



City of **Perth**

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# Minutes

Ordinary Council Meeting  
12 December 2023

Michelle Reynolds  
Chief Executive Officer  
15 December 2023

**Minutes to be confirmed at the next Ordinary Council Meeting**

These minutes are hereby certified as confirmed.

Presiding member's signature \_\_\_\_\_

Date \_\_\_\_\_

## Information

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

The Presiding Member declared the Ordinary Council Meeting for the City of Perth open at 5.00pm.

## 2. Acknowledgement of Country/Prayer

The Presiding Member gave an Acknowledgement of Country:

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

The Chief Executive Officer recited a prayer:

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

## 3. Attendance

### Members in Attendance

Lord Mayor	Basil Zempilas (Presiding Member)
Deputy Lord Mayor	Clyde Bevan
Councillors	Raj Doshi
	Brent Fleeton
	Liam Gobbert
	David Goncalves
	Viktor Ko
	Catherine Lezer
	Bruce Reynolds

### Officers in Attendance

Chief Executive Officer	Michelle Reynolds
General Manager Commercial Services	Steve Holden
General Manager Community Development	Kylie Johnson
General Manager Infrastructure and Operations	Allan Mason
General Manager Planning and Economic Development	Dale Page
General Manager Corporate Services	Wendy Attenborough
Acting Chief Financial Officer	Roan Barrett
Executive Director Governance and Strategy	Peta Mabbs
Alliance Manager Council Governance and Policy	Charlie Clarke
Governance Officer	Ebony Mackey
Governance Officer	Melissa Karapetcoff

## Public Gallery

There were 2 members of the public in the gallery.

### 3.1 Apologies

Nil.

### 3.2 Leave of Absence

Nil.

### 3.3 Applications for Leave of Absence

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## Council Resolution (OCM-23/12-001)

**Mover:** Councillor David Goncalves

**Seconded:** Deputy Lord Mayor Clyde Bevan

That Council APPROVES the following leave of absence applications:

1. Councillor Liam Gobbert for the period 22 December 2023 to 2 January 2024, inclusive.
2. Councillor Catherine Lezer for the period 7 June 2024 to 19 July 2024, inclusive.

**CARRIED UNOPPOSED (9/0)**

**For :** Lord Mayor Basil Zempilas; Deputy Lord Mayor Clyde Bevan; Councillors Brent Fleeton, Liam Gobbert, Viktor Ko, Catherine Lezer, Raj Doshi, David Goncalves and Bruce Reynolds

**Against :** Nil.

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## 4. Announcements by the Lord Mayor

### 4.1 Elizabeth Quay Family Fun Fair

The Lord Mayor advised that as of last weekend the Elizabeth Quay Family Fun Fair had attracted more than 16,000 people at Elizabeth Quay, a 20% increase in attendance since 2022. The Lord Mayor also advised that there were 7,500 people at the Elizabeth Quay fireworks which was a 28% increase in attendance since 2022. The Lord Mayor thanked the City of Perth team and Elected Members for a great events year as evident with the huge crowds and popularity of the City's events, including the Twilight Food Markets and the Rio Tinto Christmas Lights Trail.

## 4.2 Safe Night Space Alternative

The Lord Mayor presented an alternative for the Safe Night Space for women to State Government. He noted that the decision made by Council in February was to extend the Safe Night Space operations at the Rod Evans Centre until 30 November to allow sufficient time for people to make other arrangements. As no other arrangements had been made, the Lord Mayor stated he was pleased to help orchestrate an alternative for consideration.

The Lord Mayor advised that he contacted the Mayor of the City of Vincent, Alison Xamon, to discuss potential options with other spaces where Mayor Xamon highlighted Uniting WA as a potential option. The Lord Mayor had discussions with others and Uniting WA who indicated that they would be in a position to offer their existing premises in Northbridge as an alternative site for the Safe Night Space for women. The Lord Mayor advised that, on Monday 11 December, Uniting WA formally wrote to the State Government with a proposal to assume those services in the very near future for their consideration. The Lord Mayor advised that Uniting WA are well respected and experienced at providing these sorts of services, although this would be an overnight service for vulnerable women specifically, and it would operate from their existing established Tranby Engagement Hub in the City of Perth.

The Lord Mayor stated that in November 2023 the State Government offered \$3.1 million to help find a way for the Safe Night Space service to continue. As per Council's decision in February, the service cannot continue at the Rod Evans Centre as this is returning to a community centre. The Lord Mayor advised that Uniting WA would require the State Government to make that funding available to them so that they could be in a position to offer the services and provide a safe place for vulnerable women to shelter at night. The Lord Mayor advised the community to urge the State Government to agree. The outcome of the formal letter of proposal from Uniting WA to the State Government should hopefully be known in the next few days. The Lord Mayor announced that it would be wonderful if the money that the State Government has already committed to keep the Safe Night Space service open for vulnerable women be committed to Uniting WA, so that the alternate site can begin operation as soon as possible.

## 5. Disclosures of Interests

Name	Councillor Liam Gobbert
Item number and title	12.1 Major Event Leveraging Opportunity - Lightscape 2024
Nature of interest	Impartiality
Interest description	<i>"I attended Lightscape 2023 in my capacity as Deputy Lord Mayor representing the City."</i>

Name	Councillor Brent Fleton
Item number and title	14.1 1275 (Lot 1017) Hay Street, West Perth (Colonnade) - Leasing - Approval of Lease Proposal
Nature of interest	Impartiality
Interest description	<i>"Burgess Rawson was engaged to provide a valuation. They are a client of my employer."</i>

## 6. Public Participation

### 6.1 Responses to Public Questions Previously Taken on Notice

Nil.

### 6.2 Public Questions

Nil.

## 7. Confirmation of Minutes

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### Council Resolution (OCM-23/12-002)

**Mover:** Councillor Liam Gobbert

**Seconded:** Deputy Lord Mayor Clyde Bevan

That Council CONFIRMS the minutes of the Ordinary Council Meeting held on 21 November 2023 as a true and correct record.

**CARRIED UNOPPOSED (9/0)**

**For:** Lord Mayor Basil Zempilas; Deputy Lord Mayor Clyde Bevan; Councillors Brent Fleeton, Liam Gobbert, Viktor Ko, Catherine Lezer, Raj Doshi, David Goncalves and Bruce Reynolds

**Against:** Nil.

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## 8. Questions by Members which due Notice has been Given

Nil.

## 9. Correspondence

Nil.

## 10. Petitions

Nil.



## Council Resolution (OCM-23/12-003)

**Mover:** Lord Mayor Basil Zempilas

**Seconded:** Councillor Catherine Lezer

That the officer recommendation for items 15.1 and 15.2 be adopted en bloc, and the remaining items be dealt with separately.

**CARRIED UNOPPOSED (9/0)**

**For:** Lord Mayor Basil Zempilas; Deputy Lord Mayor Clyde Bevan; Councillors Brent Fleeton, Liam Gobbert, Viktor Ko, Catherine Lezer, Raj Doshi, David Goncalves and Bruce Reynolds

**Against:** Nil.

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**11. Planning and Economic Development Alliance Reports**

Nil.

## 12. Community Development Alliance Reports

Councillor Liam Gobbert disclosed an Impartiality Interest in Item 12.1.

### 12.1 Major Event Leveraging Opportunity - Lightscape 2024

Responsible Officer	Kylie Johnson – General Manager Community Development
Voting Requirements	Absolute Majority
Attachments	Confidential Attachment 12.1A – Lightscape Partnership Opportunity Confidential Attachment 12.1B – Lightscape 2024 Partnership Benefits Confidential Attachment 12.1C – Lightscape 2023 - Partnership Agreement

### Purpose

To present the 2024 Lightscape major event leveraging opportunity for consideration by Council.

