	1,059	347.1%	✓	
Other Revenue	0	0	1,364	1,364	0.0%	!	Council of Capital City Lord Mayors contribution received.
Profit On Asset Disp	305	305	0	(305)	(100.0%)	✗	
Core Service Expenditure Total	1,813,754	1,056,215	878,214	178,001	16.9%	✓	
Employee Costs	933,503	540,544	407,716	132,828	24.6%	✓	Employee vacancies
Materials and Contracts	265,870	163,499	155,674	7,825	4.8%	✓	
Depreciation	3,036	1,771	1,785	(14)	(0.8%)	✗	
Insurance Expenses	3,201	1,867	2,828	(960)	(51.4%)	✗	
Other Expenditure	608,144	348,534	310,211	38,322	11.0%	✓	The World Cities Summit in Singapore could not be attended as Council of Capital City Lord Mayors was held during the same period.
Internal Allocations Total	486,009	274,005	278,316	(4,310)	(1.6%)	✗	
Internal Recovery Total	219,191	119,120	122,098	2,978	2.5%	✓	
Operating Project Expenditure Total	195,000	165,000	113,060	51,940	31.5%	✓	
Lord Mayor's office refurbishment	15,000	15,000	14,660	340	2.3%	✓	
Freedom of Entry 10th Lighthorse Regiment	30,000	0	0	0	0.0%	!	
Donation for RSL 2023 ANZAC Day Commemorations	150,000	150,000	98,400	51,600	34.4%	✓	The City's cash donation has been made following Council approval with the in-kind contribution to be made in April
Total Expenditure	2,275,572	1,376,100	1,147,492	228,609	16.6%	✓	
Net Operating Surplus (Deficit)	(2,275,267)	(1,375,795)	(1,146,128)	229,667	16.7%	✓	
Total Capital Project Expenditure	120,000	120,026	40,647	79,379	66.1%	✓	Please refer to the capital project schedule for details

 Corporate Services Alliance Variances by Alliance & Service

31 January - 2023

Attachment C

Detail	Revised Annual Budget	YTD Budget	YTD Actual	YTD Budget Variance \$	YTD Budget Variance %	Budget Impact	Comments on Material Variances Identified - by Service
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Figures in this view include all Internal Allocations and Internal Recoveries

Financial Summary - Corporate Services Alliance

Operating Revenue	106,752,383	103,490,657	106,882,288	3,391,631	3.3%	✓	
Core Service Total Expenditure	23,622,015	13,631,098	13,962,533	(331,434)	(2.4%)	✗	
Internal Allocations Total	4,298,302	2,470,962	3,370,392	(899,430)	(36.4%)	✗	
Internal Recovery Total	27,859,172	16,013,257	16,504,282	491,025	3.1%	✓	
Recoverable works Total	0	0	0	0	0.0%	!	
Operating Project Expenditure Total	331,000	139,490	101,541	37,950	27.2%	✓	
Total Expenditure	392,146	228,294	930,184	(701,890)	(307.5%)	✗	
Net Operating Surplus (Deficit)	106,360,238	103,262,363	105,952,104	2,689,741	2.6%	✓	
Total Capital Project Expenditure	2,675,584	680,773	644,959	35,814	5.3%	✓	

Financial Summary - Services

Corporate Planning and Reporting

Operating Revenue Total	0	0	0	0	0.0%	!	
Core Service Expenditure Total	1,185,020	676,844	439,696	237,148	35.0%	✓	
Employee Costs	1,012,609	588,687	422,661	166,026	28.2%	✓	Employee vacancies
Materials and Contracts	170,000	86,750	15,658	71,092	81.9%	✓	Service review timing variance.
Insurance Expenses	2,411	1,406	1,377	30	2.1%	✓	
Internal Allocations Total	480,822	274,969	277,843	(2,873)	(1.0%)	✗	
Internal Recovery Total	1,680,842	966,813	717,539	(249,274)	(25.8%)	✗	
Operating Project Expenditure Total	36,000	0	0	0	0.0%	!	
External Review of the Complaints Management Framework	36,000	0	0	0	0.0%	!	
Total Expenditure	21,000	(15,000)	0	(15,000)	(100.0%)	✗	
Net Operating Surplus (Deficit)	(21,000)	15,000	0	(15,000)	(100.0%)	✗	
Total Capital Project Expenditure	80,000	20,000	0	20,000	100.0%	✓	Please refer to the capital project schedule for details

Leadership - Corporate Services

Operating Revenue Total	0	0	0	0	0.0%	!	
Core Service Expenditure Total	652,110	343,572	353,537	(9,965)	(2.9%)	✗	
Employee Costs	552,385	294,128	309,323	(15,196)	(5.2%)	✗	Casual compliance officer requirement is additional to the budget.
Materials and Contracts	36,200	21,117	15,911	5,206	24.7%	✓	
Utility Charges	57,853	25,019	25,050	(31)	(0.1%)	✗	

Figures in this view include all Internal Allocations and Internal Recoveries

Detail	Revised Annual Budget	YTD Budget	YTD Actual	YTD Budget Variance \$	YTD Budget Variance %	Budget Impact	Comments on Material Variances Identified - by Service
Insurance Expenses	5,672	3,309	3,238	70	2.1%	✓	
Other Expenditure	0	0	14	(14)	0.0%	!	
Internal Allocations Total	22,928	13,010	14,749	(1,739)	(13.4%)	✗	
Internal Recovery Total	557,008	316,458	368,285	51,827	16.4%	✓	
Operating Project Expenditure Total	0	0	0	0	0.0%	!	
Total Expenditure	118,030	40,124	0	40,124	100.0%	✓	
Net Operating Surplus (Deficit)	(118,030)	(40,124)	(0)	40,124	100.0%	✓	
Total Capital Project Expenditure	0	0	0	0	0.0%	!	Please refer to the capital project schedule for details
Strategic Finance							
Operating Revenue Total	0	0	0	0	0.0%	!	
Core Service Expenditure Total	1,420,765	854,864	784,559	70,305	8.2%	✓	
Employee Costs	1,390,015	839,843	767,897	71,946	8.6%	✓	One vacant position is currently utilised by Procurement services.
Materials and Contracts	5,000	0	1,960	(1,960)	0.0%	!	
Insurance Expenses	25,750	15,021	14,702	319	2.1%	✓	
Internal Allocations Total	475,183	271,578	280,595	(9,017)	(3.3%)	✗	
Internal Recovery Total	1,907,513	1,103,147	1,065,154	(37,993)	(3.4%)	✗	
Operating Project Expenditure Total	0	0	0	0	0.0%	!	
Total Expenditure	(11,565)	23,295	0	23,295	100.0%	✓	
Net Operating Surplus (Deficit)	11,565	(23,295)	0	23,295	100.0%	✓	
Total Capital Project Expenditure	0	0	0	0	0.0%	!	Please refer to the capital project schedule for details
ICT Services							
Operating Revenue Total	0	0	4,143	4,143	0.0%	!	
Other Revenue	0	0	4,143	4,143	0.0%	!	E-Waste computer recycling refund for disposed ICT assets.
Core Service Expenditure Total	13,128,455	7,514,809	7,174,997	339,812	4.5%	✓	
Employee Costs	5,004,869	2,913,406	2,907,387	6,019	0.2%	✓	
Materials and Contracts	4,901,081	2,578,736	2,257,151	321,585	12.5%	✓	In addition to credits received, Microsoft support costs are lower than anticipated. Timing variance on other ICT licenses.
Utility Charges	171,252	99,897	66,543	33,354	33.4%	✓	Savings in telecommunication charges.
Depreciation	2,999,316	1,892,473	1,914,262	(21,789)	(1.2%)	✗	
Insurance Expenses	51,937	30,297	29,654	643	2.1%	✓	
Internal Allocations Total	695,075	395,774	429,840	(34,066)	(8.6%)	✗	
Internal Recovery Total	13,813,171	7,839,607	7,596,565	(243,042)	(3.1%)	✗	
Operating Project Expenditure Total	0	0	0	0	0.0%	!	
Total Expenditure	10,359	70,975	8,272	62,703	88.3%	✓	

Figures in this view include all Internal Allocations and Internal Recoveries

Detail	Revised Annual Budget	YTD Budget	YTD Actual	YTD Budget Variance \$	YTD Budget Variance %	Budget Impact	Comments on Material Variances Identified - by Service
Net Operating Surplus (Deficit)	(10,359)	(70,975)	(4,129)	66,846	94.2%	✓	
Total Capital Project Expenditure	2,565,584	660,773	644,959	15,814	2.4%	✓	Please refer to the capital project schedule for details
Transactional Finance							
Operating Revenue Total	106,742,663	103,488,907	106,876,748	3,387,841	3.3%	✓	
Rates	99,401,428	99,376,746	100,484,329	1,107,583	1.1%	✓	The increase in revenue is a result of higher rates revenue related to additional interim and back rates received within the office and retail categories. Heritage rates are pending payment and this will decrease the favourable variance. WACA rates exemption can not be applied until formally gazetted by the Minister.
Operating Grants, Subsidies and Contributions	546,128	273,064	143,180	(129,885)	(47.6%)	✗	Unfavourable variance as the local road funding and local government assistance grant received are an estimate at the time of setting the budget.
Fees and Charges	342,605	340,135	360,582	20,447	6.0%	✓	Favourable variance in rates administration charges (mainly as result of instalment payments).
Interest Earnings	5,832,502	3,227,211	4,034,656	807,445	25.0%	✓	Higher interest revenue on investments as a result of rate rises by the RBA.
Other Revenue	370,000	271,750	1,854,000	1,582,250	582.2%	✓	Revaluation income relates to Colonial First State investment and to be offset against the loss of revaluation asset.
Profit On Asset Disp	250,000	0	0	0	0.0%	!	
Core Service Expenditure Total	2,279,635	1,386,079	2,116,656	(730,577)	(52.7%)	✗	
Employee Costs	1,725,640	1,058,278	1,038,857	19,421	1.8%	✓	
Materials and Contracts	539,850	319,501	337,463	(17,961)	(5.6%)	✗	Timing variance related to external consultancy costs.
Utility Charges	246	192	231	(39)	(20.3%)	✗	
Insurance Expenses	13,899	8,108	7,936	172	2.1%	✓	
Interest Expense	0	0	13	(13)	0.0%	!	
Loss On Asset Disp	0	0	(4,997)	4,997	0.0%	!	
Loss on Revaluation of Fixed Assets	0	0	737,153	(737,153)	0.0%	!	The performance of Colonial First State was strong in the first two months, September experienced a drop in the market and there has been a continued recovery since.
Internal Allocations Total	1,264,469	727,110	1,571,284	(844,175)	(116.1%)	✗	
Internal Recovery Total	3,577,418	2,129,273	2,868,982	739,710	34.7%	✓	
Operating Project Expenditure Total	0	0	0	0	0.0%	!	
Total Expenditure	(33,314)	(16,084)	818,957	(835,041)	(5,191.7%)	✗	
Net Operating Surplus (Deficit)	106,775,978	103,504,991	106,057,790	2,552,799	2.5%	✓	
Total Capital Project Expenditure	0	0	0	0	0.0%	!	Please refer to the capital project schedule for details
People & Culture							
Operating Revenue Total	6,720	0	0	0	0.0%	!	
Profit On Asset Disp	6,720	0	0	0	0.0%	!	
Core Service Expenditure Total	2,787,109	1,590,196	1,811,806	(221,610)	(13.9%)	✗	
Employee Costs	2,505,526	1,441,989	1,637,727	(195,738)	(13.6%)	✗	Employee vacancy adjustment, cost of agency staff to cover vacancies, higher staff recruitment costs and recruitment panel expenses.
Materials and Contracts	255,499	133,991	165,646	(31,654)	(23.6%)	✗	Timing variance for culture survey. Statutory mid year review includes outplacement transition service for childcare staff and ER advice.
Insurance Expenses	14,084	8,216	8,041	174	2.1%	✓	
Other Expenditure	12,000	6,000	392	5,608	93.5%	✓	Timing variance, budget is a provision and actuals are based on nominations for rewards.

