



City of Perth

**Annual General Meeting of Electors
Minutes**

**4 February 2020
5.30pm
Council Chamber
Level 9
Council House**

APPROVED FOR RELEASE

**MURRAY JORGENSEN
CHIEF EXECUTIVE OFFICER**



City of Perth

**Annual General Meeting of Electors
Minutes**

**4 February 2020
5.30pm**

**Council Chamber
Level 9
Council House**

Present

Chair Commissioner Andrew Hammond
Commissioner Len Kosova

Minutes to be confirmed at the next Ordinary Council meeting.

**THESE MINUTES ARE HEREBY CERTIFIED AS
CONFIRMED**

PRESIDING MEMBER'S SIGNATURE

DATE:-----

Minutes of the Annual General Meeting of Electors of the City of Perth held in the Council Chamber, Ninth Floor, Council House, 27 St Georges Terrace, Perth, on Tuesday, 4 February 2020.

Presiding: **Chair Commissioner, Andrew Hammond**

Commissioners in Attendance:

Commissioner Len Kosova

Officers in Attendance:

Mr Jorgensen	Chief Executive Officer
Mr Parker	General Manager Corporate Services
Mr Kopec	General Manager Infrastructure and Operations
Ms Banks-McAllister	General Manager Community Development
Mr Miragliotta	General Manager Planning and Economic Development
Ms Rutigliano	Governance Officer
Ms Murray	Governance Administration Officer

Observers:

Nineteen members of the public

Five members of staff

One member of the media

Apologies:

Commissioner Gaye McMath

1. Declaration of Opening

5.30pm The Chair Commissioner declared the meeting open.

- Welcome to the City of Perth Annual General Meeting of Electors and thank you for your attendance.
- Firstly, I would like to respectfully acknowledge the Traditional Owners of the land on which this event is taking place today - the Whadjuk Nyoongar people of Western Australia - and pay my respects to Elders past, present and emerging.
- To commence I'd like to introduce some key people who have assisted the City of Perth in moving forward. Firstly, my colleague Commissioner Len Kosova and the new executive - Jayson Miragliotta, General Manager, Planning and Economic Development, Anne Banks-McAllister, General Manager Community Development, Chris Kopec, General Manager, Infrastructure and Operations and Bill Parker, General Manager Corporate Services.
- To our guests, please note you can find a copy of the City's 2018/19 Annual Report on the City of Perth website and I invite you all to read it.
- This evening we will undertake a few formalities, including the receipt of the Annual Report and Financial Statements, followed by General Business, where members of the public are invited to ask questions from the floor.

- First however, I'll commence the formalities by delivering my message from the Annual Report.

2. Chair Commissioner's Message

- My full foreword is included in the Annual Report. When I took on the role of Commissioner in March 2018 my first impression of the City of Perth was that it was an organisation that was far too inwardly focussed.
- Many staff were trying their best but were operating in an environment that was competitive and defensive. Customer service was not a focus.
- Our aim as Commissioners was, and still is, to ensure the City's focus is on delivering the best outcomes for ratepayers and the community.
- In finding a way forward, we sought advice from professional consultants across a range of areas. We led an exhaustive review into all areas of the City's strategy development, information systems, policy review and business planning.
- In late 2018, we appointed a new CEO, Murray Jorgensen, to lead the City of Perth and build the foundations that will see us fulfil our role under the City of Perth Act.
- Since the City of Perth Act came in to effect in 2016, the City has been formally recognised as the State's capital city local government authority.
- Acknowledging our central role in tourism, business and economic development, the Act gives us greater opportunity to collaborate with the State Government.
- Rebuilding these important relationships with our government and non-government stakeholders has been a priority for Commissioners.
- We will embrace and be active in pursuing objectives from the City of Perth Act, from a whole of government perspective.
- Last year, Council repealed reimbursement of expenses policies for Elected Members and replaced them with policies more closely in line with community expectations.
- We also abolished outdoor dining fees and streamlined the application process to create a more attractive environment for business and encourage street activation.
- The City signed a Memorandum of Understanding with four neighbouring local governments, giving us the chance to align and collaborate on major issues.
- In June, I introduced strategies to Council to address parking, homelessness and retail challenges, setting a clear mandate for the City's services.
- We responded to strong community feedback on parking by approving a 12-month parking trial in Claisebrook, East Perth and West Perth to support our businesses.
- The City's focus shifted from one of 'managing homelessness' to 'ending homelessness' within the next nine years, and Council endorsed a homeless services delivery site.
- To support local retail, we also engaged with key property and retail representatives to discuss challenges and explore how these could be addressed.
- Community safety is also an important focus area and we will work with police and other relevant agencies to help build a safer environment for our community.