### Recommendation

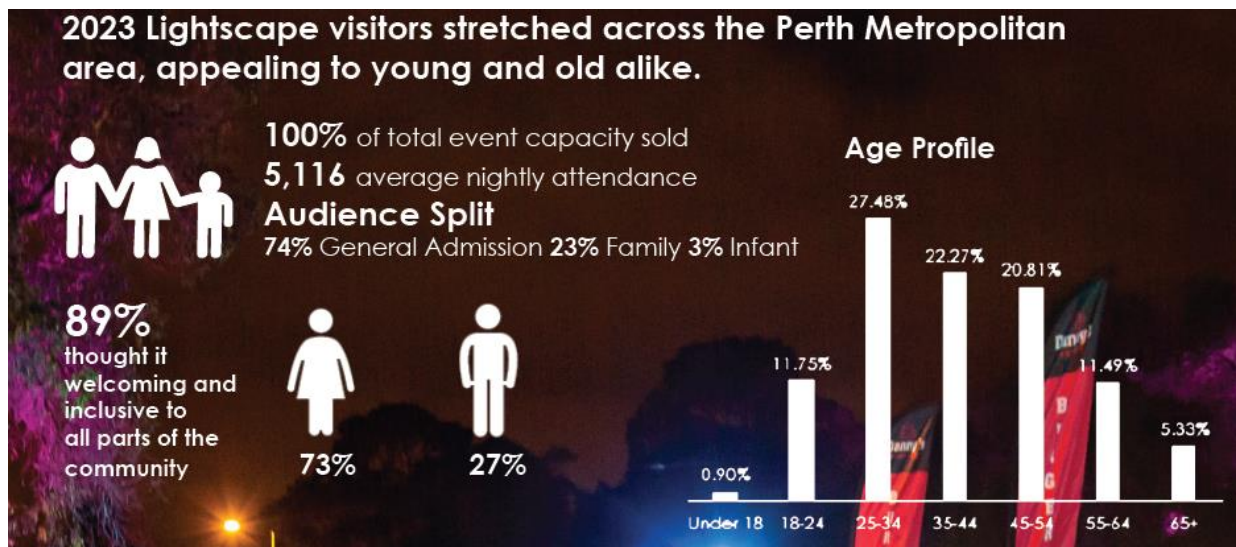
That Council:

- APPROVES Option 1, as included below to support the 2024 ‘Lightscape’ event held at Kings Park Botanic Gardens through the Botanic Gardens and Parks Authority (Attachment A).  
*“Option 1 That Council APPROVES to support the Botanic Gardens and Parks Authority for the 2024 Lightscape Event as **Presenting Partner** to the value of: \$290,000 (ex GST).”*
- APPROVES an amendment to the 2023/24 Budget to transfer \$290,000 (ex GST) from the Major Events Activation Reserve to support the 2024 Lightscape event.
- AUTHORISES the CEO to execute a Partnership Agreement on terms equivalent to or more favourable to the City than those set out by the Botanic Gardens and Parks Authority in its ‘Lightscape 2024 Partnership Benefits document’ (Attachment B) for the amount approved or such lesser amount deemed appropriate by the CEO.

## Background

1. The City has a vision for Perth to be 'the events heart of WA' (2025 Events Strategy).
2. Lightscape is a 5-year major event at Kings Park Botanic Gardens, that commenced in 2023 taking ticketholders on a 1.8km trail through the iconic Kings Park and Botanic Gardens from 16 June to 30 July 2023.
3. Lightscape is presented and funded by Sony Music and the State Government Authority Botanic Gardens and Parks Authority (BPGA).
4. The theme over the five-year agreement with Sony highlights the wonders of WA flora and fauna while delivering an immersive and entertaining experience in the winter months in Kings Park.
5. This City partnered with BPGA as the Presenting Partner ('powered by City of Perth City of Light') for the 2023 Lightscape event, supporting marketing and community engagement which added to the success of the inaugural event.
6. The installations focus on the WA flora of the WA Botanic Garden. The City of Perth's focus on increasing urban tree canopy and valuing green spaces aligned with the flagship installation of 2023, Neon Trees.
7. The inaugural 2023 Lightscape event was hailed as a huge success with the following event overview:

**Attendees:** 100% total capacity sold (184,000 tickets):



## Engagement

### 8. Social media:

BGPA social media – Facebook Posts	Date of Post	Reach
COP partnership announcement - Share of Lord Mayor post	19/05/23	8,502
Behind-the-scenes – Winter Cathedral in the works	26/05/23	16,116
General promotion: River of Light – FB banner	30/05/23	10,273
Behind-the-scenes – Neon Trees at night	2/06/23	17,785
LAUNCH – professional preview photos with tips (FAQs) to enjoy the event	16/06/23	49,453
Free shuttle bus announcement	16/06/23	21,131
Minister Hon Reece Whitby post share + parking information	23/06/23	25,803
Artist feature: Lynley Nargoodah – video.	3/07/23	2,439
‘On to-light’ - Ticketek as the source of Lightscape information	5/07/23	9,098
Artist feature: Tiahna Oxenham	6/07/23	10,717
‘Future Keepers’ Lightscape booklet on sale	14/07/23	8,099
City of Perth Council House lights	17/07/23	5,014
Mottlecah installation feature + new date added	20/07/23	13,275

### 9. Media Coverage:

Media coverage of Lightscape in 2023 reached over 1 million impressions, with over 7.68 million impressions, generating 285 clips and engaging 135 media personalities and influencers.

## Discussion

10. The internationally renowned Lightscape art and sound spectacular is returning to Kings Park after a sell-out season in 2023.
11. On 24 November 2023, the City received a formal request for support from BGPA.
12. As part of the provision in the 2023/24 Partnership Agreement, the City is to be offered the opportunity to be the *Presenting Partner* (‘powered by City of Perth City of Light’) for the 2024 Lightscape event.
13. Lightscape will take place over 40 nights from 7 June 2024, supported by an 8-month advertising and social media campaign.
14. In 2024, Lightscape (year 2) will once again bring the best of international and local artists to build on a conservation and botanical theme being ‘*The magic of root systems and their role in resilient landscapes*’.
15. The Presenting Partner opportunity will require the full requested amount to be supported (endorsement of option 1 as detailed below).

16. The Administration has provided four options for Council to consider:

**Option 1**

That Council APPROVES to support the Botanic Gardens and Parks Authority for the 2024 Lightscape Event as *Presenting Partner* to the value of:

\$290,000 (ex GST)

**Option 2**

That Council APPROVES to support the Botanic Gardens and Parks Authority for the 2024 Lightscape Event as *Major Partner* to the value of:

\$150,000 (ex GST)

**Option 3**

That Council APPROVES to support the Botanic Gardens and Parks Authority for the 2024 Lightscape Event as *Supporting Partner* to the value of:

\$60,000 (ex GST)

**Option 4**

That Council does not APPROVE any support to Botanic Gardens and Parks Authority for the 2024 Lightscape Event.

## Consultation

17. Discussions have been occurring since 2022 with BGPA, Sony and Culture Creative.
18. Representatives from BGPA have expressed a desire to attend the Council Meeting to enable elected members to clarify any aspect of this leveraging proposal.

## Decision Implications

19. Council Policy 4.3 Outgoing Sponsorship and Grants clause 10a. outlines that the City will not consider applications from the Commonwealth or State Government Departments through our sponsorship and grant programs.
20. Separate to the sponsorship program the City maintains a Major Events Activation Reserve which has the following stated purpose:
- “This reserve was established to allow the City to leverage activations associated with third party run major national or international sporting events. The reserve may also be used to allow the City to partner with state government agencies delivering events with significant state funding support.”*
21. The City’s involvement in the 2024 Lightscape Event is consistent with the purpose for which the reserve fund was established and could therefore be used to source up to \$290,000 towards leveraging the event.
22. If Council supports, any of the first three options (1, 2 or 3) to provide funding for this major event then the extent of financial impact will require funding from the City’s Major Events Activation Reserve.
23. If Council does not support any funding being made available, as outlined in Option 4, no further action will be required.

24. The City strives to encourage events of this nature that drive visitation to the City and showcase Perth as a vibrant, global destination for future major international events.

## Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Liveable
Related Documents (Issue Specific Strategies and Plans):	2025 Events Strategy Council Policy 4.3 Sponsorship and Grants

Legislation, Delegation of Authority and Policy	
Legislation:	Regulation 12 of the Local Government (Financial Management) Regulations 1996 – payments from municipal fund or trust fund, restrictions on making. Section 6.8 of the Local Government Act 1995.
Authority of Council/CEO:	Council may by resolution of Council authorise expenditure from the Major Events Activation Reserve.
Policy:	

## Financial Implications

25. The current balance of the Major Events Activation Reserve is \$1.99M.

## Further Information

26. Questions and Responses in relation to this item are as follows:

	Question	Response
1.	As you stated this is a five-year agreement with Sony. So based on Sony's investment in this light event, your commitment, and the overwhelming success of 2023 the City of Perth as the 2023 presenting partner contributing \$200k why is it so that in 2024 your request has increased to \$320k in total.	In addition to the deputation provided at Agenda Briefing Session on 5 December: Lightscape as a brand was unknown in 2023 and the City of Perth joined to partner with BGPA (Botanic Gardens and park Authority) in May 2023 and the event opened in mid-June 2023. The 2023 rate was discounted given the unknown nature of the event, the late timing of the partnership and the limited opportunity to build on the branding of the event.