Figures in this view include all Internal Allocations and Internal Recoveries

Detail	Revised Annual Budget	YTD Budget	YTD Actual	YTD Budget Variance \$	YTD Budget Variance %	Budget Impact	Comments on Material Variances Identified - by Service
Internal Allocations Total	572,619	340,797	366,802	(26,005)	(7.6%)	✗	
Internal Recovery Total	3,359,732	1,941,204	2,178,608	237,404	12.2%	✓	
Operating Project Expenditure Total	200,000	95,074	65,780	29,294	30.8%	✓	
People and Culture Transformation	200,000	95,074	65,780	29,294	30.8%	✓	Leadership framework progress payment received, Work, Health and Safety compliance training assessment in progress.
Total Expenditure	199,997	84,863	65,780	19,083	22.5%	✓	
Net Operating Surplus (Deficit)	(193,277)	(84,863)	(65,780)	19,083	22.5%	✓	
Total Capital Project Expenditure	30,000	0	0	0	0.0%	!	Please refer to the capital project schedule for details
Information and Records Management							
Operating Revenue Total	3,000	1,750	1,397	(353)	(20.2%)	✗	
Fees and Charges	3,000	1,750	1,397	(353)	(20.2%)	✗	
Core Service Expenditure Total	806,314	473,061	443,948	29,113	6.2%	✓	
Employee Costs	713,766	408,570	417,816	(9,246)	(2.3%)	✗	Employee vacancy adjustment
Materials and Contracts	88,500	62,125	23,926	38,199	61.5%	✓	Timing variance across postage, archive storage costs, assets not capitalised and consultancy.
Insurance Expenses	3,798	2,216	2,168	47	2.1%	✓	
Other Expenditure	250	150	37	113	75.2%	✓	
Internal Allocations Total	392,960	222,698	197,791	24,907	11.2%	✓	
Internal Recovery Total	1,206,636	700,055	640,325	(59,730)	(8.5%)	✗	
Operating Project Expenditure Total	95,000	44,417	35,761	8,656	19.5%	✓	
Historical Records Disposal Program	95,000	44,417	35,761	8,656	19.5%	✓	Project on track. Timing variance on record disposal costs.
Total Expenditure	87,639	40,121	37,175	2,946	7.3%	✓	
Net Operating Surplus (Deficit)	(84,639)	(38,371)	(35,778)	2,593	6.8%	✓	
Total Capital Project Expenditure	0	0	0	0	0.0%	!	Please refer to the capital project schedule for details
Workplace, Health & Safety							
Operating Revenue Total	0	0	0	0	0.0%	!	
Core Service Expenditure Total	342,867	200,010	248,537	(48,528)	(24.3%)	✗	
Employee Costs	331,898	192,986	234,842	(41,856)	(21.7%)	✗	Additional position as part of People and Culture transformation not included in the budget.
Materials and Contracts	7,500	5,000	11,714	(6,714)	(134.3%)	✗	
Insurance Expenses	3,469	2,024	1,981	43	2.1%	✓	
Internal Allocations Total	54,011	30,618	32,904	(2,286)	(7.5%)	✗	
Internal Recovery Total	396,878	230,628	281,442	50,814	22.0%	✓	
Operating Project Expenditure Total	0	0	0	0	0.0%	!	
Total Expenditure	0	0	0	0	0.0%	!	
Net Operating Surplus (Deficit)	0	0	0	0	0.0%	!	

Figures in this view include all Internal Allocations and Internal Recoveries

Detail	Revised Annual Budget	YTD Budget	YTD Actual	YTD Budget Variance \$	YTD Budget Variance %	Budget Impact	Comments on Material Variances Identified - by Service
Total Capital Project Expenditure	0	0	0	0	0.0%	!	Please refer to the capital project schedule for details
Procurement and Contract Management							
Operating Revenue Total	0	0	0	0	0.0%	!	
Core Service Expenditure Total	1,019,740	591,665	588,797	2,868	0.5%	✓	
Employee Costs	953,178	556,170	572,448	(16,278)	(2.9%)	✗	Additional temporary Category Specialist position (funded utilising vacancy savings in Strategic Finance services).
Materials and Contracts	62,000	32,833	13,744	19,089	58.1%	✓	Learning and development on Procurement systems to be repurposed in budget review
Insurance Expenses	4,562	2,661	2,605	56	2.1%	✓	
Internal Allocations Total	340,234	194,408	198,584	(4,176)	(2.1%)	✗	
Internal Recovery Total	1,359,974	786,073	787,381	1,309	0.2%	✓	
Operating Project Expenditure Total	0	0	0	0	0.0%	!	
Total Expenditure	0	0	0	0	0.0%	!	
Net Operating Surplus (Deficit)	0	0	0	0	0.0%	!	
Total Capital Project Expenditure	0	0	0	0	0.0%	!	Please refer to the capital project schedule for details

 **Community Development Alliance Variances by Alliance & Service**

31 January - 2023

Attachment C

Detail	Revised Annual Budget	YTD Budget	YTD Actual	YTD Budget Variance \$	YTD Budget Variance %	Budget Impact	Comments on Material Variances Identified - by Service
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Figures in this view include all Internal Allocations and Internal Recoveries

Financial Summary - Community Development Alliance

Operating Revenue	3,902,644	2,614,779	3,280,954	666,175	25.5%	✓	
Core Service Total Expenditure	24,184,472	14,268,926	15,186,352	(917,425)	(6.4%)	✗	
Internal Allocations Total	10,519,285	6,066,446	6,044,040	22,406	0.4%	✓	
Internal Recovery Total	3,502,785	2,061,111	1,968,435	(92,676)	(4.5%)	✗	
Recoverable works Total	10,000	10,000	(14,398)	24,398	244.0%	✓	
Operating Project Expenditure Total	12,307,962	6,274,381	7,925,491	(1,651,111)	(26.3%)	✗	
Total Expenditure	43,518,935	24,558,642	27,173,049	(2,614,407)	(10.6%)	✗	
Net Operating Surplus (Deficit)	(39,616,291)	(21,943,863)	(23,892,095)	(1,948,233)	(8.9%)	✗	
Total Capital Project Expenditure	1,109,938	329,284	510,157	(180,873)	(54.9%)	✗	

Financial Summary - Services

Leadership - Community Development

Operating Revenue Total	0	0	0	0	0.0%	!	
Core Service Expenditure Total	562,751	324,159	385,563	(61,403)	(18.9%)	✗	
Employee Costs	494,193	286,608	337,428	(50,819)	(17.7%)	✗	Vacancy adjustment and salary review outside EBA.
Materials and Contracts	49,500	28,107	35,332	(7,225)	(25.7%)	✗	Mainly related to an increase in printing due to stakeholder engagement for James Street closure and subscription to Institute of Public Administration Australia WA.
Utility Charges	14,990	7,071	5,418	1,653	23.4%	✓	
Insurance Expenses	3,068	1,790	1,752	38	2.1%	✓	
Interest Expense	0	0	0	0	0.0%	!	
Other Expenditure	1,000	583	5,634	(5,050)	(865.8%)	✗	Attendance at inter-state conferences and events for professional development.
Internal Allocations Total	410,776	236,497	211,120	25,378	10.7%	✓	
Internal Recovery Total	973,527	563,509	595,955	32,446	5.8%	✓	
Operating Project Expenditure Total	0	0	0	0	0.0%	!	
Total Expenditure	0	(2,852)	727	(3,579)	(125.5%)	✗	
Net Operating Surplus (Deficit)	0	2,852	(727)	(3,579)	(125.5%)	✗	
Total Capital Project Expenditure	0	0	0	0	0.0%	!	Please refer to the capital project schedule for details

Customer Experience

Figures in this view include all Internal Allocations and Internal Recoveries

Detail	Revised Annual Budget	YTD Budget	YTD Actual	YTD Budget Variance \$	YTD Budget Variance %	Budget Impact	Comments on Material Variances Identified - by Service
Operating Revenue Total	81,500	47,544	72,763	25,219	53.0%	✓	
Fees and Charges	81,500	47,544	72,763	25,219	53.0%	✓	Higher than expected number of settlement enquiries.
Core Service Expenditure Total	2,338,542	1,372,503	1,186,637	185,866	13.5%	✓	
Employee Costs	2,192,996	1,288,580	1,106,704	181,876	14.1%	✓	Employee vacancies and timing of staff learning and development expenses.
Materials and Contracts	68,432	39,146	32,012	7,134	18.2%	✓	Favourable variance is related to contractors for adhoc feature lighting and timing of purchase of assets not capitalised.
Utility Charges	8,142	4,874	5,910	(1,036)	(21.3%)	✗	
Depreciation	44,260	26,071	26,305	(234)	(0.9%)	✗	
Insurance Expenses	12,712	7,415	11,249	(3,834)	(51.7%)	✗	Movement of performers insurance from Events Management for busking to be addressed at statutory mid year review.
Other Expenditure	12,000	6,417	4,457	1,959	30.5%	✓	Timing variance of iCity Kiosk travel expenditure for volunteers.
Internal Allocations Total	1,080,146	614,146	638,525	(24,380)	(4.0%)	✗	
Internal Recovery Total	2,460,843	1,436,194	1,277,243	(158,950)	(11.1%)	✗	
Operating Project Expenditure Total	0	0	0	0	0.0%	!	
Total Expenditure	957,845	550,456	547,919	2,536	0.5%	✓	
Net Operating Surplus (Deficit)	(876,345)	(502,912)	(475,156)	27,755	5.5%	✓	
Total Capital Project Expenditure	0	0	0	0	0.0%	!	Please refer to the capital project schedule for details
Community Capacity Building							
Operating Revenue Total	0	0	12,000	12,000	0.0%	!	
Other Revenue	0	0	12,000	12,000	0.0%	!	
Core Service Expenditure Total	1,009,719	577,771	359,755	218,016	37.7%	✓	
Employee Costs	924,636	539,468	344,090	195,378	36.2%	✓	Employee vacancies and timing of staff learning and development expenses.
Materials and Contracts	76,598	33,541	11,390	22,151	66.0%	✓	Advisory group meetings are less frequent, resulting in reduced expenditure, to be addressed at budget review.
Utility Charges	194	0	0	0	0.0%	!	
Insurance Expenses	3,891	2,270	2,222	48	2.1%	✓	
Other Expenditure	4,400	2,492	2,052	439	17.6%	✓	
Internal Allocations Total	368,816	210,519	213,678	(3,158)	(1.5%)	✗	
Internal Recovery Total	0	0	0	0	0.0%	!	
Operating Project Expenditure Total	242,500	35,181	89,488	(54,307)	(154.4%)	✗	
Aboriginal Engagement and Advisory Groups	60,000	11,255	4,687	6,568	58.4%	✓	Work has commenced and is on track.
Diversity and Inclusion Advisory Group	20,000	6,656	6,110	546	8.2%	✓	Expenditure related to City's involvement in Pride Fest.
Access and Inclusion Program	42,500	2,070	2,691	(621)	(30.0%)	✗	Work has commenced and is on track.
Social needs analysis	120,000	15,200	76,000	(60,800)	(400.0%)	✗	Timing variance, consultant has been engaged and work is progressing.
Total Expenditure	1,621,035	823,471	662,921	160,551	19.5%	✓	