- In the past year, the City has undergone a process of Corporate Recovery, where services have been realigned services to reduce duplication.
- Structurally, we have made some significant senior personnel changes. We have reduced the executive team from five to four and our third-tier managers have been reduced from 31 positions down to 16.
- We've streamlined the actual structure but we've reduced the overall headcount by about 100 staff to free-up some recurrent expenditure for worthwhile programs and projects.
- A core part of the Corporate Recovery, we are currently advertising for a new CEO to take over from Murray at the end of his contract in August.
- We need another visionary leader, who has their feet firmly on the ground, to continue to build on this positive work that's been done.
- The recruitment process will be comprehensive and nationwide, to ensure we find the best person for the City's current and ongoing needs.
- The State Government recently announced the City of Perth will hold local government elections in October this year and we welcome this news.
- Until the incoming elected members are sworn in, it will be business as usual and Commissioners will continue to perform the role of Council including the process of recruiting a new permanent CEO.
- The City of Perth is dedicated to working towards excellence in leadership to support our growing population and the foundations are now in place for a brighter future.
- I am pleased to see the efforts we have made to build a culture of alliance and collaboration within the City of Perth are now flowing into the community.
- Earlier today, alongside Aboriginal Elder Nick Abraham and the Member for Perth John Carey MLA, I had the pleasure of being at the Smoking Ceremony and sod-turning for the 18.7 million dollar Wellington Square project.
- This project is the result of healthy teamwork and effective engagement with our community. I commend everyone who has already worked so hard to bring this project to this stage, and look forward to watching the upgrade roll out over the next 12 months.
- In planning this upgrade the City of Perth received vital input from representatives of more than 35 local businesses, community groups and organisations and I would like to thank each and every one of them for their contribution.
- I see this project – this 18.7-million dollar, fast-tracked upgrade to an important community recreational space – as the epitome of what we have been able to achieve at the City of Perth in the past two years.
- We recognise we have a great deal of work to do to restore trust in the City of Perth but we are confident the foundations are in place to ensure we can once again be a leader in local government.
- We are committed to leaving the City in a better state than when we arrived here and I intend to see that commitment out.
- Thank you for your interest and attendance tonight.

3. 2018/19 Annual Report, Financial Statements and Auditor's Report

The General Manager Corporate Services provided an overview of the financial statements for the year ended 30 June 2019 and spoke on the following matters contained in the Annual Report.

- A copy of the 2018/19 Annual Financial Statements is included in the Annual Report.
- Revenue for the Financial Year was \$207.0m excluding capital grants and contributions.
- Funding Sources were as follows:

	2018/19	2017/18
Rates	40%	36%
Parking Revenue	32%	30%
Fines & Costs	4%	4%
Rubbish Collection Fees	4%	3%
Other Fees & Charges	4%	5%
Investment Income	3%	2%
Grants & Contributions	2%	2%
Other Income	1%	7%
Cash Reserves used	10%	11%

- The number of rateable properties in the City grew to 19,128 of which 1,486 paid the minimum rate. The breakdown of property types was as follows:

Type	2018/19	2017/18
Commercial	2,541	2,512
Office	2,409	2,419
Residential	14,093	13,715
Vacant Land	85	88
	19,128	18,734

- Operating Expenditure for the year was \$194.4m.
- The City's operating expenses included employee costs \$78.3m, parking levies paid to the State Government of \$21.2m and donations and sponsorships of \$4.8m.
- The net result for the year was a surplus of \$7.73m which included non-operating grants and subsidies of \$3.1m and contributed assets of \$6.9m.
- The balance sheet net assets decreased to \$1.27 billion for 2018/19 due mainly to a reduction in long term borrowings.
- The City's reserves increased by \$4.3m to \$104.3m. The reserves figure included the asset enhancement reserve \$32.5m, parking facilities development reserve \$23.3m and the parking levy reserve \$22.0m.

- Fixed Asset additions for the year were \$30.0m.
- The City's Fixed Assets were valued at over \$1.14 billion.
- The amount owing for rates debtors at the end of the year was \$914,187 which is 0.4% of rates revenue.
- The City had liabilities of \$12.7m for employee benefits at 30 June 2019, a \$0.1m increase from the previous year.
- The City had a net cash inflow of \$6.2m for the year.

The Chair Commissioner called for the 2018/19 Annual Report to be moved.

Moved Mr Gregg Johnson, seconded Mr Reece Harley

That the 2018/19 Annual Report for the City of Perth be received.