	Question	Response
2.	What is the CoP getting for an additional \$120k investment into this event for 2024?	<p>An extra six months of promotion for Lightscape as a partnership and presenting status.</p> <p>BGPA have advised they will provide extra activation in the CBD and increase transport services. They will also resource extra opportunity to engage with local businesses to deliver VIP experiences.</p>
3.	Could we see that rise further over the coming years until the current Sony contract of 5 years ends in 2027?	This proposal only relates to the 2024 Lightscape event.
4.	Your stats show 47.7% from Northern subs and 39.2% Southern subs visited Lightscape 2023, so from a ratepayer perspective and those residing and working in the City of Perth where is the value add for them?	<p>Perth operates under both the Local Government Act 1995 and the City of Perth Act 2016. As a capital city, Perth has a leadership position and unique responsibilities in the social, economic, cultural, environmental and civic life of its district, the broader metropolitan area and the State. It also has a unique role in representing Western Australia on national and international stages.</p> <p>Council endorsed the 2025 Events Strategy which sets the following vision: Perth is our capital city and the events heart of WA. Perth is:</p> <ul style="list-style-type: none"> <li>• an events destination</li> <li>• a vibrant, connected and progressive city.</li> <li>• an event friendly destination.</li> <li>• has a year-round calendar of events that reflects our unique cultural proposition, attracts visitors and is supported by residents.</li> <li>• receives international repute for its brand and unique culture and is known for a signature event Perth is a city that celebrates its unique Aboriginal culture and multicultural community.</li> </ul>



	Question	Response
5.	<p>Would discounting tickets for CoP residents encourage more local participation on a visitor level and local business engagement level justify the additional funds requested for Lightscape 2024?</p>	<ul style="list-style-type: none"> <li>• Once Council makes their decision, there will be discussion with BGPA regarding leveraging opportunities and benefits associated with the relevant level of support.</li> <li>• Discussion of benefits and operational support occurs at an administrative level under the authority of the Chief Executive Officer, as per the third recommendation of the Council report.</li> <li>• In regards to discounts, we can certainly have those discussions once the Council decision is made. Given the strong working relationship this year between the City and BGPA there will definitely be a focus on how we can leverage support for businesses, particularly in the West Perth area. This year we visited businesses in the area to engage on opportunities, so we have an existing database and the longer lead up time will assist improve outcomes.</li> <li>• Options that can be explored with BGPA include discounted tickets or presale for local residents, and development of VIP experiences so local business can benefit from increased activation.</li> </ul>
6.	<p>From 2023 being 30 days to 2024 being 40 days and assuming you are at 100% capacity as last year's figures suggest this will also provide you with additional profits you didn't see in 2023, so again what is the additional 120k needed for?</p>	<p>It is acknowledged that with additional days, comes additional costs and further opportunities for promotion of the event.</p>
7.	<p>Would you consider a fixed sum of \$200k if the CoP commit to support this event as in 2023 until the end of the contract date with Sony being 2027, so you have the guarantee that we are invested in this event for our city and with you.</p>	<p>This response has been circulated to Elected Members under confidential cover.</p>

## Council Resolution (OCM-23/12-004)

**Mover:** Councillor Raj Doshi

**Seconded:** Deputy Lord Mayor Clyde Bevan

*Councillor Viktor Ko foreshadowed a motion to approve Option 2 as detailed in the Officers report, in the event the motion under debate was lost.*

That Council:

1. APPROVES Option 1, as included below to support the 2024 'Lightscape' event held at Kings Park Botanic Gardens through the Botanic Gardens and Parks Authority (Attachment A).  
*"Option 1 That Council APPROVES to support the Botanic Gardens and Parks Authority for the 2024 Lightscape Event as **Presenting Partner** to the value of: \$290,000 (ex GST)."*
2. APPROVES an amendment to the 2023/24 Budget to transfer \$290,000 (ex GST) from the Major Events Activation Reserve to support the 2024 Lightscape event.
3. AUTHORISES the CEO to execute a Partnership Agreement on terms equivalent to or more favourable to the City than those set out by the Botanic Gardens and Parks Authority in its 'Lightscape 2024 Partnership Benefits document' (Attachment B) for the amount approved or such lesser amount deemed appropriate by the CEO.

**CARRIED BY ABSOLUTE MAJORITY (8/1)**

**For:** Lord Mayor Basil Zempilas; Deputy Lord Mayor Clyde Bevan; Councillors Brent Fleeton, Liam Gobbert, Catherine Lezer, Raj Doshi, David Goncalves and Bruce Reynolds

**Against:** Councillor Viktor Ko

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### 13. Infrastructure and Operations Alliance Reports

Nil.

## 14. Commercial Services Alliance Reports

Councillor Brent Fleeton disclosed an Impartiality Interest in Item 14.1.

### 14.1 1275 (Lot 1017) Hay Street, West Perth (Colonnade) - Leasing - Approval of Lease Proposal

Responsible Officer	Steve Holden – General Manager Commercial Services
Voting Requirements	Absolute Majority
Attachments	Attachment 14.1A – Lease Proposal Attachment 14.1B – Survey Plans Attachment 14.1C – Street View

### Purpose

To seek Council approval to enter into and advertise the disposal of a new lease for 1275 (Lot 1017) Hay Street (Colonnade), West Perth to Tassone & Singh Pty Ltd as trustee for the Tassone & Singh Unit Trust (“tenant”) as per Attachment A (“Lease Proposal”).

### Recommendation

That Council:

1. APPROVES the proposed Lease Proposal to lease 1275 (Lot 1017) Hay Street (Colonnade), West Perth, for a period of 21 years.
2. AUTHORISES the Chief Executive Officer to give local public notice of the proposed disposition in accordance with Section 3.58(3)(a) of the *Local Government Act 1995*.
3. DELEGATES authority to the Chief Executive Officer to consider any submissions made in response to local public notice of the proposed disposition and to agree to disposed of the property in accordance with Section 3.58(3)(b) of the *Local Government Act 1995*.
4. Subject to the Chief Executive Officer agreeing to dispose of the property in the exercise of authority delegated under item 3, AUTHORISES the Chief Executive Officer to execute the new lease and any subsequent sublease, variation, extension or assignment on behalf of the City.

## Background

1. This report is being submitted at the request of the existing tenant who are requesting a new 21-year lease.
2. 1275 (Lot 1017) Hay Street, West Perth is a two-storey retail/commercial building standing on the corner of Hay Street and Outram Street. The top floor of the property has been constructed over the top of the **road reserve** (footpath).
3. This colonnade and air rights arrangement over the **road reserve** has been documented by way of a 21-year lease between the owners of the property and the City of Perth.
4. The current lease terminates on the 15<sup>th</sup> June 2029.
5. In November 2022, Satac Pty Ltd sold the property and assigned the lease to Tassone & Singh Pty Ltd.
6. Tassone & Singh Pty Ltd is owned by Dhyan Singh and Alberto Tassone, who own Stanley College. It is understood that Stanley College will operate the property as a hospitality training facility with a Development Approval recently issued for a tavern use on the ground floor and education use on the upper floors. The City is now in receipt of the Building Permit application for the refurbishment of the property.
7. The Deed of Consent and Assignment of Lease was formalised on 25<sup>th</sup> November 2022.
8. Reflecting the short period remaining on the existing lease, Tassone & Singh Pty Ltd have now formally requested that the City consider a new lease agreement for a further 21-year term.

## Discussion

9. Assuming Ministerial approval, the Administration is willing to support this request, which will secure the investment by the tenant in the property, including the occupation by Stanley College.
10. Ministerial approval is required as the lease is on Crown Land (road reserve), with 21-years being the maximum possible term that the Minister will approve.

### Market Rental Valuation

11. A market rental valuation of the site was issued by the City's Valuer, Burgess Rawson on 24<sup>th</sup> April 2023, with a confirmation letter dated 23<sup>rd</sup> October 2023.
12. The Valuer determined a market rental valuation of \$5,720.00 per annum.
13. This is in line with the current rental paid by the tenant to the City of \$5,720.00 per annum.

### Lease Transaction

14. The City has now reached agreement on proposed terms for the new lease with the rent set at the market rate of \$5,720 per annum.
15. The proposal does not include any incentives.
16. However, the agreed lease term is outside the scope of Council Policy 2.7 Property Performance Investment and Disposal Policy, which states that the aggregate term, including any options to extend or renew, is not to exceed a maximum of twenty (20) years.
17. The agreed rent is 100% of the market valuation and is accordance with the parameters for an Income Generating property (being not less than 95% of market value).

18. Per Council Policy 2.7 Property Performance, Investment and Disposal, ordinarily the rent should be reviewed to Market Value not less than every five years during the term. Annual percentage increases in rent equal to or not less than the movement in the Perth Consumer Index will also apply on each year of the term where the rent is not reviewed to Market Value.
19. On this occasion, the rent review will be subject to Perth Consumer Index review every two years, which mirrors the existing rent review provisions in the current lease. This approach reflects the lack of suitable comparable evidence for leases of this nature and avoids paying market valuation fees for what is a relatively low value lease.
20. A copy of the Lease Proposal is attached to this report as Attachment A along with a copy of the Survey Plans as Attachment B.
21. Per the norm for such transactions, all negotiations to date have been made subject to formal approval, advertising and all relevant statutory approvals, including Ministerial approval.