Figures in this view include all Internal Allocations and Internal Recoveries

Detail	Revised Annual Budget	YTD Budget	YTD Actual	YTD Budget Variance \$	YTD Budget Variance %	Budget Impact	Comments on Material Variances Identified - by Service
Net Operating Surplus (Deficit)	(1,621,035)	(823,471)	(650,921)	172,551	21.0%	✓	
Total Capital Project Expenditure	0	0	0	0	0.0%	!	Please refer to the capital project schedule for details
Community Support Services							
Operating Revenue Total	872,656	681,279	627,648	(53,631)	(7.9%)	✗	
Fees and Charges	829,788	647,193	536,631	(110,562)	(17.1%)	✗	Unfavourable variance due to Child Care withdrawals and decreased enrolments prior to closure.
Other Revenue	42,868	34,086	91,018	56,932	167.0%	✓	Mainly related to locker hire at Rest Centre and op shop and craft sales at Citiplace Community Centre.
Core Service Expenditure Total	2,903,612	1,843,411	2,559,445	(716,034)	(38.8%)	✗	
Employee Costs	2,088,227	1,362,491	2,035,144	(672,653)	(49.4%)	✗	Mainly related to other employee costs associated with Child Care Centre closing.
Materials and Contracts	603,126	357,483	359,912	(2,429)	(0.7%)	✗	
Utility Charges	58,415	32,315	37,488	(5,173)	(16.0%)	✗	Budget for Child Care Centre is in Property Management and Maintenance.
Depreciation	122,900	72,219	107,070	(34,851)	(48.3%)	✗	Budget for Child Care Centre is in Property Management and Maintenance.
Insurance Expenses	19,897	11,607	11,703	(97)	(0.8%)	✗	
Other Expenditure	11,047	7,297	8,127	(830)	(11.4%)	✗	Timing variance mainly related to end of year 'thank you' gift to volunteers at Community Centre.
Internal Allocations Total	1,337,657	809,615	767,796	41,819	5.2%	✓	
Internal Recovery Total	0	0	7,519	7,519	0.0%	!	
Operating Project Expenditure Total	1,081,500	610,567	610,735	(167)	(0.0%)	✗	
Safe Night Space - Women Only	1,081,500	610,567	610,735	(167)	(0.0%)	✗	Services on track.
Total Expenditure	5,322,769	3,263,594	3,930,456	(666,863)	(20.4%)	✗	
Net Operating Surplus (Deficit)	(4,450,113)	(2,582,315)	(3,302,808)	(720,493)	(27.9%)	✗	
Total Capital Project Expenditure	0	0	0	0	0.0%	!	Please refer to the capital project schedule for details
Library and Life-long Learning							
Operating Revenue Total	73,790	64,390	70,274	5,884	9.1%	✓	
Fees and Charges	68,790	58,790	55,276	(3,514)	(6.0%)	✗	Unfavourable variance is mainly related to reduction in photocopying
Other Revenue	5,000	5,600	14,998	9,398	167.8%	✓	Favourable variance is due to \$13k recoup of employee costs of staff member working one day a week at the State Library.
Core Service Expenditure Total	4,675,706	2,711,848	2,886,064	(174,216)	(6.4%)	✗	
Employee Costs	2,781,661	1,615,116	1,791,545	(176,428)	(10.9%)	✗	Variance is due to a combination of additional hours for customer facing staff to ensure service levels are maintained due to sick leave and city-wide vacancy adjustment.
Materials and Contracts	541,425	316,626	266,804	49,822	15.7%	✓	Mainly related to timing of software licence and purchases of library resources
Utility Charges	167,949	81,870	92,878	(11,008)	(13.4%)	✗	Mainly related to timing of power and gas bills.

14.2 Schedule of Accounts Paid - January 2023

Responsible Officer	Michael Kent – Chief Financial Officer
Voting Requirements	Simple Majority
Attachments	Attachment 14.2A – Schedule of Accounts Paid - January 2023 ↓ 

Purpose

For Council to note details of payments made under delegated authority for the month of January 2023.

Recommendation

That Council:

- 1. RECEIVES the Schedule of Accounts Paid for the period ended 31 January 2023 as attached.
- 2. RECORDS in the Ordinary Council Meeting minutes the summary of accounts paid being:

Total Accounts Paid	
Municipal Fund	\$16,751,492.63
Trust Fund	\$0
Total - All Funds	\$16,751,492.63

Background

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

Discussion

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

Schedule of Accounts Paid - January 2023		
Municipal Fund		
EFT & Cheque Payments	Direct Creditor Payments	11,185,078.02
Sub Total - EFT & Cheques		11,185,078.02
Direct Debits	Bank Charges and Merchant Fees	55,991.35
Sub Total - Direct Debits		55,991.35
Payroll	03/01/2023	1,808,127.08
	17/01/2023	1,817,203.79
	31/01/2023	1,870,775.45
Sub Total - Payroll		5,496,106.32
Corporate Cards		14,316.94
Sub Total - Cards		14,316.94
Total per Attachment 14.2A		16,751,492.63
Total Payments from Municipal Fund		
Investments in Term Deposits		5,000,000
Trust Fund		
Trust EFT & Cheques		0
Total - Trust Funds		

Consultation

Nil.

Decision Implications

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

Strategic, Legislative and Policy Implications

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

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

Financial Implications

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

Further Information

Nil.

15. Chief Executive Officer Reports

15.1 Consideration of Decisions from the Annual General Meeting of Electors

Responsible Officer	Michelle Reynolds – Chief Executive Officer
Voting Requirements	Simple Majority
Attachments	Nil.

Purpose

To consider the decisions made at the Annual General Meeting of Electors (AGME) held on 31 January 2023.

Recommendation

That Council:

1. In accordance with Section 5.33(1) of the *Local Government Act 1995*, CONSIDERS the 3 Decisions made at the Annual General Meeting of Electors held on 31 January 2023:

Decision 1 - "That the 2021/22 Annual Report incorporating the Financial Statements and Auditor's Report for the City of Perth be ACCEPTED in accordance with Decision 1."

Decision 2 - "That Council:

1. *SUPPORTS the initiation of the process of making a City of Perth Cat Local Law that is practical and effective and that aims to provide real improvements to environmental outcomes by creating the ability for council to declare all natural areas, parks and Swan River Foreshore from which cats are prohibited.*
2. *SUPPORTS an investigation into methods for keeping domestic and stray cats from entering Kings Park."*

Decision 3 - "That overnight and weekend parking restrictions be established in the area east of Hampton Road to Winthrop Avenue and from Hardy Road south to Park Road."

2. In response to Decision 1, ACKNOWLEDGES that the 2021/22 Annual Report incorporating the Financial Statements and Auditor's Report was accepted.
3. In response to Decision 2:
 - a. DOES NOT APPROVE the initiation of the process of making a City of Perth Cat Local Law.
 - b. DOES NOT APPROVE the City investigating methods for keeping domestic and stray cats from entering Kings Park.
4. In response to Decision 3:
 - a. DOES NOT APPROVE the establishment of overnight and weekend parking restrictions in the area east of Hampton Road to Winthrop Avenue and from Hardy Road south to Park Road.
 - b. APPROVES that the City commences stakeholder engagement to gather feedback from affected residents on the impact of increased parking restrictions in the area east of Hampton Road to Winthrop Avenue and from Hardy Road south to Park Road.

Background

1. The City of Perth AGME was held on 31 January 2023. Decisions made at Electors' meetings are not binding on the Council however Council is required to consider them.
2. Section 5.33(1) of the *Local Government Act 1995* requires that all decisions made at an AGME are to be considered at the next Ordinary Council Meeting or, if that is not practicable, at the first Ordinary Council Meeting after that meeting or at a Special Council Meeting called for that purpose, whichever occurs first.
3. For the purposes of Section 5.27(3) the first matter discussed, and accepted, at the AGME was the 2021/22 Annual Report incorporating the Financial Statements and Auditor's Report for the City of Perth.
4. Two additional motions were submitted by Electors and these motions were carried at the AGME as included below:
 - a. *First Motion received:*

"That Council:

 1. *SUPPORTS the initiation of the process of making a City of Perth Cat Local Law that is practical and effective and that aims to provide real improvements to environmental outcomes by creating the ability for council to declare all natural areas, parks and Swan River Foreshore from which cats are prohibited.*
 2. *SUPPORTS an investigation into methods for keeping domestic and stray cats from entering Kings Park."*
 - b. *Second motion received:*

"That overnight and weekend parking restrictions be established in the area east of Hampton Road to Winthrop Avenue and from Hardy Road south to Park Road."

Discussion

5. Further information is provided below in response to each of the two motions raised by electors and carried at the AGME.

Decision 1 – Acknowledging that the 2021/22 Annual Report

6. The *Local Government Act 1995* calls for the first matter discussed at an AGME is to be the Annual Report for the previous financial year. The Annual Report was accepted at the AGME, incorporating the Financial Statements and Auditor's Report.

Decision 2 – Cat Local Laws

7. The *Cat Act 2011* was introduced to provide local government with a range of powers to manage cats within their districts. These measures include registration, sterilisation, microchipping and tagging. Since January 2021, the City has impounded eleven cats. Seven registered cats were returned to owners.
8. Section 79 of the *Cat Act 2011* provides the power for the City of Perth to make a local law for additional control of cats, including (but not limited to) cats being confined to premises, causing a nuisance and specifying places where cats are prohibited. The Department of Local Government, Sport and Cultural Industries (DLGSC) has created guidelines to assist local government with the creation of cat local laws.

Within this guideline, DLGSC has advised that a local government should only decide to make a local law if there appears to be a sufficient need for additional regulation.

9. Several other metropolitan local governments have made local laws to prohibit cats in parks and areas of, or close to, natural bushland, with the intention of protecting wildlife. Only two cat-related complaints have been received by the City in the last three years, and only one could be perceived as a threat to wildlife. In accordance with the DLGSC guideline it could be concluded that there is not “sufficient need” to create a cat local law.
10. For this reason, the City’s officers do not recommend establishing a Cat Local Law.
11. Approximately 50% of the Kings Park boundary is adjacent to properties within the City - mostly commercial with some multistorey residential; 25% to the north-west is bound by the City of Subiaco - mostly residential; and 25% to the south-east abuts the river - with no habitable buildings to accommodate cats.
12. While Kings Park sits within the City of Perth local government boundary, Kings Park is managed by the Botanic Gardens and Parks Authority (BGPA). Local Laws apply to areas administered by the Local Government and as Kings Park is administered by the BGPA a City of Perth Cat Local Law would not apply to this area.

BGPA reported the following to City officers:

- a. BGPA monitor the movement of animals within Kings Park, including cats and foxes with only one cat detected in Kings Park per year on average.
- b. There are no obvious impacts on the park’s wildlife from cats.

A recent article in Perth Now revealed that a pet cat was found in Kings Park with a tracking device, however that the cat was from a property within the City of Subiaco.

Decision 3 – Parking Restrictions

13. The current parking restrictions in the area east of Hampton Road to Winthrop Avenue and from Hardy Road South to Park Road are:
 - a. 1 hour parking between 8 am and 5 pm, Monday to Friday; and
 - b. 1 hour parking between 8 am and 1 pm Saturday.
14. Outside of these specific times, residents and their visitors can park for longer periods.
15. The introduction of new parking restrictions in this area will impact a large number of residents and may limit access for other residents and visitors. As such, their feedback will be sought should Council wish to support the motion.
16. For this reason, the City does not support decision 3 but does support further investigation and engagement with stakeholders.

Consultation

Nil

Decision Implications

Decision 1 – Acknowledging that the 2021/22 Annual Report incorporating the Financial Statements and Auditor’s Report was accepted.

Nil.

Decision 2 – Cat Local Laws

17. If Council supports Decision 2 a report expanding on the above discussion points and resourcing implications could be presented to Council for further consideration.

18. If Council does not support Decision 2, no further action will be undertaken.

Decision 3 – Parking Restrictions

19. If Council, in its consideration of Decision 3, supports the officer’s recommendation, the City will undertake stakeholder engagement to invite feedback from impacted residents. The results of this feedback will be assessed for further consideration.