The motion was put and carried

4. General Business – Opportunity for questions

4.1 Question Time for the Public

4.1.1 Question from Mr. Richard Fox, 27 Everett Street, Crawley, WA, 6009.

Question:	The Council circulated a Draft City Planning Strategy in June 2019 which proposed a substantial increase in density in the Crawley-Nedlands neighbourhood and sought feedback from residents. Could you please advise the present status of this plan and when residents can expect to receive more details on exactly what is proposed.
Answer:	<p>The draft City Planning Strategy was released for community feedback and identified an overall growth target for the city.</p> <p>As part of this it identified ‘growth areas’ that could accommodate additional residential growth, including areas in the Crawley and Nedlands neighbourhood.</p> <p>The City received 53 written submissions from the consultation in 2019, of which three concerned Crawley-Nedlands specifically. In addition, the City received 21 responses to its online community survey, including several from Crawley-Nedlands residents.</p> <p>Of all survey respondents, one person expressed full opposition to the plan and actions for Crawley-Nedlands that were outlined in the draft Strategy. All other respondents either fully or partially supported these.</p> <p>Comments indicated divergent opinions about growth in the area, with some support and some opposition. For those that expressed opposition, this focused on the potential impact of growth on the suburban character of the neighbourhood.</p> <p>The City has been reviewing the feedback and updating the Strategy to reflect this feedback, and an updated draft strategy will be presented to Council in the near future.</p> <p>After this, the draft Strategy will be lodged with the State Government for endorsement so that the City can again seek feedback from our community on the updated draft strategy.</p> <p>Timing of this consultation will be dependent on the State Government endorsement.</p> <p>While the draft City Planning Strategy identifies broad areas where the City can accommodate additional growth, the exact areas, density and built form of this growth will be addressed through the preparation of the new City Planning Scheme No. 3.</p> <p>As part of this, the City will be undertaking a design process for the Crawley-Nedlands neighbourhood in the first half of this year, which will consider these questions. The City will be seeking community inclusion as part of this design process.</p>

4.1.2 Question from Mr Reece Harley, address not provided.

<p>Question:</p>	<p>According to the City’s 2019 Annual Report employee costs were \$78,297,805. That year the City reported having 754 employees.</p> <p>In the previous financial year employee costs were \$74,720,247 which is an increase of \$3,577,558.</p> <p>In May of 2019 the Chief Executive announced an important and long overdue reduction in spending on upper-middle and senior management at the City as well as an organisational restructure.</p> <ol style="list-style-type: none"> 1. What is the estimated positive impact of these structural changes on the City’s operational expenditure for the coming year? 2. What is the City’s most up to date staff count? <p>The City recently advertised the position of Chief Executive Officer.</p> <ol style="list-style-type: none"> 3. What process was undertaken to select Lester Blades as the recruitment agency? 4. What formal recruitment process will be undertaken to select the new Chief Executive Officer?
<p>Answers:</p>	<ol style="list-style-type: none"> 1. The estimated positive impact for the current financial year will be a saving to the City of approximately \$2.5 million. As this amount includes termination payouts, the savings in ongoing years will be above that amount. On top of this we had targeted operational savings of \$8.4 million. 2. The City has gone from 810 Full Time Equivalent approved positions to currently sitting around 720. 3. At the December Council meeting the Commissioners endorsed the process for the recruitment of the new CEO. Approximately five submissions were made from recruitment agencies and Lester Blades was chosen based on a range of issues including experience, qualifications and price. 4. Ultimately the Commissioners will select the CEO not Lester Blades.

4.1.3 Question from Mrs. Jane Boxall – 25 Hardy Road, Nedlands, WA 6009

Question:	Will there be an outcome from the Inquiry into the City of Perth, before the nominations are due for the October Council Election, as electors need to know which Councillors have been exonerated of any wrongdoing prior to their suspension.
Answer:	This is a matter outside the province of the City of Perth or The Commissioners control. The Minister has given an extension until 30 April 2020 for the Inquirer to lodge his report. That is a question better directed to the Department of Local Government.

4.1.4 Question from Mr John Boxall - 25 Hardy Road, Nedlands, WA 6009

Question:	At the previous AGM, I raised the issue of people receiving \$200 fines for parking in their own driveway. This continues to be a problem in Nedlands.
Answer:	The CEO apologised as he believed this matter was resolved and advised he would get back to Mr Boxall with an update on this matter.

4.1.5 Question from Ms Jackie McKay – Unit 5/1 Shenton Street, Northbridge WA 6003

Question:	Northbridge has ongoing problems from persons perceived to be homeless. Also, street lighting and street cleaning in the area is not up to a high standard. The lighting project in Russell Square has also never worked correctly.
Answer:	General Manager Infrastructure and Operations will contact Ms McKay directly to discuss a way forward with the lighting and cleaning issues. Chair Commissioner Hammond stressed the importance of reporting any antisocial behavior to WA Police for response and to ensure resources are allocated appropriately.

4.1.6 Question from Mr Gregg Johnson - 127 Hill Street, East Perth, WA 6004

Question:	Mr Johnson advised his question has been answered regarding the timeline of the Wellington Square Project. Mr. Johnson advised he was very happy with the positive changes at the City of Perth and requested we pass on his thanks to all involved in this project.
Answer:	Chair Commissioner Hammond thanked Mr. Johnson for his kind words.

4.1.7 Question from Ms Beverley Waters – Apartment 18, Mayfair Apartments. 3 Kings Park Avenue, Crawley. WA 6009

Question:	Ms Waters raised issues with the parking on Kings Park Avenue and a cabana that was built on Matilda Bay Apartments.
Answer:	Chair Commissioner Hammond advised a staff member from the City will respond in writing to Ms Waters.

5. Closure

6.21pm The Chair Commissioner declared the meeting closed.