## Consultation

22. Not applicable.

## Decision Implications

23. There are no additional risk implications to the City other than if the Lessee fails to perform their Lease obligations.
24. There are no adverse financial implications for the City, as the new rental is the same as their current rental amount. All costs for the preparation of legal documents will be at the cost of the Lessee.
25. If the Council supports the recommendation, then the City will commence the statutory advertising required under Local Government Act 1995, Section 3.58.
26. If the Council does not support the recommendation, the Lessee will be advised of the outcome.

## Strategic, Legislative and Policy Implications

Strategy	
Strategic Pillar (Objective)	Prosperous
Related Documents (Issue Specific Strategies and Plans):	The City of Perth commercial property portfolio provides the opportunity to deliver revenue diversification from the traditional rates income and carparking revenue. The City is guided by the statement “To maximise the potential of our property assets in the context of a triple bottom line approach (Profit, People & Planet)”.

Legislation, Delegation of Authority and Policy	
<b>Legislation:</b>	Section 3.58 of the Local Government Act 1995.
<b>Authority of Council/CEO:</b>	<p>Under section 2.13 Register of Delegations and Authorisations the CEO has the authority to lease a land where its independent market rental valuation is less than \$2,000,000.00 pa.</p> <p>The exercise of this delegation must be consistent with the relevant Council Policy.</p>
<b>Policy:</b>	<p>CP 2.7 Property Performance Investment and Disposal Policy.</p> <p>Section 5(A)(i) states that the aggregate term, including any options to extend or renew, is not to exceed a maximum of twenty (20) years.</p> <p>Section 5(A)(i) also states that the Rent is to be reviewed to Market Value not less than every five years during the Term. Annual percentage increases in Rent equal to not less than the movement in the Perth Consumer Price Index will apply on each year of the term where the Rent is not reviewed to Market Value.</p> <p>As this disposal exceeds the leasing parameters for an Income Generating property, Council must resolve upon this disposal of the property in these circumstances.</p>

## Financial Implications

27. All costs associated with the new lease will be met by the tenant.

## Further Information

Nil.

## Council Resolution (OCM-23/12-005)

**Mover:** Councillor Catherine Lezer

**Seconded:** Councillor Bruce Reynolds

That Council:

1. APPROVES the proposed Lease Proposal to lease 1275 (Lot 1017) Hay Street (Colonnade), West Perth, for a period of 21 years.
2. AUTHORISES the Chief Executive Officer to give local public notice of the proposed disposition in accordance with Section 3.58(3)(a) of the *Local Government Act 1995*.
3. DELEGATES authority to the Chief Executive Officer to consider any submissions made in response to local public notice of the proposed disposition and to agree to disposed of the property in accordance with Section 3.58(3)(b) of the *Local Government Act 1995*.
4. Subject to the Chief Executive Officer agreeing to dispose of the property in the exercise of authority delegated under item 3, AUTHORISES the Chief Executive Officer to execute the new lease and any subsequent sublease, variation, extension or assignment on behalf of the City.

**CARRIED BY ABSOLUTE MAJORITY (9/0)**

**For:** Lord Mayor Basil Zempilas; Deputy Lord Mayor Clyde Bevan; Councillors Brent Fleeton, Liam Gobbert, Viktor Ko, Catherine Lezer, Raj Doshi, David Goncalves and Bruce Reynolds

**Against:** Nil.

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## 15. Corporate Services Reports

### 15.1 Monthly Financial Statements - October 2023

Responsible Officer	Michael Kent – Chief Financial Officer
Voting Requirements	Simple Majority
Attachments	Attachment 15.1A – Statement of Financial Activity Attachment 15.1B – Notes on Significant Variances Attachment 15.1C – Supplementary Notes to Statement of Financial Activity Attachment 15.1D – Financial Performance Statistics Attachment 15.1E – Statement of Financial Position Attachment 15.1F – Alliance Operating Variances Attachment 15.1G – Capital Variances Attachment 15.1H – Investment Report Attachment 15.1I – Rates Debtors Report.

### Purpose

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

### Recommendation

That Council:

1. RECEIVES the following financial reports for the period ended 31 October 2023:
  - a) Statement of Financial Activity (SFA) - Attachment 15.1A.
  - b) Notes on Significant Variances - Attachment 15.1B.
  - c) Supplementary Notes to the Statement of Financial Activity - Attachment 15.1C.
  - d) Monthly Financial Statistics - Attachment 15.1D.
  - e) Statement of Financial Position - Attachment 15.1E.
  - f) Alliance Operating Variances - Attachment 15.1F.
  - g) Capital Variances - Attachment 15.1G.
  - h) Investment Report - Attachment 15.1H.
  - i) Rates Monthly Debtors Report - Attachment 15.1I.

## Background

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

## Understanding the Financials

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

10. A realised unfavourable year to date variance on an expenditure item, (over-expenditure) results in a decrease to the projected budget surplus.
11. The Schedule of Significant Variances (Attachment 15.1B) provides commentary on whether the nature of the variance is savings related, timing related or otherwise.
12. If a realised favourable or unfavourable variance is material in value (of significant size), it will be amended through a formal budget review process.

## Discussion

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

**Table 1:**

Item Details	Annual Budget	YTD Budget	Actual 23/24	Variance	F/ U
Operating Revenue	\$ 113.24 M	\$ 44.85 M	\$ 46.68 M	\$ 1.83 M	F
Rates Revenue	\$ 103.80 M	\$ 103.80 M	\$ 104.50 M	\$ 691 K	F
Cash Operating Exp.	\$ 174.96 M	\$ 55.07 M	\$ 50.80 M	\$ 4.27 M	F
Non-Operating Revenue	\$ 12.92 M	\$ 0.00 M	\$ 111 K	\$ 111 K	F
Capital - Infrastructure	\$ 34.08 M	\$ 5.86 M	\$ 6.58 M	\$ 722 K	U
Property, Plant & Equip.	\$ 36.14 M	\$ 4.07 M	\$ 4.20 M	\$ 130 K	U
Capital Contributions	\$ 19.00 M	\$ 1.25 M	\$ 0.00 M	\$ 1.25 M	F

16. Material operating revenue and expenditure variances from Attachment 15.1A are detailed (with explanatory comments) in the Notes on Significant Variances (Attachment 15.1B).
17. Each line item listed in the SFA by Nature & Type Attachment 15.1A can be cross referenced (using the Note reference) back to the relevant note.
18. Examining the SFA (Attachment 15.1A) in more detail; the aggregation of operating revenues and operating expenses reflects a year-to-date Net Cash Position from Operations of \$100.37M compared to a year-to-date budgeted surplus of \$93.59M. This is a favourable variance of \$6.78M at the end of the month.
19. Investing activities reflect a result of (\$10.74M) compared to a year-to-date budget of (\$11.17M). This is a favourable variance of \$0.43M. This is largely related to an accelerated start to the capital program, albeit a program with a modest budget to date.
20. Construction of infrastructure to month end is ahead of year-to-date budget expectations at \$6.58M, against a \$5.86M year to date budget as noted at paragraph 15.
21. Acquisition of non-infrastructure to month end is \$4.20M and is also ahead of the year-to-date budget.



22. Comments on significant capital variances are contained in Attachment 15.1G.
23. Adjusting for opening funds (Net Current Position), generates the Budget Deficiency before Rates. This then indicates the Amount Required to be Raised from Rates. The difference between the Rates amount, and the Deficiency before Rates, is the Closing Position.
24. The SFA for the period to 31 October shows that a rate yield of \$104.50M has been levied compared to the budget of \$103.80M after adjusting for interim rates.
25. The disclosed year to date SFA Closing Position of \$120.88M compares favourably to the projected budget closing position of \$114.57M - reflecting the combined impact of the favourable variances noted in this report for revenues, expenses, and financing activity.
26. Contributing to this difference are a very positive investment revenue performance and slower than anticipated operating cash outflows.
27. Key financial statistics at each month end are presented graphically in Attachment 15.1D as an alternative representation of the data.
28. The Net Current Position Note (Attachment 15.1C) at month end indicates a year-to-date adjusted Net Current Position value of \$120.95M versus the year end projection of \$7.69M.
29. Headline data from this month's Net Current Position report is shown in Table 2 below.