20. If Council does not support Decision 3, no further action will be undertaken.

Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Liveable
Related Documents (Issue Specific Strategies and Plans):	<ul style="list-style-type: none"> Transport Strategy 2017 Strategic Community Plan

Legislation, Delegation of Authority and Policy	
Legislation:	<ul style="list-style-type: none"> Section 5.33 of the <i>Local Government Act 1995</i> describes the manner in which decisions made at an electors’ meeting are to be considered by the Council. Section 79 of the <i>Cat Act 2011</i> <i>Cat Act 2011</i> provides the power for a local government to make local laws for it to perform any of its functions under the Act.
Authority of Council/CEO:	<ul style="list-style-type: none"> Council must consider decisions made at elector’s meetings however are not bound by them. <p>The power to make local laws under the <i>Cat Act 2011</i> sits with Council.</p>
Policy:	<p>On Street Parking Policy</p> <p>Seeking feedback from the impacted residents in the Nedlands area works towards ensuring a balancing of the On Street Parking Policy.</p>

Financial Implications


21. Should the City proceed with the development of a Cat Local Law, there will be administrative and legal expenses related to drafting, advertising and submission.

Further Information

22. An amended officer's recommendation has been provided for Council's consideration, in response to the following question from the Agenda Briefing Session held on 21 March 2023.

	Question	Response
1	15.1 only responds to part of the decision regarding cats. Should this be updated to respond to both parts of the ratepayers motion?	Points 1 of Decision 2 is addressed in the body of the report, however for clarity, an amended officer's recommendation will be prepared for consideration at next week's Ordinary Council Meeting.

15.2 Appointment of Western Australian Electoral Commission to Conduct the City of Perth 2023 Ordinary Election

Responsible Officer	Michelle Reynolds – Chief Executive Officer
Voting Requirements	Absolute Majority
Attachments	Attachment 15.2A – Local Government Amendment Bill 2023 - Summary of clauses related to elections ↓ 

Purpose

For Council to consider appointing the Western Australian Electoral Commissioner (WAEC) to be responsible for the City of Perth Ordinary Election 2023 and to confirm that this election will be conducted as a postal election.

Recommendation

That Council:

1. DECLARES, in accordance with section 4.20(4) of the *Local Government Act 1995*, the Electoral Commissioner to be responsible for the conduct of the 2023 ordinary elections together with any other elections or polls which may be required.
 2. DECIDES, in accordance with section 4.61(2) of the *Local Government Act 1995* that the method of conducting the election will be as a postal election.
-

Background

1. In accordance with section 4.7 of the *Local Government Act 1995* (the Act), the next City of Perth Ordinary Election 2023 is scheduled to be held on Saturday, 21 October 2023.
2. Section 4.20 of the Act allows the Council, with the prior agreement of the Electoral Commissioner, to declare the Electoral Commissioner responsible for conducting an election. Section 4.61 of the Act provides that the Council may decide to conduct the election as a postal election.
3. The Western Australian Electoral Commissioner has written to the CEO agreeing to be responsible for the conduct of the City of Perth Ordinary Election 2023 together with any other elections or polls which may be required, on the understanding that the election is conducted as a postal election.
4. The Western Australian Electoral Commission (WAEC) has provided an estimate of the cost to conduct the City of Perth Ordinary Election 2023. The estimated cost is \$112,000 including GST.
5. This estimate is based on the following assumptions:
 - a. 18,400 electors;
 - b. A response rate of approximately 35%;
 - c. 5 vacancies;
 - d. The count to be conducted at the offices of the City of Perth;
 - e. Appointment of a local Returning Officer; and
 - f. Regular Australia Post deliver service to apply for the lodgement of the election packages.
6. Costs not incorporated in this estimate include:
 - a. Any legal expenses other than those that are determined to be borne by the Western Australian Electoral Commission incurred as part of an invalidity complaint lodged with the Court of Disputed Returns;
 - b. The cost of any casual staff to assist the Returning Officer on election day or night; or
 - c. Any unanticipated costs arising from public health requirements for the COVID-19 pandemic.
7. The WAEC is advised that use of the Australia Post Priority Service for the lodgement of election packages will cost an additional \$3,975. If Council decides the election will be conducted as a postal election, the Australia Post Priority Service will be used, and this additional cost will be incurred.

Discussion

8. Metropolitan Local Governments in Western Australia largely appoint the WAEC to conduct their elections. The resources required for the administration to conduct an election may be more costly and have a greater impact on the City's resources than appointing the WAEC. Council has previously appointed the WAEC to conduct its elections.

Local Government Reform

9. On 23 February 2023 the State Government introduced the *Local Government Amendment Bill 2023* to Parliament as part of broader Local Government reform.

10. The bill includes electoral reforms, and it is anticipated that these changes will be implemented in time to apply to City of Perth Ordinary Election 2023. Key changes related to elections include:
 1. Introducing optional preferential voting;
 2. Directly elected Mayors and Presidents for all Band 1 and 2 local governments;
 3. The abolition of wards for all Band 3 and 4 local governments; and
 4. Aligning the size of councils with the size of the population of each district.
11. Officers have identified 10 areas of reform relating to local government elections and a summary of the changes and the anticipated effect on the City is included in the attachment to this report. The Governance Team will continue to monitor the reform process and ensure the City is aligned as required.
12. The 10 identified areas are related to:
 - a. Changes to wards;
 - b. Methods of filling the office of mayor or president ;
 - c. The number of councillors on a council;
 - d. The provision of a uniform caretaker period;
 - e. Extraordinary elections, the filling of vacancies and the terms of office as a result of a vacancy;
 - f. Electoral rolls;
 - g. Candidate nominations;
 - h. The voting process;
 - i. The validity of elections; and
 - j. The timetable for Electoral activities or events.
13. The WAEC is aware of these changes and have included, to the best of their ability, estimated costs that may arise.

Consultation

Nil.

Decision Implications

14. If Council does not support the officer recommendation, the City will be required to conduct the election as a voting in person election with the CEO as the Returning Officer. This would require allocation of additional resources and will impact adversely on service delivery.
15. If Council resolves to adopt the officer recommendation the WAEC will conduct the City of Perth Ordinary Election 2023 as a postal election.

Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Liveable
Related Documents (Issue Specific Strategies and Plans):	Strategic Community Plan Well-Governed - A leading Council

Legislation, Delegation of Authority and Policy	
Legislation:	<p>Section 4.20(4) of the <i>Local Government Act 1995</i> S. 4.20(4) provides for the local government to declare the Electoral Commissioner to be responsible for the conduct of an election.</p> <p>Section 4.61 of the <i>Local Government Act 1995</i> S. 4.61 provides for the local government to decide to conduct the election as a postal election after a declaration is made under section 4.20(4).</p> <p>Section 4.7 of the <i>Local Government Act 1995</i> This section of the Act states 'Ordinary elections day usually third Saturday in October'</p>
Authority of Council/CEO:	Decisions under sections 4.20(4) and 4.61(2) require an absolute majority decision of Council. The CEO does not have any delegated authority in relation to the appointment of the WA Electoral Commissioner to conduct the election or determining the method in which the election will be conducted.
Policy:	Nil.

Financial Implications



16. The cost of conducting the City of Perth Ordinary Election 2023 will be accommodated in the 2023/24 budget.

Further Information

17. Questions and responses forming part of the Agenda Briefing Session held on 21 March 2023 were as follows:

	Question	Response
1	<p>Page 150 details some changes announced in the State’s “reform” package for LG across WA – would these impact us given we have the <i>City of Perth Act 2016</i> which dictates separately how we are set up in terms of wards etc? Is the City aware of any proposed changes to the act which sets out our foundations? Or is this just for broad context?</p>	<p>The information is provided to provide Council with a broad overview of the proposed amendments that relate to elections as the Minister anticipates them to be in force before the Election.</p> <p>City officers do not consider proposed amendments related to:</p> <ul style="list-style-type: none"> • Wards, • The election of Mayors and Presidents, and • The number of Council Members <p>will impact the way the Council is established.</p> <p>Under the <i>City of Perth Act 2016</i>:</p> <ul style="list-style-type: none"> • An order under the <i>Local Government Act 1995</i> cannot divide the district of Perth into wards. • The Lord Mayor is to be elected by the electors of the district. • The City of Perth Council consists of the Lord Mayor and 8 Councillors. <p>The proposed amendments not related to elections are being reviewed and details will be provided to Council once the effect of those amendments on the City has been assessed.</p>

15.3 New Council Policy 2.17 Legal Representation

Responsible Officer	Peta Mabbs – Executive Director Governance and Strategy
Voting Requirements	Absolute Majority
Attachments	Attachment 15.3A – Council Policy 1.6 Council Member Allowances, Fees and Entitlements ↓  Attachment 15.3B – Council Policy 2.17 Legal Representation ↓ 

Purpose

For Council to adopt Council Policy 2.17 Legal Representation and amend Council Policy 1.6 Council Member Allowances, Fees and Entitlements.

Recommendation

That Council:

1. ADOPTS Council Policy 2.17 Legal Representation (Attachment 15.3B)
2. APPROVES the removal of the “Legal expenses and insurance deductibles” heading and sections 40, 41 and 42, and the subsequent renumbering of sections 43 through 52 of Council Policy 1.6 Council Member Allowances, Fees and Entitlements. (Attachment 15.3A)
3. REVOKES point 4 of Resolution OCM-21/05-131 made at the Ordinary Council Meeting held on 25 May 2021:
“4. That Council APPROVES a deed of access and indemnity being granted to the Chief Executive Officer on terms proposed by the General Counsel.”

Background

1. It is best practice for local governments in Western Australia to have legal representation policies in place to offer protection to its Council Members and employees by providing access to legal representation in the appropriate circumstances.
2. As recommended in the Department of Local Government, Sport and Cultural Industries (DLGSC) model policy (included in their Government Operational Guideline 'Legal Representation for Council Members and employees'), it is common for local governments in Western Australia, to have legal representation policy provisions that relate to both Council Members and employees outlined in a single policy. (Cities such as Stirling, Melville, Vincent, Bayswater and Joondalup have such an arrangement).
3. The DLGSC, in its Local Government Operational Guideline 'Legal Representation for Council Members and employees' (last reviewed 07 December 2022) provides the following insight:

"Council members and employees may feel inhibited in undertaking their roles in a full, frank and impartial manner if they do not have an assurance that they are protected from threats and will be given proper legal representation if any legal action is taken against them.

Local governments have a legislative duty of care to their employees to provide a safe working environment and morally have the same duty to council members. Accordingly, it is appropriate and prudent for local governments to assist council members and employees by adopting a policy to fund or partly fund the cost of providing legal representation in appropriate circumstances."
4. At its Ordinary Council Meeting held on 25 May 2021, Council:
 - a. Revoked its Council Policy 10.16 Legal Representation for Members and Employees and incorporated reimbursement of legal fees provision for Council Members into the Council Policy 1.6 Council Member Allowances, Fees and Entitlements Policy.
 - b. Approved the provision of legal protection for employees to be made through a *"deed of access and indemnity being granted to the Chief Executive Officer on terms proposed by the General Counsel"*.
5. In response to point 4a. above, it is not considered good practice to include provisions relating to providing Council Members with legal representation into an allowances, fees and entitlements policy.
6. There may be a perception that this is a benefit provided to Council Members, rather than a protection recognising the duty of care obligation for Council Members protection to enable them to undertake their duties in good faith.
7. Some additional concerns relating to the City's current policy provisions are as follows:
 - a. the details are limited and do not provide sufficient guidance on the appropriate process for approval of applications;
 - b. there is no anticipation of, or guidance for when urgent matters arise; and
 - c. there is a risk associated with the reliance on approval through a single position (i.e. General Counsel).
8. In response to point 4b. above, to date, the approved deed of access and indemnity has not been prepared, leaving employees without protection.

9. Further, the validity of the original resolution of Council may be of concern in relation to the approved deed of indemnity in that:
 - a. under the *Local Government Act 1995* Council has no power to delegate to the General Counsel to finalise a deed of indemnity; and
 - b. as the intended deed relates to the CEO, it could not be executed by the CEO.
10. In conclusion, the City's current position means that Council Members may only seek reimbursement of costs incurred and there are no provisions in place for employees.

Discussion

11. The *Local Government Act 1995* provides that the general function of a local government is to provide for the good government of persons in its district and that money held in the municipal fund may be applied towards the performance of the functions and the exercise of the powers conferred on the local government by the Act or any other written law. Under these provisions, a Council can expend funds to provide legal representation for Council Members and employees, if it believes that the expenditure falls within the scope of the local government's function.
12. The model provided by the DLGSC has been used to draft the proposed policy, noting that some older style language has been updated that did not affect the intent of the model. Additionally, the authorisation to the CEO has been included to meet the City's usual practices.

Consultation

Nil.

Decision Implications

13. If Council adopts this policy, it will provide guidance in determining the circumstances, manner, and extent of assistance for legal representation for Council members and employees of the City.
14. There are no major risks identified in adopting the policy due to its close alignment with the current model outlined in the local government operational guidelines (Legal Representation for Council Members and Employees) from the Department of Local Government, Sport and Cultural Industries.
15. If Council does not adopt the policy, the City will not have a consistent position to address the provision of legal representation for both Council Members and employees, more specifically:
 - a. Council Members may not be afforded the opportunity to access timely legal representation should the need arise within the course of undertaking their duties if they are unable to meet initial costs themselves; and
 - b. Employees will not be afforded the opportunity to access timely legal representation should the need arise within the course of undertaking their duties.

Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	A Well-Governed City
Related Documents (Issue Specific Strategies and Plans):	Strategic Community Plan – Articulates the community’s vision for the city. The Corporate Business Plan sets out how the City plans to deliver this vision.

Legislation, Delegation of Authority and Policy	
Legislation:	<p>Section 2.7 of the <i>Local Government Act 1995</i> provides that Council is responsible for the performance of the local government’s functions.</p> <p>Section 3.1 of the <i>Local Government Act 1995</i> provides that the general function of a local government is to provide for the good government of persons in its district.</p> <p>Section 6.7(2) of the <i>Local Government Act 1995</i> provides that money held in the municipal fund may be applied towards the performance of the functions and the exercise of the powers conferred on the local government by the Act or any other written law.</p> <p>Section 19(1) of the <i>Occupational Safety and Health Act 1984</i> provides that an employer has a responsibility to provide and maintain, as far as practicable, a safe working environment.</p>
Authority of Council/CEO:	Section 2.7(2)(b) of the <i>Local Government Act 1995</i> .
Policy:	Nil.

Financial Implications

- The financial implications of the policy provisions are considered within current legal representation budgets and insurance provisions.

Further Information

17. Questions and responses forming part of the Agenda Briefing Session held on 21 March 2023 were as follows:

	Question	Response
1	Can you please confirm that if an EM wants legal representation, then they have to write to the CEO, who then prepares a report and the Council is the ultimate decision maker?	Under the proposed new policy an elected member may make an application to the CEO or Council. The CEO will prepare a report if they receive an application directly or will respond to an application made to Council in a similar way that a notice of motion is responded to.
2	WRT paragraph 9, what was the entirety of the Resolution OCM-21/05-131 made at the Ordinary Council Meeting held on 25 May 2021?	Resolution OCM-21/05-131: <i>“That Council:</i> <i>1. REVOKES Council Policies: a. 10.5 Council Member Allowance and Meeting Attendance Fees b. 10.6 Elected Members - Reimbursement of Expenses c. 10.10 Parking and Access to Council House - Councillors d. 13.6A Motor Vehicle and Transport Services for the Lord Mayor e. 10.16 Legal Representation for Members and Employees</i> <i>2. ADOPTS Council Policy Council Member Fees, Allowances and Entitlements (Attachment 16.10F).</i> <i>3. ADOPTS amended Council Policy 1.2 – Professional Development Policy (Attachment 16.10G).</i> <i>4. APPROVES a deed of access and indemnity being granted to the Chief Executive Officer on terms proposed by the General Counsel.”</i>
3	Further, 9b states “as the intended deed relates to the CEO, it could not be executed by the CEO”. Can further details around this rationale be provided?	The deed must be executed in accordance with section 9.49A of the <i>Local Government Act 1995</i> . The Council must either – (1) authorise the affixing of the common seal (if the deed is to be under seal); or (2) by resolution, ‘authorise the CEO, another employee or agent of the local government to sign’ the deed on behalf of the City (see section 5.49A(1) and (4)). The CEO could not be authorised to sign the deed on behalf of the City because the CEO would need to sign the deed as the grantee.



	Question	Response
4	Is it appropriate for the council to be considering a policy that effects the wider employee body?	<p>Yes, the DLGSC provides the following advice alongside its model policy:</p> <p><i>“Section 3.1 of the Local Government Act 1995 provides that the general function of a local government is to provide for the good government of persons in its district.</i></p> <p><i>Section 6.7(2) Local Government Act 1995 provides that money held in the municipal fund may be applied towards the performance of the functions and the exercise of the powers conferred on the local government by the Act or any other written law. Under these provisions, a council can expend funds to provide legal representation for council members and employees, as long as it believes that the expenditure falls within the scope of the local government's function.”</i></p> <p>Additionally, Council is already required to adopt a policy that effects the wider employee body under section 5.50 of the <i>Local Government Act 1995</i> - relating to “Payments to employees in addition to contract or award”.</p>
5	How does the administration determine whether an EM needs to make an application for legal costs or the Administration just seek the advice on their own accord for the benefit of an EM?	<p>The EM would have to decide if they needed to make an application for legal costs.</p> <p>The City would maintain separation from any legal processes.</p>
6	I don't think its appropriate for the council to approve costs and then revoke the approval and seek reimbursement for costs already outlaid. Can we please have an alternate drafted that amends this.	<p>The council would not revoke the original approval to pay costs. The approval would be made in accordance with the policy, on the basis that the applicant may need to reimburse the City under certain circumstances (which would be subject to a further resolution of Council).</p>
7	Under 7.1b, if an EM receives a settlement, is it stating that the costs need to come out of such settlement? Or only if the EM is awarded costs?	<p>Costs are expected to be repaid from either, “costs, damages, or settlement”.</p>

	Question	Response
8.	<p>Isn't a Deed of access and indemnity a contract between a company and its Directors? Why would employees be impacted?</p> <p>Referring to point 8: In response to point 4b. above, to date, the approved deed of access and indemnity has not been prepared, leaving employees without protection.</p>	<p>A deed of indemnity is commonly used as a contract between a company and its Directors.</p> <p>The correct employees are without protection.</p> <p>The original resolution as outlined in the report to council on 25 May 2021 was for the deed of indemnity to provide legal protection for the CEO and the CEO to provide protection to all employees.</p> <p>See Q9 response.</p>
9.	<p>Point 10. In conclusion, the City's current position means that Council Members may only seek reimbursement of costs incurred and there are no provisions in place for employees.</p> <p>Since May 2021- how many requests from Elected Members has there been for legal representation?</p> <p>Have any staff requested access to legal representation? If so, have their requests been declined?</p>	<p>Nil in response to both questions.</p> <p>At the Ordinary Council Meeting held on 25 May 2021 council resolved to provide employees with access to legal representation through the following resolution:</p> <p><i>"4. APPROVES a deed of access and indemnity being granted to the Chief Executive Officer on terms proposed by the General Counsel."</i></p> <p>The proposed mechanism is invalid. The recommendations in this report seek to implement the intention of the Council decision made on 25 May 2021.</p>

16. Committee Reports

Audit and Risk Committee held on 13 March 2023

16.1 Internal Audit Report - Compliance Audit Return for 2022

Responsible Officer	Michelle Reynolds – Chief Executive Officer
Voting Requirements	Simple Majority
Attachments	Attachment 16.1A – CAR 2022 - Submission to Department ↓  Attachment 16.1B – Internal Audit Report - CAR 2022 ↓ 

Purpose

The purpose of this report is to present the results of the Compliance Audit Return 2022 report to the Audit and Risk Committee.

Recommendation

That Council APPROVES the Compliance Audit Return (CAR)-2022 report as detailed in Attachment 16.1A for certification by the Lord Mayor and the Chief Executive Officer in accordance with Regulation 15(2) of the Local Government (Audit) Regulations 1996.

Background

1. The Annual Compliance Audit Return (CAR) was included in the City's FY 22/23 Strategic Audit Plan, which was endorsed by the Audit and Risk Committee meeting on 12 September 2022 and by Council on 27 September 2022.
2. Local governments are required under regulation 14 of the *Local Government (Audit) Regulations 1996* to carry out a Compliance Audit Return for the period of 1 January to 31 December of each year.
3. The completed Compliance Audit Return (CAR) report is required to be:
 - a. Presented for review by the Audit and Risk Committee before being presented for adoption by Council;
 - b. Subsequently certified by the Lord Mayor and the Chief Executive Officer; and
 - c. Returned to the Department of Local Government, Sport, and Cultural Industries (DLGSC) with a copy of the relevant Council minutes by 31 March 2023.
4. The objective of this audit was to determine if the City was compliant with ninety-one (91) legislative requirements in the Act and Regulations.
5. The scope of the audit covered the period 1 January 2022 to 31 December 2022 and covered the same areas as the previous audit.
6. In preparation for this audit, the Manager Audit and Risk:
 - a. Walked the relevant Alliance Managers through the questions from the previous year's scope-2021, determined the statuses of the findings from the last audit, and addressed any queries raised;
 - b. Advised Managers that the audit process will be conducted independently by an external audit provider; and
 - c. Set meetings with the relevant Managers to ensure they were aware and prepared for the audit.
7. The City received the scope from the DLGSC on 13 January 2023.
8. The City engaged KPMG, through a secondment arrangement, to conduct this audit.

Discussion

9. The audit identified non-compliance with one legislative requirement within the scope.
10. The non-compliance identified was in relation to the lodgement of primary returns in the prescribed form by all relevant persons within three months of their start date.
11. The audit noted that three employees had not submitted their primary returns within the stipulated timeframes.
12. The City did their due diligence and reported this matter to the Corruption and Crime Commission (CCC).
13. Management has accepted the recommendation made in the audit report to remediate the non-compliance identified. The implementation of the recommendation will be followed up as part of the internal audit verification process.
14. The audit confirmed that the City was compliant with the remaining ninety (90) legislative requirements within the scope.

15. This audit resulted in an 80% improvement from the last audit, where five non-compliances were reported, and the best performance in this audit since 2017.
16. The audit also verified that the five areas of non-compliance in the previous audit had been rectified and was no longer an issue for this audit.
17. The completed CAR 2022 for submission to the DLGSC is provided in Attachment 16.1A and the detailed audit report is provided in Attachment 16.1B.

Next steps:

18. The submission to the DLGSC and the audit report will be presented to the Council meeting on 28 March 2023 for certification by the Lord Mayor and the CEO.
19. Once certified, the submission, together with the Council minutes, will be provided to the DLGSC for their review and information.

Consultation

20. Following stakeholders were consulted to collate responses and evidence for this audit:
 - a. Chief Financial Officer
 - b. Financial Controller
 - c. Manager Audit and Risk
 - d. Procurement Manager
 - e. Corporate Governance Lead
 - f. Alliance Manager Corporate Planning and Performance
 - g. Coordinator Records Management
 - h. Alliance Manager Council Governance and Policy
 - i. Alliance Manager Properties
 - j. Alliance Manager Community Service
 - k. Alliance Manager Infrastructure and Operations
 - l. Manager Audit and Risk

Decision Implications

21. If Council supports the recommendations, the City will meet its obligation to submit the completed CAR audit by 31 March 2023.

Strategic, Legislative and Policy Implications

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

Legislation, Delegation of Authority and Policy

Legislation:	<u>Local Government (Audit) Regulations 1996</u>
Authority of Council/CEO:	Council
Policy:	Nil.

Financial Implications

Nil.