**Table 2:**

Item Details	June 2023 Actual	June 2024 Annual Budget	Oct 2023 Actual
Current Assets	\$ 210.03 M	\$ 181.80 M	\$ 315.25 M
Current Liabilities	(\$ 35.22 M)	(\$ 41.53 M)	(\$ 50.68 M)
Unadjusted Net Assets	\$ 174.81 M	\$ 140.29 M	\$ 264.57 M
Less Restricted Items	(\$ 155.11 M)	(\$ 132.60 M)	(\$ 143.62 M)
Adjusted Net Current Position	\$ 19.69 M	\$ 7.69 M	\$ 120.95 M

30. The Current Asset position at month end is favourably impacted by three major factors :
  - a. A higher value of reserve funds versus the projected year-end balance - which will be reduced later in the financial year based on planned drawdown of funds.
  - b. A higher municipal cash balance due to a strong rates first instalment collection profile.
  - c. A significantly higher rates receivable balance representing the remaining three rate instalments yet to fall due for collection.
31. As noted above, there is currently a higher value of reserve funds (restricted assets) at present, and this difference will remain until drawn down to make the capital contributions for the WACA Aquatic Facility and Perth Concert Hall when required.
32. The remaining variances are essentially timing differences attributable to 'unusual' but relatively predictable pattern of local government cashflows. That is, revenue is largely recognised at the beginning of the year – but cash collections and expenditure are phased across the whole year.
33. A Statement of Financial Position as at month end (showing 2022/23 Actual balances, the Revised 2023/24 Budget and the 2023/24 Year to Date Actual balances) is presented as Attachment 15.1E.

34. In line with recent local government financial management reporting changes, Attachments 15.1A to Attachment 15.1C form the portion of monthly management accounts that is a statutory obligation.
35. The remaining attachments 15.1D through to 15.1I are supplementary information provided to give Council additional transparency of the City's financial management performance.
36. Attachment 15.1F - Operating Variances and Attachment 15.1G - Capital Variances provide a more granular view of variances by alliance and service.
37. Attachment 15.1H - Investment Report for October 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.
38. 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.
39. It also shows the impact of recent uplifts in investment rates and performance is currently comfortably ahead of the upward revision to the interest revenue budget in the 2023/24 annual budget.
40. Attachment 15.1I - Rates Debtors provides a monthly update and analysis of rates collections by differential property rating category and overall. The 2023/24 rates notices were issued on 28 July with a first instalment due date of 6 September 2023.
41. As noted in Table 1, the rates yield is currently \$691K ahead budget. However, it is important to note that anticipated concessions will subsequently reduce the rate yield by approximately \$450K. A retrospective downwards interim rates adjustment of \$155K is also to be processed in December.

## Consultation

Nil.

## Decision Implications

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

## Strategic, Legislative and Policy Implications

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

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

## Financial Implications

43. 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

Nil.

## Council Resolution (OCM-23/12-006)

**Mover:** Lord Mayor Basil Zempilas

**Seconded:** Councillor Catherine Lezer

That Council:

1. RECEIVES the following financial reports for the period ended 31 October 2023:
  - a) Statement of Financial Activity (SFA) - Attachment 15.1A.
  - b) Notes on Significant Variances - Attachment 15.1B.
  - c) Supplementary Notes to the Statement of Financial Activity - Attachment 15.1C.
  - d) Monthly Financial Statistics - Attachment 15.1D.
  - e) Statement of Financial Position - Attachment 15.1E.
  - f) Alliance Operating Variances - Attachment 15.1F.
  - g) Capital Variances - Attachment 15.1G.
  - h) Investment Report - Attachment 15.1H.
  - i) Rates Monthly Debtors Report - Attachment 15.1I.

**CARRIED EN BLOC (9/0)**

**For:** Lord Mayor Basil Zempilas; Deputy Lord Mayor Clyde Bevan; Councillors Brent Fleeton, Liam Gobbert, Viktor Ko, Catherine Lezer, Raj Doshi, David Goncalves and Bruce Reynolds

**Against:** Nil.

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## 15.2 Schedule of Accounts Paid - October 2023

Responsible Officer	Michael Kent – Chief Financial Officer
Voting Requirements	Simple Majority
Attachments	Attachment 15.2A – Schedule of Accounts Paid - October 2023

### Purpose

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

### Recommendation

That Council:

1. RECEIVES the Schedule of Accounts Paid for the period ended 31 October 2023 as attached as Appendix 15.2A.
2. RECORDS in the Ordinary Council Meeting minutes the summary of accounts paid being:

Total Accounts Paid	
Municipal Fund	\$14,861,122.64
Trust Fund	0
<b>Total - All Funds</b>	<b>\$14,861,122.64</b>

## Background

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

## Discussion

6. The Schedule of Accounts Paid (Attachment 15.2A) contains the following payments made under Delegated Authority 2.14 - Payments from the Municipal & Trust Fund:

Schedule of Accounts Paid - October 2023		
<b>Municipal Fund</b>		
EFT & Cheque Payments	Direct Creditor Payments	11,185,969.70
<b>Sub Total - EFT &amp; Cheques</b>		<b>11,185,969.70</b>
Direct Debits	Bank Charges and Merchant Fees	75,098.36
<b>Sub Total - Direct Debits</b>		<b>75,098.36</b>
Payroll	06/10/2023	1,797,295.91
	24/10/2023	1,790,838.05
<b>Sub Total - Payroll</b>		<b>3,588,133.96</b>
Corporate Cards		11,920.62
<b>Sub Total - Cards</b>		<b>11,920.62</b>
<b>Total per Attachment 15.2A</b>		<b>14,861,122.64</b>
<b>Total Payments from Municipal Fund</b>		<b>14,861,122.64</b>
Investments in Term Deposits		<b>10,000,000</b>
<b>Trust Fund</b>		
Trust EFT & Cheques		<b>0</b>
<b>Total - Trust Funds</b>		

## Consultation

Nil.

## Decision Implications

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

## Strategic, Legislative and Policy Implications

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

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

## Financial Implications

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

## Further Information

Nil.



## Council Resolution (OCM-23/12-007)

**Mover:** Lord Mayor Basil Zempilas

**Seconded:** Councillor Catherine Lezer

That Council:

1. RECEIVES the Schedule of Accounts Paid for the period ended 31 October 2023 as attached as Appendix 15.2A.
2. RECORDS in the Ordinary Council Meeting minutes the summary of accounts paid being:

Total Accounts Paid	
Municipal Fund	\$14,861,122.64
Trust Fund	0
<b>Total - All Funds</b>	<b>\$14,861,122.64</b>

**CARRIED EN BLOC (9/0)**

**For:** Lord Mayor Basil Zempilas; Deputy Lord Mayor Clyde Bevan; Councillors Brent Fleeton, Liam Gobbert, Viktor Ko, Catherine Lezer, Raj Doshi, David Goncalves and Bruce Reynolds

**Against:** Nil.

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### 15.3 Audit Exit Interview and Presentation of Audited 2022/23 Financial Statements

Responsible Officer	Michael Kent – Chief Financial Officer
Voting Requirements	Absolute Majority
Attachments	Attachment 15.3A – Audit Close Report 2022-23 Attachment 15.3B – Auditors Opinion 2022-23 Attachment 15.3C – Signed Annual Financial Statements - 2022-23

#### Purpose

To present the City’s audited Financial Statements for the period ending 30 June 2023 and provide a forum for the audit exit interview wherein Ernst and Young (EY), as auditors for the Office of the Auditor General (OAG), and the OAG can present their audit opinion and management letter points.

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#### Recommendation

That the Audit and Risk Committee recommends that Council:

1. RECEIVES the following reports for the period ended 30 June 2023:
    - a. 2022/23 Annual Audit Close Report
    - b. 2022/23 audited Annual Financial Statements
  2. ACCEPTS the audited Financial Statements for the year ended 30 June 2023.
-

## Background

1. The City's 2022/23 annual financial statements were audited by Ernst & Young (EY) as auditors for the Office of Auditor General (OAG).
2. The audit closing report provides details of audit work conducted as part of the 2023 annual financial statement audit in accordance with the Australian Auditing Standards and practices and the requirements of the *Local Government Act 1995* (the Act) and the *Local Government (Audit) Regulations 1996*.
3. The financial statements are required to be signed by the Chief Executive Officer upon acceptance by the Audit and Risk Committee.
4. Once approved by Council, the Financial Statements will be included within the 2023 Annual Report as required by Section 5.53 of the Local Government Act (1995).

## Discussion

5. The City presented its draft 2022/23 annual financial statement to auditors on 22 September 2023, ahead of the 30 September deadline for submission. Auditors (EY) commenced their audit field work on 18 September 2023 in accordance with their audit program.
6. The financial statements addressed all statutory financial requirements imposed on the city and complied with the Australian Accounting Standards.
7. The audit found no instances of non-compliance.
8. The OAG also conducted a review of the appropriateness of internal controls as part of the interim audit process.
9. The assessment found no serious deficiencies in the City's internal controls.
10. The audit report also noted that the prior year audit findings (2 findings) on internal controls were resolved and closed to the auditor's satisfaction and a third finding in relation to employee leave balances has also been closed out to the satisfaction of the auditor.
11. The city also conducted a comprehensive revaluation of all its infrastructure assets in accordance with [section 17 \(A\) of the Local Government Financial Management Regulations 1996](#).
12. Bespoke and specialty assets were revalued by an independent registered valuer. For other infrastructure assets, internal specialists developed unit rates which were reviewed by an independent construction cost consultant.
13. The asset revaluation resulted in an increase in infrastructure asset value of \$240.218 million.
14. EY specifically acknowledged both the extent of professional work effort and the calibre of the process, documentation and cooperation that they received from the City's Asset Management and Finance Teams in relation to the asset revaluation.
15. There will be no Audit Management Letter issued in relation to the 2022/23 annual audit as there are no items to report.