Further Information

22. An updated signed copy of the Internal Audit Report- CAR 2022 (Attachment 16.1B) attachment was circulated to Elected Members via email on 9 March 2023, after the publication of the Audit and Risk Committee agenda.
23. Following the Audit and Risk Committee Meeting held on 13 March 2023, Attachment 16.1B was further updated to include additional information relating to risk evaluation tools used in the CAR Audit and an overview current status of non-compliances identified in 2021. Attachment 16.1B was also updated to exclude reference to the CAR 2022 - Submission to Department, which is already provided for at Attachment 16.1A.
24. **Questions and responses forming part of the Agenda Briefing Session held on 21 March 2023 were as follows:**

	Question	Response
1	Page 183 of the submission to the Department – when the words “up-to-date” are specifically used, what does that mean when referring to our gift registers? How often must they be updated? I appreciate this audit was for year ending 31/12/22, however the gift registers I have viewed today (19/3/23) have 22/12/22 (screenshots attached). I would have thought we would at least update these monthly?	<p>You are correct. Governance schedule regular updates of Elected Member Gift Registers following each Ordinary Council Meeting.</p> <p>All internal gift registers have been kept up to date since 22 December 2022, however the updates did not reflect on the website. This issue has since been rectified, with the Elected Member Gift Register now up to date on the City’s website.</p> <p>Thank you for bringing this matter to the City’s attention.</p>
2	Page 193 – signature panels on the Internal Audit Report – the consultant who prepared the report has signed the document on 7 March 2023, seemingly 5 days after the Manager of Audit and Risk and the CEO who signed it on 2 March 2023. How is this possible?	<p>The consultant was conducting an on-site visit with another client on 2 and 3 March 2023 and had limited access to his email.</p> <p>The City would usually get the consultant to sign off first but there was a time sensitivity as the CEO and Lord Mayor were on a business trip and unavailable in the week commencing 6 March 2023.</p> <p>The consultant signed the report when he was back in the office on 7 March, after the long weekend.</p>
3	Page 198 why is there no due date on the delayed returns issue? Given reporting to the CCC is included plus the possibility of fines or jail time listed in the report, surely this report should provide a date to Council that this will be investigated and fixed?	<p>The management comments state that the recommendation has already been actioned.</p> <p>In future audit reports, the due date column will show a status of “Completed” for recommendations which have already been implemented.</p> <p>Internal Audit will follow up on this recommendation as part of its “verification of audit recommendations” process in Q1 FY23/24.</p>

	Question	Response
4	<p>Page 182 Question 4 (s5.75 Admin Reg) 22, Form 2 - Was a primary return in the prescribed form lodged by all relevant persons within three months of their start day? Answer is “No Three primary returns were not lodged by relevant persons within three months of their start date.”</p> <p>Does this refer to Elected Members or staff?</p> <p>What is the consequence for not submitting in time?</p>	<p>This relates to Employees – refer to paragraphs 9 to 13 of Item 16.1 on page 177.</p> <p>As per section 5.75 of the <i>Local Government Act 1995</i> the penalty for not lodging a primary return by the deadline is \$10,000 or imprisonment for 2 years.</p>
5	<p>Q6 on page 182, the legislation states that the return should be acknowledged by the mayor or the CEO. Attain generates an acknowledgement from Governance personnel. Please clarify whether this response should change</p>	<p>Delegation 2.27 provides for the CEO delegating their authority to ‘give a person written acknowledgement of having received their return [5.77]’. This delegation is permitted under section 5.44(1) of the <i>Local Government Act 1995</i> which provides that ‘A CEO may delegate to any employee of the local government the exercise of any of the CEO’s powers or the discharge of any of the CEO’s duties under this Act other than this power of delegation.’</p> <p>The officers delegated this authority have appropriately exercised this authority via Attain therefore the response should not change.</p> <p>Additionally, it should be noted that the Lord Mayor compliantly acknowledged the CEO’s annual return via Attain.</p>


	Question	Response
6	<p>Q12 on page 183 regarding up-to-date gift registry. My recollection is that we have acknowledged this year that it has not been kept up to date. Can we please be provided of the dates that it has been uploaded to the website. The written response only reflects the current status of the register.</p>	<p>The City maintains two gift registers on the official website; the Form 4 Register of Gifts and the Elected Member Gift Register.</p> <p>The 2022 Expenditure, Interests and Gifts Register Audit identified that the Form 4 Register of Gifts needed to be updated. Since the Audit, the City has sought to update both gift registers on a monthly basis. Although checked regularly, the Form 4 is only updated on the website when a new disclosure appears.</p> <p>Since the Expenditure, Interests and Gifts Register Audit commenced, in 2022 the website was updated on</p> <ul style="list-style-type: none"> • 28 June 2022, • 14 July 2022, • 5 August 2022, • 2 September 2022, • 29 September 2022, • 27 October 2022, • 28 November 2022 and • 22 December 2022.
7	<p>Page 185 question 3. The questions asks whether the auditor’s report for the financial year ended 30 June 2022 was received by the local government by 31 December 2022, but the answer states it was Auditor's report was conducted and available by 31 December 2022. When was the auditors report received by council?</p>	<p>The auditors report was sent to Council in the meeting held on 13 December 2022. It was included as an attachment in item 7.1 “Audit exit interview and presentation of the audited Financial Statements for the year ended – 30 June 2022”.</p>

	Question	Response
8	With regards to designating persons as senior employees. Can the Administration please advise how this can be initiated.	<p>Section 5.37 of the <i>Local Government Act 1995</i> prescribes how a senior employee is designated, as follows:</p> <p>(1) <i>A local government may designate employees or persons belonging to a class of employee to be senior employees.</i></p> <p>(2) <i>The CEO is to inform the council of each proposal to employ or dismiss a senior employee, other than a senior employee referred to in section 5.39(1a), and the council may accept or reject the CEO's recommendation but if the council rejects a recommendation, it is to inform the CEO of the reasons for its doing so.</i></p>
9	Page 187 question 4. The written answer doesn't seem to respond to the question asked.	<p><i>Local Government (Functions and General) Regulations 1996</i>, Regulation 12 speaks about splitting contracts to avoid going to Tender.</p> <p>The auditor is commenting that, based on the sample testing undertaken, it was confirmed that the City has complied with this Regulation, and no contract splitting was identified.</p> <p>Additional commentary was provided on how the City's Tenders were advertised.</p>
10	Page 188 question 8. The written answer reflects that the response to the question should be "no". same with question 12.	<p>Responding "no" to these questions would indicate that the City did accept Tenders and EOIs that were not submitted at the place, and within the time specified. The audit found no evidence of this occurring.</p> <p>The City does not play a role in rejecting tenders, at this stage, as it is driven by the submission date and time provided in Tenderlink. As a result, any tender and/or EOI submitted after the date specified would not be received by the City.</p> <p>It was Internal Audit's opinion that providing a "yes" response would not accurately reflect the City's role in this part of the Tender and EOI process.</p> <p>N/A was assessed as the most accurate response.</p>

	Question	Response
11	Page 224 states “Council has a MODERATE appetite for unforeseen delays in strategic deliverables and/or major disruptions to critical business functions.” Does the “unforeseen” pertain only to the delays or also to the major disruptions?	The “unforeseen” pertains to both the delays and major disruptions.
12	Were the three people who did not submit a Primary Return long term employees? Or recent?	The employees were of various tenure.
13	The City says controls are now in place, what are they?	<p>The following controls have been implemented:</p> <ul style="list-style-type: none"> a. The Attain system calculates and generates the due date. When Corporate Governance notify an employee of their requirement to complete a return, the due date generated by Attain is referenced in the notification. Prior to the notification being sent to the employee, an alternative officer reviews the due date to ensure agreement. b. Increased visibility of staff movements such as new starters, position title changes and officers in acting positions by receiving regular staff movement reports from People & Culture. c. Updated documented procedure incorporating a checklist. d. More frequent reconciliations and spot checks of returns. e. A fully staffed Corporate Governance team.

	Question	Response
14	<p>With regards to question 6 about the Gift Register – it talks about the Gift Register being updated on the website from June onwards, but the reporting period’s January through December, so I’m just wondering what happened prior to 28th of June?</p> <p>So prior to the Council Meeting will we have clarity on whether the register was up to date for the reporting period?</p>	<p>The Expenditure, Interest and Gifts audit that was presented to OCM on 27 September 2022, noted that the register was last updated in April.</p> <p>Further updates were made from June onwards.</p> <ul style="list-style-type: none"> • 28 June 2022, • 14 July 2022, • 5 August 2022, • 2 September 2022, • 29 September 2022, • 27 October 2022, • 28 November 2022 and • 22 December 2022. <p>There was a gap in updating the register in May.</p> <p>Section 5.87A(5) of the Local Government Act 1995 states that:</p> <p><i>“(5) The CEO is to publish an up-to-date version of the register on the local government’s official website.”</i></p> <p>To determine if the City met this criterion, the auditor investigated whether the City had an up-to-date register at the furthest point in the scope period. The auditor was able to sight an up-to-date register on the City website as of 22 December 2022. For the purposes of the CAR, the auditor was satisfied that the City was compliant with the above requirements.</p>

16.2 Internal Audit report - Owners and Occupiers/Electoral roll

Responsible Officer	Michelle Reynolds – Chief Executive Officer
Voting Requirements	Simple Majority
Attachments	Attachment 16.2A – Internal Audit Report - Owners and Occupiers ↓ 

Purpose

The purpose of the report is to provide an overview of the results from Phase One of the Owners and Occupiers/Electoral roll audit and to consider this report for recommendation to Council for approval at the Ordinary Council Meeting on 28 March 2023.

Recommendation

That Council ENDORSES the Owners and Occupiers/Electoral roll Internal audit report (Attachment 16.2A), including the management comments and the proposed due dates.

Background

1. At its Ordinary Meeting held on 27 September 2022, the Council approved the FY2022/23 Annual Internal Audit Plan (Plan) on recommendation from the Audit and Risk Committee.
2. This Plan included an audit on the Owners and Occupiers/Electoral roll.
3. An internal audit of Owners and Occupiers/Electoral roll was also initially undertaken in June 2021 as a response to a recommendation from the Inquiry.
4. As a result of the 2021 audit, a detailed procedural document was designed and titled, Owners and Occupiers Enrolment Handbook.
5. The City of Perth (the City) engaged with KPMG to conduct both the 2021 and 2023 Owners and Occupiers/Electoral Roll audits.
6. The audit of Owners and Occupiers for 2023 was divided into two phases.
7. Phase One of the audit focussed on the design and operating effectiveness of the processes and controls pertaining to:
 - a. Assessing applications of individuals seeking to be included on the Owners and Occupiers roll,
 - b. Ongoing management of the Owners and Occupiers' roll,
 - c. Release of information concerning the Owners and Occupiers roll to parties, including Council Members, and
 - d. Effectiveness of the Owners and Occupiers Enrolment Handbook to assist in the management of the Owners and Occupiers roll.
8. The scope for the audit has been attached to this report for your review.
9. Phase One commenced in October 2022 and the attached report reflects the results and recommendations from this Phase.
10. Phase Two of the audit will focus on testing to determine adherence to the processes highlighted in the Owners and Occupiers Handbook.
11. It is expected that Phase Two will commence in June 2023.

Discussion

1. The audit identified a significant positive observation and highlighted that the City had a detailed and comprehensive Enrolment Handbook to manage the Owners and Occupiers roll, which assisted the City in reducing key dependency risks, supporting consistent processing of applications, and ensuring compliance with legislation and processes.
2. The audit divided the issues identified into Findings and Observations. The Findings represented the High and Medium rated issues, and the Audit and Risk Team encourages the associated recommendations to be accepted, where reasonable and feasible.
3. The Observations represent the Low rated issues, which are within the City's current risk appetite. The City may choose to accept the risk of not implementing the recommendations if it is deemed appropriate.
4. The audit identified three findings and the table below provides a summary of these findings, the inherent risks ratings, and the residual risk ratings.