## Consultation

Nil.

## Decision Implications

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

## Strategic, Legislative and Policy Implications

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

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

## Financial Implications

This report presents a historical perspective of the City’s financial performance and financial position for the 2022/23 financial year.

## Further Information

17. During the Audit and Risk Committee Meeting held 27 November 2023, Independent Member Colin Murphy suggested that the Responsible Officer amend the report as follows:
  - a. Adding the word ‘serious’ in point 9.
  - b. Removing the words ‘and the Auditor General’ from point 3.
18. These changes have now been made by the Responsible Officer.

## Council Resolution (OCM-23/12-008)

**Mover:** Councillor Catherine Lezer

**Seconded:** Councillor Liam Gobbert

That Council:

1. RECEIVES the following reports for the period ended 30 June 2023:
  - a. 2022/23 Annual Audit Close Report
  - b. 2022/23 audited Annual Financial Statements
2. ACCEPTS the audited Financial Statements for the year ended 30 June 2023.

**CARRIED BY ABSOLUTE MAJORITY (9/0)**

**For:** Lord Mayor Basil Zempilas; Deputy Lord Mayor Clyde Bevan; Councillors Brent Fleeton, Liam Gobbert, Viktor Ko, Catherine Lezer, Raj Doshi, David Goncalves and Bruce Reynolds

**Against:** Nil.

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## 16. Chief Executive Officer Reports

### 16.1 Adopting the Annual Report and Setting the Date for the 2022/23 Electors General Meeting

Responsible Officer	Michelle Reynolds – Chief Executive Officer
Voting Requirements	Absolute Majority
Attachments	Attachment 16.1A – City of Perth 2022-2023 Annual Report

#### Purpose

For Council to consider the City of Perth 2022/23 Annual Report and setting the date for the Electors General Meeting.

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#### Recommendation

That Council:

- ACCEPTS the City of Perth 2022-2023 Annual Report, as provided in Attachment A, in accordance with Section 5.53 and 5.54(1) of the *Local Government Act 1995* (the Act); noting that:
    - a draft version of Annual Report (text only) is attached to this report which will be formatted (including structurally) and graphically designed following acceptance before it is made available; and
    - minor typographical amendments, that do not affect the materiality of the document, may also be made to improve the presentation and/or make corrections.
  - APPROVES the advertisement of the availability of the Annual Report in accordance with Section 5.55 of the *Local Government Act 1995*.
  - APPROVES the 2022-2023 Electors General Meeting to be held at 5.00 pm on Tuesday 30 January 2024, at Council House, Level 9, Council Chamber, in accordance with Section 5.27 of the Act.
-

## Background

1. In accordance with Section 5.53 of the Act, the City of Perth 2022-23 Annual Report has been prepared, summarising the previous year's achievements and challenges and the outlook for the year ahead, as well as addressing stipulated statutory requirements. The Annual Report also demonstrates performance against the City's Strategic Community Plan
2. The Annual Report includes the City's Financial Statements for the 2022-23 financial year, which have been audited by the Office of the Auditor General.
3. The City's Financial Statements for the 2022/23 financial year are included on this Agenda, for consideration by Council, at Item 15.3 – Audit Exit Interview and Presentation of Audited 2022/23 Financial Statements.
4. It is a statutory requirement that Council accepts an Annual Report and for the report to be presented to the Electors General Meeting. The Act requires that an Electors General Meeting is to be held on a day selected by the local government, but not more than 56 days after the Annual Report is accepted.

## Discussion

5. This report recommends that Council accepts the City of Perth 2022/23 Annual Report (Attachment A), advertises the availability of the Annual Report and sets the date for the 2022/23 Electors General Meeting.
6. Following Council's acceptance of the City's Annual Report, the report must be:
  - a. published on the City's official website within 14 days; and
  - b. presented at the Electors General Meeting to be held within 56 days of Council accepting the report.
7. To set a date for the Electors General Meeting, Council is required to have received the audit report for the prior period and accepted the Annual Report.
8. An Electors General Meeting is to consider matters arising with respect to the previous financial year.
9. The proposed date of the Electors General Meeting, following Council's acceptance of the Annual Report is Tuesday 30 January 2024.
10. Section 5.53 of the *Local Government Act 1995* prescribes the following requirements for inclusion in the Annual Report:
  - a. A report from the Lord Mayor;
  - b. A report from the CEO;
  - c. An overview of the plan for the future of the district made in accordance with s.5.56 of the Act, including major initiatives that are proposed to commence or to continue in the next financial year;
  - d. The financial report for the financial year;
  - e. The auditor's report for the financial year;
  - f. Any matter on which a report must be made under s.29(2) of the *Disability Services Act 1993*;
  - g. Details of entries made under s.5.121 of the Act in the register of complaints;
  - h. Such information as may be prescribed in relation to payments made to employees; and
  - i. Such other information as may be prescribed.



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

## Consultation

Nil.

## Decision Implications

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

## Strategic, Legislative and Policy Implications

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

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

## Financial Implications

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

## Further Information

Nil.

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## Council Resolution (OCM-23/12-009)

**Mover:** Councillor Liam Gobbert

**Seconded:** Councillor Catherine Lezer

That Council:

1. ACCEPTS the City of Perth 2022-2023 Annual Report, as provided in Attachment A, in accordance with Section 5.53 and 5.54(1) of the *Local Government Act 1995* (the Act); noting that:
  - a. a draft version of Annual Report (text only) is attached to this report which will be formatted (including structurally) and graphically designed following acceptance before it is made available; and
  - b. minor typographical amendments, that do not affect the materiality of the document, may also be made to improve the presentation and/or make corrections.
2. APPROVES the advertisement of the availability of the Annual Report in accordance with Section 5.55 of the *Local Government Act 1995*.
3. APPROVES the 2022-2023 Electors General Meeting to be held at 5.00 pm on Tuesday 30 January 2024, at Council House, Level 9, Council Chamber, in accordance with Section 5.27 of the Act.

**CARRIED BY ABSOLUTE MAJORITY (9/0)**

**For:** Lord Mayor Basil Zempilas; Deputy Lord Mayor Clyde Bevan; Councillors Brent Fleeton, Liam Gobbert, Viktor Ko, Catherine Lezer, Raj Doshi, David Goncalves and Bruce Reynolds

**Against:** Nil.

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## 16.2 World Energy Cities Partnership Closing Report

Responsible Officer	Michelle Reynolds – Chief Executive Officer
Voting Requirements	Absolute Majority
Attachments	Attachment 16.2A – WECP 2023- AGM Program - November 2023 Attachment 16.2B – WECP 2023 - AGM Program - Fact Sheet Attachment 16.2C – CERAWeek Newsletter - Senior Executives from across the energy value chain, electric power, finance, and emerging technologies at CERAWeek Attachment 16.2D – City of Perth Delegation to the CERAWeek Conference 2024

### Purpose

To present an overview of the successful World Energy Cities Partnership (WECP) Event hosted by the City of Perth and to seek approval to redirect the remaining budget to support the attendance by a delegation of representatives at the CERAWeek Conference.

It is anticipated that having a City of Perth delegation attending the CERAWeek Conference will build on the positive outcomes of the WECP Annual General Meeting (WECP AGM) and the State's energy transition initiatives to further establish Perth as a leading city in energy transition.

### Recommendation

That Council

1. ACKNOWLEDGES the successful hosting of the WECP Annual General Meeting 2023
2. SUPPORTS a delegation being sent to represent the City of Perth at the CERAWeek Conference 2024
3. APPROVES the allocation of the unexpended funds (\$113,000) from the World Energy Cities Partnership Budget to be allocated for expenses to support a City of Perth delegation to the CERAWeek Conference 2024

## Background

1. Formed in 1995, the World Energy Cities Partnership is a Not-for-Profit organisation, administered through the City of Houston, that connects leading energy cities on all continents that are committed to leveraging industry strengths to foster the transition to a more sustainable energy future.
2. The City of Perth is a founding member of WECP along with Houston, Aberdeen, and Stavanger - the network now features 19 member cities.
3. As hubs for the global energy sector, WECP cities and their Mayors are leading voices on the most pressing challenges facing the urban landscape today, including sustainable economic development, climate action, and building more resilient cities. WECP cities also serve as laboratories of innovation by collaborating with industry and academic partners to accelerate technology advancement in energy transition.
4. In December 2022 the City of Perth bid for and won, the opportunity to host the 2023 WECP AGM and the City of Perth has recently successfully hosted the WECP AGM 2023 from the 31 October to 3 November.
5. The WECP AGM program (Attachment 16.2A) was carefully curated to showcase Perth's advanced technology in resources, and Western Australia's leadership in clean energy production. Its extensive knowledge and expertise were showcased over three days. (Attachment 16.2B)
6. Following the successful hosting of the WECP AGM 2023 it is now recommended that the City of Perth, in collaboration with representatives from Western Australia's energy transition sector, capitalise on the State's energy transition endeavours by supporting a delegation to the CERAWeek Conference 2024 (18-22 March 2024), led by the City of Perth Lord Mayor and in consultation with key stakeholders.
7. The CERAWeek Conference is regarded as the world's leading global energy conference and exhibition, bringing together more than 8000 global leaders to advance new ideas, insight and solutions to the biggest challenges facing the future of energy, the environment, and climate. (Attachment 16.2C)
8. The CERAWeek Conference 2024 (18-22 March 2024) coincides with the WECP Working Group Meeting (WGM), which will be held 20 March 2024. This WGM is ordinarily attended by the Lord Mayor and Chief Executive Officer as founding WECP member representatives from the City of Perth.
9. The City of Perth will receive complimentary admission to the CERAWeek Conference for the mayor and two City attendees.
10. The WECP Secretariat is also working with CERAWeek on a discounted agreement for business leaders from member cities to attend the conference, with final details anticipated soon.

## Discussion

11. The **WECP AGM 2023** program showcased a convergence of global energy leaders from **eleven cities across eight countries**, including from:
  - a. Europe: Esbjerg (Denmark), Groningen (Netherlands), Stavanger (Norway)
  - b. Asia: Kobe (Japan), Dongying and Daqing (China)
  - c. Middle East: Dammam (Saudi Arabia)
  - d. Africa: Cape Town (South Africa)
  - e. North America: Houston (USA)
  - f. Australia: Darwin and Perth (Australia)



12. The WECP AGM 2023 program's broad international representation, insightful speakers, and the blend of formal and informal events were crucial for business-to-business collaboration and academic knowledge exchanges among global energy sector leaders towards a more sustainable future.
13. **Post-event feedback** from surveyed attendees was overwhelmingly positive, including the following key areas:
- 100% were "Very Satisfied" with the overall event experience.
  - 90% found the conference themes "Very Relevant" or "Extremely Relevant" to their interests and industry trends.
  - 100% were "Satisfied", with 75% were "Very Satisfied" with the quality of speakers and presentations.
  - 100% felt the conference structure was "Well Structured", with 87.5% stating "Very Well Structured".
  - 100% rated networking opportunities as "Effective" or "Very Effective".
  - 87.5% reported making valuable contacts for future professional endeavours.
14. The following positive comments were also received in response to the survey:
- "Congratulations to the organisers who worked tirelessly to bring us an unforgettable program. Everything was executed flawlessly, from the insightful sessions to the amazing networking opportunities. Thank you for your warmth, hospitality, and fond memories." – Delegate*
- "Hospitality of the Perth AGM team was amazing." – Delegate*
- "This was a fantastic AGM in a wonderful city. The people working with the AGM have done a fantastic job!" – Delegate*
15. **Key business leaders** provided insights into the resources and energy industries, including:
- The Hon Madeleine King MP, Minister for Resources and Minister for Northern Australia
  - The Hon Bill Johnston MLA, Minister for Mines and Petroleum; Energy; Hydrogen Industry; Industrial Relations
  - Mark Hatfield, Managing Director of Chevron Australia,
  - Meg O'Neill, CEO of Woodside Energy,
  - Dr Mark Hutchinson, Global CEO of Fortescue Energy,
  - Rajiv Biswas, Asia-Pacific Chief Economist, S&P Global Market Intelligence, and
  - Professor Peter Klinken, Chief Scientist of Western Australia.
16. The panel discussions, across the three days, collectively involved 13 business leaders who provided perspectives on energy topics such as the different roles wind power, hydrogen and WA's abundant commodities and critical minerals, such as lithium, play in facilitating global decarbonisation pathways.

### Key Events and Partnerships

17. There were several key events and partnerships that contributed to the success of the WECP AGM 2023.
18. **Chevron Australia** hosted a standout WECP session (2 November) at their new state-of-the-art Elizabeth Quay Headquarters, providing a platform for several notable speakers, panellists, and delegates to network with local industry leaders.
19. The event gathered more than 100 leaders and experts from government, finance, engineering, education, and industry, with a strong representation from sectors focused on economic development, sustainability, and innovation.

20. **Committee for Perth** also hosted a sell-out lunchtime panel session (2 November), 'The Power Panel: Global Lessons on Building Sustainable Cities', featuring
- a. Basil Zempilas, Lord Mayor of Perth, Western Australia;
  - b. Jesper Frost Rasmussen, Mayor of Esbjerg, Denmark;
  - c. Sissel Knutsen Hegdal, Mayor of Stavanger, Norway;
  - d. Kadri Nassiep, Executive Director of Energy, Cape Town, South Africa; and
  - e. Andy Icken, Chief Development Officer, Houston, USA.
21. The 200-seat event was attended by state and local government, academia, and private industries such as construction, energy, and consulting.

### Annual General Meeting

22. The WECP AGM 2023 held on 2 November, was led by WECP President and Mayor of Esbjerg Jesper Frost Rasmussen. The meeting discussed the organisation's actions and future growth plans, with members participating both in-person and online.
23. The 2024 AGM plans were outlined, with the City of Stavanger (Norway) selected as the successful host of the next event.
24. The Province of Groningen (Netherlands) also presented a membership pitch and was formally welcomed into the World Energies Cities Partnership.

### Media engagement and performance

25. The following provides a summary of the **social media engagement** and performance relating to the WECP AGM 2023:
- a. Platforms: Major activity on LinkedIn and other social media channels.
  - b. Statistics: 46 posts over four days generated 1.7k likes, reached 155k viewers, and received 86 comments.
  - c. Key Highlight: The announcement of the hydrogen refuelling station was the most engaging post.
  - d. Exclusions: Figures do not include individual posts from WECP, Lord Mayor, CEO, and local industry representatives.
26. The following provides a summary of the **media engagement** relating to the WECP AGM 2023, noting that most of the media coverage focused on the hydrogen refuelling station announcement:
- a. Print and Online News: Seven articles published, including in The Western Australian Newspaper and Business News
  - b. Television: One news story and a Voice Over Sound On Tape (VO SOT)

### Venues and Sites

27. The WECP AGM was accommodated in five key locations: Government House, Council House, Chevron Head Office, Woodside Head Office and The University of Western Australia (UWA), integrating formal sessions with five interactive site visits to BHP, CSIRO, Pawsey Supercomputing Centre, Woodside Robotics Centre and the Oceans Institute (UWA) highlighting Perth's advancements in energy and technology (Attachment 0.0B).

## Support

28. Led by the CEO Alliance, significant internal support was provided from multiple units across the organisation. In addition, the City was supported by the following contributors, who enhanced the event's efficacy and overall success:
- a. Western Australia Police Force
  - b. Toyota and ATCO
29. At the Ordinary Council Meeting held on 22 November 2022 Council allocated a budget of \$250,000 for expenses related to preparing the bid and hosting the event for the WECP AGM 2023:
- “1. REQUESTS the Chief Executive Officer to prepare and submit a bid to host the 2023 World Energy Cities Partnership Annual General Meeting; and
  2. ALLOCATES up to \$250,000 from the current budget surplus for expenses related to bid preparation and event hosting (should the bid be successful).”
30. The final event expenditure sits at approximately \$113k, with a remaining budget of approximately \$122k.
31. The City also received a contribution from the WECP Secretariat of \$10,000 USD, which funded activities outside of the agreed program.

## Next stage of energy transitions

32. Following the successful hosting of this event by the City of Perth, it is proposed that the City leverage the momentum created by allocating the remaining WECP AGM allocated funding to support a Perth delegation attending the CERAWeek Conference 2024 (18-22 March 2024).
33. **The CERAWeek Conference** is a leading global energy conference that presents an invaluable opportunity for the City of Perth to continue to lead Western Australia in expanding its standing as a leader in the energy transition. The conference is a platform for global leaders to discuss and advance solutions for energy, environmental, and climate challenges. (Attachment 16.2C)
- “CERAWeek is an annual energy conference organized by the information and insights company S&P Global in Houston, Texas. The conference provides a platform for discussion on a range of energy-related topics; Previous CERAWeek Conferences have featured sessions on the world economic outlook, geopolitics, energy policy and regulation, climate change and technological innovation, among other topics. The conference features prominent speakers from energy, policy, technology, and financial industries.”*
34. If approved, the proposed program and comprehensive delegation details will be presented at an elected members' engagement session early in 2024 for further consideration.