No.	Findings	Inherent Risk Rating	Residual Risk Rating
1	Limitation in Pathway reducing segregation of duties controls and efficiency	High	Low
2	Lack of project plan for the pre-election period	Medium	Low
3	Enhance collaboration between the Rates Team and Governance Team	Medium	Low
Overall		Medium	Low

5. The Inherent risk rating represents the current amount of risk that exists in the process and the residual risk rating represents the remaining risk level after the recommendations have been implemented.
6. Seven recommendations were made to address these findings, and all have been accepted by management.
7. One of the seven recommendations has been implemented and this has been independently verified by the Audit and Risk Team.
8. The audit also made one observation in regard to inconsistencies noted between the processes in the Handbook and actual practice.
9. Four remediation strategies were made to resolve this issue. Three remediation strategies were accepted as made by the auditors.
10. The fourth remediation strategy was to *“perform an independent review of the Handbook, ensuring new efficiencies are reflected and it is aligned to the daily routines and regulations”*. The Manager Council Governance and Policy agreed to perform a review of the Handbook but commented it would be undertaken internally by a member of the Council Governance and Policy Team.
11. Once the report, recommendations, management comments, and due dates have been noted by the Audit and Risk Committee, this information will be inputted into the audit log for tracking. Implementation of these recommendations will be verified as part of the verification process, and progress will be reported back to the Audit and Risk Committee.
12. Please find the detailed Owners and Occupiers audit report in Attachment 16.2A.

Consultation

24. Prior to and during the engagement, information, and documentation were requested from Alliance Manager Council Governance and the Governance Coordinator.

Decision Implications

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

Strategic, Legislative and Policy Implications

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

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

Financial Implications


Nil.

Further Information

26. Questions and responses forming part of the Agenda Briefing Session held on 21 March 2023 were as follows:

	Question	Response
1	Page 209 of the report – in terms of the three findings, can the City assure Council that you can implement tangible measures as necessary and outlined in time before the election – not just on paper, but to scenario test and ensure they suit?	<p>This audit was divided into two phases; Phase 1 to focus on reviewing the procedural document and Phase 2 to conduct sample testing to determine if the processes highlighted in the Handbook were adhered to.</p> <p>Phase 2 of the Audit, including scenario testing, will be undertaken in June 2023.</p>

16.3 Risk Management Policy - 2023 Review

Responsible Officer	Michelle Reynolds – Chief Executive Officer
Voting Requirements	Simple Majority
Attachments	Attachment 16.3A – DRAFT - CP2.14 Risk Management Policy - 2023 Review ↓ 

Purpose

For Council to approve the attached draft Risk Management Policy (CP2.14).

Recommendation

That Council APPROVES the draft Risk Management Policy (CP2.14).

Background

1. In November 2022, KPMG conducted a series of risk workshops and interviews with key stakeholders to establish the 2023 Strategic Risk Profile. As a result, it was recommended the City review the Council's Risk Management Policy, to ensure alignment with best practice risk methodologies and the new strategic risks.
2. The current Risk Management Policy (CP2.14) was endorsed in August 2021 and was due for review August 2023.
3. The Risk Management Internal Controls and Compliance Audit completed in 2022, recommended areas for improvement in this key document, this was considered as part of the review and development process and will close multiple recommendations from the Audit.

Discussion

4. To manage risk carefully, the policy outlines various statements that identify its tolerance to risk in various categories, known as risk appetite. Risk appetite is the amount of risk to which an organisation is willing to pursue or retain, while risk tolerance is the readiness to bear the risk after risk treatment in order to achieve its objectives
5. In reviewing this Policy, focus was placed on:

- a. Reclassification of the risk appetite threshold definitions. As below:

<i>Very Low</i> (Minimal Appetite)	<i>Preference for the safest option that has a very low degree of risk, noting that every reasonable practical measure will be taken to prevent the occurrence of an adverse event.</i>
<i>Low</i> (Cautious Appetite)	Safe options that have a low degree of risk with limited potential for reward.
<i>Moderate (Flexible Appetite)</i>	Willing to consider all potential options and choose the one most likely to result in successful delivery, even if there is risk to strategic and operational objectives.
<i>High</i> (Open Appetite)	Will consider options offering higher success of delivery, despite elevated levels of inherent risk.

- b. Review of the risk appetite statements to test relevance throughout the organisation.
- c. Alignment to the new 2023 Strategic Risk Profile.
6. Benchmarking was conducted against local governments and other capital cities to determine how they defined and measured risk appetite. The information obtained from this exercise, along with consultation with key senior management, guided considerable enhancements to the Policy, such as:
 - a. Including additional key definitions (e.g. risk tolerance and risk governance).
 - b. Differentiating between risk appetite and risk tolerance. See below.

Term	Definition	Example
Risk Appetite	Amount/type of risk that an organisation is willing to pursue or retain	Due to the inability to completely control another’s actions, the Council acknowledges there is a residual risk of a fraud and/or misconduct incident, however, have a very low appetite.
Risk Tolerance	An organisation's readiness to bear the risk after risk treatment in order to achieve its objectives	The Council has zero tolerance for fraud and/or misconduct incidents.

Figure 1: Risk Appetite vs Risk Tolerance – definition *ISO Guide 73:2009(en) Risk management – Vocabulary*.

- c. Introducing the term ‘worker’ as the City has adopted the all-encompassing term when referring to staff, contractors, subcontractors, and volunteers as defined under the new *2020 Work Health Safety Act (Part 1, Div 4, s.8)*.
- d. Reviewing and updating the risk categories as part of the 2023 Strategic Risk Profile development. Previously there were eleven (11) risk categories, now there are ten (10) risk categories.
 - i. Removing risk categories for Business Disruption, Legal and Regulatory / Ethical and Project. Each of these categories were absorbed by other categories therefore the tolerances have been allocated accordingly.
 - ii. Adding new risk categories for Infrastructure and Assets, and Strategy.
- e. Updating risk appetite ratings and definitions
- f. Rewriting the risk appetite statements to include what activities and/or behaviours Council will not tolerate across each risk category.

Consultation

- 7. ELT and relevant internal subject matter experts were consulted via face-to-face meetings and/or through email for opportunity to provide feedback on the revision.

Decision Implications

- 8. If Council does not support the recommendations, implementation of the strategic risk management plans and audit recommendations will be delayed, causing a delay to the completion of the Audit and Risk Workplan.

Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Prosperous
Related Documents (Issue Specific Strategies and Plans):	CoP Strategic Risk Profile Update 2022

Legislation, Delegation of Authority and Policy	
Legislation:	Nil.
Authority of Council/CEO:	CP2.14 Risk Management Policy – Council
Policy:	Nil.

Financial Implications

Nil.

Further Information

1. At the Audit and Risk Committee meeting, 13 March 2023, the following recommendations to the Risk Appetite Statements table were made:
 - a. 'Actions by Councillors or workers bringing the Council into disrepute' was added to the Reputation and External Stakeholder risk category.
 - b. 'Deliberate and sustained failure to comply with the requirements of the State Records Act 2000' was amended in the Information Security risk category.

16.4 Progress on FY 22/23 Audit Plan

Responsible Officer	Natasha Balderston – Audit and Risk Manager
Voting Requirements	Simple Majority
Attachments	Nil.

Purpose

To provide the Audit and Risk Committee an overview of the progress made on the FY22/23 Audit Plan.

Recommendation

That Council RECEIVES the Progress on FY22/23 Audit Plan report.

Background

1. The Audit and Risk Committee (ARC) endorsed the FY22/23 Audit Plan in the meeting held on 12 September 2022.
2. The ARC recommended to Council that they adopt the draft FY22/23 Audit Plan. Council adopted the FY 22/23 Audit Plan at the Ordinary Council Meeting held on 27 September 2022.
3. An initial progress report on the FY22/23 Plan was provided to the ARC in the meeting held on 5 December 2022.

Discussion

4. The table below provides an overview of the progress made on the FY22/23 Audit Plan.

Audit Area	Risk	Primary Alliance	Commencement Quarter	Status	Auditor
Owners and Occupiers/Electoral Roll – Phase 1	High	CEO	Q2	Completed	KPMG
WHS	Medium	Corporate Services	Q2	Completed	LGIS
Discretionary Grant Funding	Medium	Community Development	Q2	In Progress	Moore Australia
Compliance Audit Return (CAR)	Medium	All	Q3	Completed	KPMG
Performance of the Audit and Risk Committee Review	Medium	CEO	Q3	In Progress - Draft Report	Moore Australia
Verification of the implementation of audit recommendations	Medium	All	Q3	In Progress - Fieldwork	Internal
Commercial Parking	Medium	Commercial Services	Q4	Pre-planning - Scoping	Not yet assigned
HR Management – Recruitment	Medium	Corporate Services	Q4	Pre-planning - Scoping	KPMG
Owners and Occupiers/ Electoral Roll – Phase 2	High	CEO	Q4	Not yet started	KPMG
Grievance and Complaints Handling	Medium	Corporate Services	Q4	Not yet started	Not yet assigned

NSW RMS DRIVES24 Audit	Medium	Commercial Services	Q4	Not yet Started	Internal
VIC Roads Audit	Medium	Commercial Services	Q4	Not yet Started	Internal

5. The commencement of the audits, as per the schedule above, is on track and the reports are expected to be reported to the ARC as follows:
- a. ARC meeting on 8 May 2023
 - i. Discretionary Grant Funding.
 - ii. Verification of the implementation of audit recommendations.
 - iii. Performance of ARC Review.
 - b. ARC meeting on 14 August 2023
 - i. Commercial Parking.
 - ii. Owners and Occupiers/Electoral Roll – Phase 2.
 - iii. NSW RMS DRIVES 24.
 - iv. VIC Roads Audit.
 - c. ARC meeting on 13 November 2023
 - i. HR Management – Recruitment Process.
 - ii. Grievance and Complaints Handling.
7. The Audit team will aim to provide final audit reports as soon as it is finalised and may result in reports being presented before the timeframes above.
8. Below highlights the other work to be undertaken by the Audit and Risk Team for 2023:
- a. Develop a 3-year Strategic Audit Plan for FY23/24 to FY26/27.
 - b. Deliver Accountable and Ethical Decision-Making Training.
 - c. Implement audit recommendations.
 - d. Develop Strategic Risk Management Plans.
 - e. Utilise CGR System for tracking of progress on audit recommendations.
 - f. Refresh the City’s operational risks.
 - g. Prepare for quarterly Audit and Risk Committee meetings.
 - h. Implementing the Local Government reforms as it relates to the ARC.
 - i. Prepare an induction program for the new ARC after the elections.

Consultation

Nil

Decision Implications

Nil

Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Prosperous
Related Documents (Issue Specific Strategies and Plans):	FY22/23 Audit Plan

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


Financial Implications

Nil.

Further Information

Nil.

16.5 Work Health and Safety Strategic Report - January 2023

Responsible Officer	Melissa Murphy – General Manager Corporate Services
Voting Requirements	Simple Majority
Attachments	Attachment 16.5A – Work Health and Safety Strategic Report January 2023 ↓ 

Purpose

To consider the attached Work Health and Safety Strategic Report for January 2023.

Recommendation

That Council RECIEVES the Work Health and Safety Strategic Report for January 2023 as detailed in Attachment 16.5A.

Background

1. A request was received from the Audit and Risk Committee to provide improved strategic Work Health and Safety (WHS) reporting.
2. The WHS Strategic report, as detailed in Attachment 16.5A, provides an overview of the City's WHS risk environment, WHS Performance, and WHS Governance. This report will continue to evolve with stakeholder feedback and as WHS reporting mechanisms mature.
3. Council has a ZERO risk appetite for injury to members of the public and staff, meaning that every reasonable practical measure will be taken to prevent the occurrence of an adverse event.
4. The City uses Australian Standards and Safe Work Australia guidance material to develop Work Health and Safety statistics to understand whether it is meeting this risk appetite.
5. Under the Risk Management Framework, the tolerance limit for the Total Recordable Injury Frequency Rate (TRIFR) is 30. The target TRIFR rate is under 20.

Discussion

6. The WHS Strategic report as at 31 January 2023 is provided in Attachment 16.5A.
7. The TRIFR is within the tolerance limit (less than 30.)

Consultation

Nil.

Decision Implications

8. The Committee should be aware of the Work Health and Safety information IS in line with the Risk Management Policy.

Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Liveable
Related Documents (Issue Specific Strategies and Plans):	City of Perth WHS Safety Management Plan

Legislation, Delegation of Authority and Policy	
Legislation:	<i>Local Government (Audit) Regulations 1996 and Workplace Health and Safety Act 2020.</i>
Authority of Council/CEO:	Council
Policy:	Nil.

Financial Implications

Nil.

Further Information

Nil.

16.6 WHS LGIS Tier 3 WorkSafe Plan Safety Assessment Report

Responsible Officer	Melissa Murphy – General Manager Corporate Services
Voting Requirements	Simple Majority
Attachments	Confidential Attachment 16.6A – LGIS 3 Steps to Safety Confidential Attachment 16.6B – Safety Improvement Action Plan

Purpose

To consider an independent assessment of the City’s Work Health and Safety (WHS) framework and a new action plan to implement identified improvement opportunities.

Recommendation

That Council:

1. RECIEVES the LGIS Tier 3 WorkSafe Plan Safety Assessment Report
 2. ENDORSE the City’s Improvement Action Plan which responds to the Assessment Report
-

Background

1. At its meeting held on 27 September 2022, Council approved the Draft Strategic Audit Plan FY22/23 which included an independent review of the City's work health and safety (WHS) framework.
2. LGIS awarded the City of Perth a Gold Diligence Safety Certificate rating.

Discussion

3. LGIS conducted an independent assessment of the City's WHS framework between 5 - 8 December 2022.
4. Evidence was obtained through a review of documents, interviews with City representatives and site visits including to the Works Depot, Library, Citiplace Community Centre, Citiplace Rest Centre and CityWatch. The assessor also observed work activities on location with Parks and Gardens and Works crew employees.
5. The assessment was based on the WorkSafe Plan and used the LGIS scoring methodology as outlined below:

Finding	Score	Definition
Exemplary	4	The organisation has sustained performance requirements for the criteria. Strong supporting documentation and other applicable evidence is in place and is updated regularly. Consistent application for the criteria is in place over a considerable period of time. Some minor problems may occur from time to time
Satisfactory	3	The organisation satisfies the requirements of the criterion and has not gone significantly beyond it. Evaluation and review processes as part of continuous improvement is evident with strong supporting documentation
Insufficient	2	Documentation exists however there are gaps in the WHS Management System documentation, their implementation and/or the evidence that shows the criteria hasn't quite been met
Ad Hoc	1	The organisation has not met the criteria due to evidence being sporadic and ad hoc. Early drafts of documentation and/or processes are available
Unsatisfactory	0	The organisation cannot provide any evidence to support compliance with the criteria. No awareness or intention to implement

Positive Observations

6. The LGIS assessment report (Attachment 16.6A) was provided on 9 January 2023 and confirmed that the City had achieved a Gold Diligence Safety Certificate rating of 90%, as outlined below:

Category	Score	Section Achievement
Management Commitment	32	100%
Planning	28	78%
Consultation and Reporting	28	100%
Hazard Management	24	86%

Training and Supervision	25	89%
Overall Score	137	90%

7. This is an outstanding result and puts the City in a select group of local governments who have achieved this high standard of practice.
8. The assessment also enables the City to pursue formal accreditation of its safety management system via WorkSafe Western Australia, though LGIS cautioned that this recognition process is currently under review and likely to change in the coming months.

Next Steps – Process Improvement

9. The City has been working to improve WHS performance through a number of initiatives that were already underway or in development, including:
 - a. improving WHS inspection performance across occupied City worksites
 - b. rolling out a comprehensive suite of WHS training and development initiatives
 - c. updating the City’s WHS procedures to ensure they are fit for purpose and aligned to best practice.
10. The LGIS assessment report confirmed the importance of implementing these initiatives and identified additional opportunities to enhance the City’s safety systems and processes. Ultimately, this will support the City in establishing a mature, fit for purpose WHS framework that reinforces and supports safe working practices across the City’s workforce as well as those that work with the City.
11. The WHS team have now developed the City’s Improvement Action Plan (Attachment 16.6B) outlining how the report recommendations will be addressed. This Action Plan also highlights a need for temporary expert and project resourcing to support implementation of the recommendations and highlights the importance of putting in a place fit for purpose ICT systems for WHS reporting and management.
12. The City proposes to review progress in implementing the Action Plan by the end of the 2023/24 financial year and will review whether to pursue formal WorkSafe accreditation at that time noting that the current WorkSafe process is under review.

Consultation

13. The LGIS assessment report was developed with input from a wide range of stakeholders. Implementation of the Action Plan will be subject to support from the City’s Work Health and Safety Committee.

Decision Implications

14. Acceptance of the Action Plan (Attachment 16.6B) will assist in ensuring that the City implemented in a timely manner and achieve the improvements intended by its implementation.

Strategic, Legislative and Policy Implications

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

Legislation, Delegation of Authority and Policy	
Legislation:	<i>Work Health and Safety Act 2020 (WA)</i>
Authority of Council/CEO:	CEO
Policy:	OP15 City of Perth Work Health and Safety Policy

Financial Implications

15. The financial implications of the recommendation(s) can be accommodated within the existing budget for the current financial year. Additional expenditure of approximately \$275,000 will be required in the 2023/24 financial year for external expert WHS project consultancy and support.

Further Information

16. The financial implications of the recommendation(s) can be accommodated within the existing budget for the current financial year. Additional expenditure of approximately \$275,000 will be required in the 2023/24 financial year for external expert WHS project consultancy and support.



17. Motions of which Previous Notice has been Given

17.1 Notice of Motion – Tree Pruning Requests

The following Notice of Motion was submitted in accordance with clause 4.12 of the *Standing Orders Local Law 2009*.

Councillor	Councillor Brent Fleeton
Date Received	20 March 2023
Motion	<p>That Council <u>REQUESTS</u> the Chief Executive Officer to present a report to an Elected Member Engagement Session before the end of 2023 which outlines possible mechanisms that Council may consider adopting to manage public requests for pruning trees on council land.</p> <p>The report is encouraged to consider matters such as what other councils do to manage such requests, what City of Perth Council and/or administrative policies would need altering to allow for such works, implementing cost sharing/recovery arrangements with those parties who request pruning, how to judge requests, and any other relevant matters to help Council make an informed decision including overall costs to administer.</p>
Reasons Provided	<p>Since our election to Council I have seen many requests made of the City to prune public trees. I have seen a few cases where the City has indeed agreed to prune, but the vast majority have been rejected with differing reasons.</p> <p>It seems to me, after observing communication back to residents after requests are made, there is no Council endorsed nor well-understood publicly available policy or process which equitably manages this situation.</p> <p>I do appreciate every tree has value and contributes to our parks and streets. Perth would be a horrible City without trees. My neighbourhood of Crawley is well-protected from searing heat and high winds thanks to our local tree canopy. They are financially valuable too as an asset which the ratepayer owns. To prune them must be done carefully so as to not structurally damage or kill the tree. That is only common sense.</p> <p>I also appreciate that some trees have branches which are damaging or inconvenient to our residents. We are here to serve their interests, that is why I am asking for support from Elected Members to see if we can create a system which carefully manages this delicate situation better than what is happening right now. I know there are many things to consider - which is what the motion asks for, time and research to work out what is possible.</p>

Administration Response to Notice of Motion

Responsible Officer	Allan Mason – General Manager Infrastructure and Operations
Voting Requirements	Simple Majority
Attachments	Attachment 17.1A – Council Policy 3.3 - Tree Protection ↓  Attachment 17.1B – Tree Protection Management Guidelines ↓ 

Discussion

1. The City’s management of the Urban Forest and specifically tree maintenance aligns with AS 4373-2007 Pruning of Amenity Trees and is documented within the City’s Tree Protection and Management Guidelines (attached).
2. It is important to note trees and greening infrastructure have consistently rated highest in past Community Satisfaction Surveys and their value is prominent in the City’s Strategic Community Plan. Residents regularly comment on how much they value trees. It is for that reason that tree maintenance is carried out to a set of agreed guidelines in a consistent manner. In the past three months the City has received 350 requests to inspect trees for pruning and/or other maintenance, all of which have been carried out.
3. The City recognises that street trees typically live for several human generations and tree maintenance is undertaken as an investment in the long-term interest of the community.
4. Tree pruning and the management of customer requests is an operational matter, and staff are committed to providing a high quality tree maintenance regime. The City has an annual street tree pruning program which provides property clearance pruning, dead wooding and other works required to preserve tree health. In addition to the annual pruning program all City owned/managed trees are routinely inspected on a quarterly basis. The quarterly inspection identify outstanding maintenance requirements which are actioned within an appropriate timeframe.
5. Extracts from the City’s Tree Protection Management Guidelines around tree pruning are included below:
 - a. Tree pruning may be undertaken for the following reasons:
 - i. ensure statutory powerline clearances are met.
 - ii. address property line encroachment where no more than 25% of canopy cover will be removed in a 12-month period.
 - iii. formative pruning of juvenile trees (less than three years of age).
 - b. Additional tree pruning may occur where:
 - i. unseasonal excessive canopy growth is encroaching on powerlines.
 - ii. dead, diseased or damaged wood needs to be removed.
 - iii. pedestrian or vehicle safety is compromised.
 - c. Trees will not be pruned to:
 - i. provide or restore views to or from private property.
 - ii. provide views to advertising or other private signage.

- iii. create an artificially shaped canopy.
 - iv. reduce tree litter e.g. seasonal fruit drop, leaves blocking gutters.
 - v. reduce shading of lawns, pools.
 - vi. reduce size because of perceived, unassessed danger.
6. The City of Perth has the second lowest canopy cover of all Australian capital cities just ahead of Adelaide. Unnecessary pruning of trees can adversely affect their health and the benefits they provide. The City’s collection of street trees help improve city liveability and promote community wellbeing. Trees also contribute to the creation of a climate resilient city and help improve overall environmental quality. A significant objective of the City’s Urban Forest Plan 2016-2036 is to increase the City’s tree canopy from 19% in 2016 to 30% over a 30 year period, by protecting existing trees and planting many more new trees.
7. If a resident or other community member believes pruning is required outside of the scheduled program, they can contact the City to arrange an assessment.

Decision Implications

Nil.

Strategic, Legislative and Policy Implications

Strategic Community Plan	
Strategic Pillar (Objective)	Sustainable
Related Documents (Issue Specific Strategies and Plans):	Sustainability Strategy 2022-2032 The recommendation supports theme 2 of the strategy – A Green City: Preserve and restore the City’s natural assets.

Legislation, Delegation of Authority and Policy	
Legislation:	Nil.
Authority of Council/CEO:	Council is required to make a decision on elected member notice of motions.
Policy:	CP 3.3 Tree Protection The Tree Protection Policy aims to preserve and enhance the Urban Forest character of the city and is referred to in the maintenance and management of its Urban Forest.

Financial Implications

Nil

Further Information

Nil.

18. Matters for which the meeting may be closed

In accordance with Section 5.23(2)(e) of the Local Government Act 1995, the following Item 18.1 and its attachment are confidential.

18.1 Tamala Park Regional Council - Proposed Amendments to Establishment Agreement

Responsible Officer	Steve Holden – General Manager Commercial Services
Voting Requirements	Simple Majority
Attachments	Attachment 18.1A – TPRC Schedule of Amendments

In accordance with Section 5.23(2)(c) and Section 5.23(2)(d) of the Local Government Act 1995, the following Item 18.2 and its attachment are confidential.

18.2 City of Perth Technology Strategy Update

Responsible Officer	Melissa Murphy – General Manager Corporate Services
Voting Requirements	Absolute Majority
Attachments	Confidential Attachment 18.2A – Technology Strategy Update Presentation

19. Urgent Business

20. Closure