## Consultation

35. The WECP Secretariat has advised that WECP member cities will receive complimentary admission to the CERAWeek Conference for their Mayor and two additional City attendees.
36. The WECP Secretariat, in collaboration with CERAWeek, is currently working on a discount agreement for member cities to facilitate the attendance of business leaders at the conference. Details of this agreement are expected to be finalised shortly.

## Decision Implications

37. The proposal seeks Council's endorsement to allocate the remaining budget (\$113,000) from the WECP AGM budget to support a Perth delegation to attend the CERAWeek Conference 2024.
38. Approval would ensure adequate lead time for thorough planning and preparation for the event.
39. If Council does not approve, it may impede Perth's opportunity to leverage the success of the WECP AGM in promoting the State to establish itself as a leader in energy transition.

## 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 6.8(1) and (2) of the <i>Local Government Act 1995</i>            Regulation 33A of the <i>Local Government (Financial Management) Regulations 1996</i></p> <p>This section of the Act and the related regulation prescribe the requirement to prepare and present to Council a review of the Annual Budget for the period commencing 1 July and no earlier than 31 December.</p> <p>That review of the Budget must consider the following:</p> <ul style="list-style-type: none"> <li>• The local government's financial performance for that period.</li> <li>• The local government's financial position as at review date.</li> <li>• The financial outcomes as forecast in the budget for the end of the financial year.</li> </ul> <p>A local government is not precluded from conducting additional reviews of the Budget considering the preceding factors at any stage of the year as is deemed prudent by the administration.</p>
Authority of Council/CEO:	The above legislation prescribes that Council should consider a budget review whenever appropriate to exercise responsible financial stewardship.
Policy:	C.P 2.6 Budget Variations Policy

## Financial Implications

Account Number	SP 1002-100-50-10726-XXXX	Operating
Account Description	WECP AGM Perth	
Total Budget	\$250,000	
Remaining Budget	\$113,000	

40. It is recommended the unexpended funds (\$113,000) from the World Energy Cities Partnership Budget be allocated for expenses to support a City of Perth delegation at the CERAWeek Conference 2024

## Further Information

41. Nil.

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## Officer Recommendation

**Mover:** Councillor Catherine Lezer

**Seconded:** Councillor Liam Gobbert

That Council

1. ACKNOWLEDGES the successful hosting of the WECP Annual General Meeting 2023.
2. SUPPORTS a delegation being sent to represent the City of Perth at the CERAWeek Conference 2024.
3. APPROVES the allocation of the unexpended funds (\$113,000) from the World Energy Cities Partnership Budget to be allocated for expenses to support a City of Perth delegation to the CERAWeek Conference 2024.

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5:47pm *Councillor Liam Gobbert raised a Point of Order with the Lord Mayor in accordance with cl. 7.3 of the Standing Orders Local Law 2009. Councillor Gobbert stated that members were interrupting others during debate. Elected Members are not to interrupt unless to raise a point of order, call attention to the absence of a quorum, to make a personal explanation or to move a procedural motion. There was no ruling by the Lord Mayor as the alleged breach of order had already ceased.*

*During debate Councillor Bruce Reynolds moved the following amendment:*

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## Amendment Motion (OCM-23/12-010)

**Mover:** Councillor Bruce Reynolds

**Seconded:** Lord Mayor Basil Zempilas

That Council

1. ACKNOWLEDGES the successful hosting of the WECP Annual General Meeting 2023.
2. SUPPORTS a delegation being sent to represent the City of Perth at the CERAWeek Conference 2024.
3. APPROVES the allocation of the unexpended funds (\$113,000) from the World Energy Cities Partnership Budget to be allocated for expenses to support a City of Perth delegation to the CERAWeek Conference 2024.
4. ACKNOWLEDGES that additional Elected Members may join the delegation if they meet their own travel and accommodation expenses.

**LOST (4/5)**

**For:** Lord Mayor Basil Zempilas; Councillors Brent Fleeton, Viktor Ko and Bruce Reynolds

**Against:** Deputy Lord Mayor Clyde Bevan; Raj Doshi, Liam Gobbert, David Goncalves and Catherine Lezer

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## Council Resolution (OCM-23/12-011)

**Mover:** Councillor Catherine Lezer

**Seconded:** Councillor Liam Gobbert

That Council

1. ACKNOWLEDGES the successful hosting of the WECP Annual General Meeting 2023
2. SUPPORTS a delegation being sent to represent the City of Perth at the CERAWeek Conference 2024
3. APPROVES the allocation of the unexpended funds (\$113,000) from the World Energy Cities Partnership Budget to be allocated for expenses to support a City of Perth delegation to the CERAWeek Conference 2024

**CARRIED BY ABSOLUTE MAJORITY (6/3)**

**For:** Lord Mayor Basil Zempilas; Deputy Lord Mayor Clyde Bevan; Councillors Liam Gobbert, Catherine Lezer, Raj Doshi and Bruce Reynolds

**Against:** Councillors Brent Fleeton, Viktor Ko and David Goncalves

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### 16.3 Audit and Risk Committee - Independent Member Appointment

<b>Responsible Officer</b>	Michelle Reynolds – Chief Executive Officer
<b>Voting Requirements</b>	Absolute Majority
<b>Attachments</b>	Nil.

#### Purpose

For Council to appoint the recommended Independent Member to the Audit and Risk Committee.

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#### Recommendation

That Council APPOINTS the following Independent Member to the Audit and Risk Committee:

<b>Independent Member</b>	<b>Term Expiry</b>
Jonathan Seth	25 October 2025

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## Background

1. In October 2023, the Independent Members for the Audit and Risk Committee (“ARC”) were selected through a merit-based selection process, that was in line with the processes for selecting members of State Government boards and committees. Candidates were evaluated against the selection criteria in the Expression of Interest advertised on the City of Perth website and shared on LinkedIn.
2. As per *Council Policy 1.7 Independent Committee Members*, the Chief Executive Officer (“CEO”) recommends to Council the appointment of Independent Members to the Audit and Risk Committee. Council must approve this appointment by absolute majority, in accordance with section 5.10 of the *Local Government Act 1995*.
3. At the Special Council Meeting on 25 October 2023, the CEO recommended, and Council appointed the following two (2) Independent Members to the ARC:

Independent Member	Term Expiry
Colin Murphy	25 October 2025
James Lynch	25 October 2025

4. On 20 November 2023, prior to the first meeting of the ARC, Independent Member James Lynch provided written notice of his resignation.
5. Councillor Catherine Lezer was appointed as the Presiding Member of the ARC at the meeting on the 27 November 2023.

## Discussion

6. Following the resignation of Independent Member James Lynch, the Manager Audit and Risk and the Presiding Member of the ARC reassessed the remaining shortlisted candidates.
7. Jonathan Seth was determined to be the next most suitably qualified and experienced candidate to be appointed to the position on independent member of ARC.
8. Jonathan Seth has significant experience working with the local government sector in his role as chief executive officer of the Local Government Insurance Scheme (LGIS) and has held senior executive roles at a range of leading risk management consulting and financial services organisations. He also serves as an independent member on the audit and risk committees of City of Mandurah and Town of Victoria Park.
9. The CEO recommends to Council the appointment of Jonathan Seth for the position of Independent Member on the ARC.

## Consultation

Nil.

## Decision Implications

Should the Council not appoint the Independent Member to the ARC, the position will remain vacant and the membership requirements of the ARC, as per the adopted Terms of Reference, will not be met.



## Strategic, Legislative and Policy Implications

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

Legislation, Delegation of Authority and Policy	
Legislation:	<p>Section 7.1A of the <i>Local Government Act 1995</i> - this section of the Act directs that a local government establishes an audit committee of three or more persons.</p> <p>Section 5.10 and 5.11 of the <i>Local Government Act 1995</i> - these sections of the Act state that members and deputy members must be appointed to committees by an absolute majority decision of Council.</p> <p><i>Local Government (Administration) Regulations 1996</i></p>
Authority of Council/CEO:	Council.
Policy:	<i>Council Policy 1.7 Independent Committee Members</i>

## Financial Implications

Nil.

## Further Information

Nil.

## Council Resolution (OCM-23/12-012)

**Mover:** Councillor Catherine Lezer

**Seconded:** Councillor Raj Doshi

That Council APPOINTS the following Independent Member to the Audit and Risk Committee:

Independent Member	Term Expiry
Jonathan Seth	25 October 2025

**CARRIED BY ABSOLUTE MAJORITY (9/0)**

**For:** Lord Mayor Basil Zempilas; Deputy Lord Mayor Clyde Bevan; Councillors Brent Fleeton, Liam Gobbert, Viktor Ko, Catherine Lezer, Raj Doshi, David Goncalves and Bruce Reynolds

**Against:** Nil.

**17. Committee Reports**

Nil.

**18. Motions of which Previous Notice has been Given**

Nil.

**19. Matters for which the meeting may be closed**

Nil.

**20. Urgent Business**

Nil.

**21. Closure**

There being no further business, the Presiding Member declared the meeting closed at 6.03pm.