



City of **Perth**

Agenda

Agenda Briefing Session

21 March 2023

Notice of Meeting

To the Lord Mayor and Councillors

The next Agenda Briefing Session will be held on Tuesday, 21 March 2023 in the Council Chamber, Level 9, 27 St Georges Terrace, Perth commencing at 5:00pm.

Michelle Reynolds

Chief Executive Officer

17 March 2023

Information

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

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.

Any plans or documents contained in these minutes may be subject to copyright law provisions (*Copyright Act 1968*, as amended) and the express permission of the copyright owner(s) should be sought prior to their reproduction.

Table of Contents

| | | |
|------|---|-----|
| 1. | Declaration of Opening..... | 5 |
| 2. | Acknowledgement of Country/Prayer..... | 5 |
| 3. | Attendance | 5 |
| 3.1 | Apologies..... | 5 |
| 3.2 | Leave of Absence | 5 |
| 3.3 | Applications for Leave of Absence | 5 |
| 4. | Announcements by the Lord Mayor..... | 5 |
| 5. | Disclosures of Interests..... | 5 |
| 6. | Public Participation | 5 |
| 6.1 | Public Questions..... | 5 |
| 6.2 | Deputations..... | 5 |
| 5. | Confirmation of Minutes | 5 |
| 6. | Questions by Members which due Notice has been Given..... | 5 |
| 7. | Correspondence | 5 |
| 8. | Petitions..... | 5 |
| 9. | Planning and Economic Development Alliance Reports..... | 6 |
| | Nil. | |
| 10. | Community Development Alliance Reports | 7 |
| 12.1 | Local Heritage Survey..... | 7 |
| 12.2 | Events Plan 2023/24 | 13 |
| 11. | Infrastructure and Operations Alliance and Commercial Services Alliance Reports..... | 30 |
| | Nil. | |
| 12. | Corporate Services Reports | 31 |
| 14.1 | Monthly Financial Statements - January 2023 | 31 |
| 14.2 | Schedule of Accounts Paid - January 2023..... | 88 |
| 13. | Chief Executive Officer Reports | 143 |
| 15.1 | Consideration of Decisions from the Annual General Meeting of Electors..... | 143 |
| 15.2 | Appointment of Western Australian Electoral Commission to Conduct the City of Perth 2023 Ordinary Election | 148 |
| 15.3 | New Council Policy 2.17 Legal Representation | 161 |
| 14. | Committee Reports | 176 |

| | |
|---|-----|
| Audit and Risk Committee | 176 |
| 16.1 Internal Audit Report - Compliance Audit Return for 2022 | 176 |
| 16.2 Internal Audit report - Owners and Occupiers/Electoral roll | 201 |
| 16.3 Risk Management Policy - 2023 Review..... | 217 |
| 16.4 Progress on FY 22/23 Audit Plan | 226 |
| 16.5 Work Health and Safety Strategic Report - January 2023 | 230 |
| 16.6 WHS LGIS Tier 3 WorkSafe Plan Safety Assessment Report..... | 238 |
| 17. Motions of which Previous Notice has been Given | 242 |
| 18. Matters for which the meeting may be closed..... | 243 |
| 18.1 Tamala Park Regional Council - Proposed Amendments to Establishment Agreement..... | 243 |
| 19. Urgent Business | 244 |
| 20. Closure | 244 |

1. Declaration of Opening

2. Acknowledgement of Country/Prayer

3. Attendance

3.1 Apologies

3.2 Leave of Absence

3.3 Applications for Leave of Absence

This item will be dealt with at the Ordinary Council Meeting.

4. Announcements by the Lord Mayor

5. Disclosures of Interests

6. Public Participation

6.1 Public Questions

This item will be dealt with at the Ordinary Council Meeting.

6.2 Deputations

5. Confirmation of Minutes

This item will be dealt with at the Ordinary Council Meeting.

6. Questions by Members which due Notice has been Given

This item will be dealt with at the Ordinary Council Meeting.

7. Correspondence

This item will be dealt with at the Ordinary Council Meeting.

8. Petitions






This item will be dealt with at the Ordinary Council Meeting.

9. Planning and Economic Development Alliance Reports

Nil.

10. Community Development Alliance Reports

12.1 Local Heritage Survey

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

Purpose

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

Recommendation

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

Background

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

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

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

Discussion

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

Consultation

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

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

Table 1. Summary of responses

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

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

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

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

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

| | | |
|----|---------------------------------------|--|
| 21 | 23 Rheola Street, West Perth (Unit 1) | No change. Retain entry as a Category 2 Place of considerable cultural significance. Very important to the heritage of the locality. |
|----|---------------------------------------|--|

14. Respondents providing written submissions were advised of the process for consideration of submissions by Council and where to find information on accessing the Council Report and how to make a deputation.
15. During the notification period August to end November 2022, 263 people visited the LHS Engage Perth page.

Decision Implications

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

Strategic, Legislative and Policy Implications

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

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

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


Financial Implications

Nil.

Further Information

Nil.

12.2 Events Plan 2023/24

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

Purpose

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

Recommendation

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

Background

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

Discussion

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

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

Consultation

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

Decision Implications

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

Strategic, Legislative and Policy Implications

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

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

Financial Implications

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

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

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

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

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

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

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

| | | |
|----------------------|---------------------------|-----------|
| Account Number | 1065 100 50 10598 | Operating |
| Account Description | Leveraging and Activation | |
| Total Budget | \$200,000 | |
| Budget – This report | \$0 | |
| Remaining Budget | \$0 | |
| Budget Impact | Neutral | |

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

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

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

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

Further Information

Nil.

City of Perth Events Plan 2023/24

Summary

Perth is our capital city and the events heart of WA

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

Background

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

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

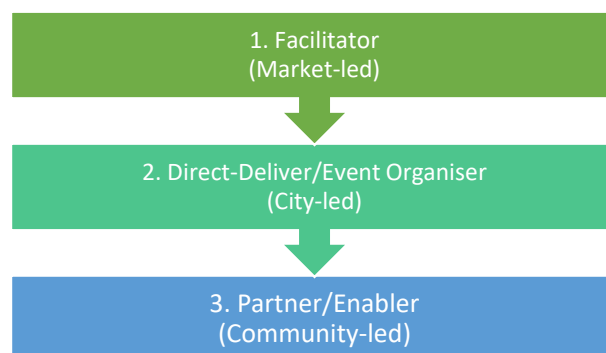
This plan covers the key pillars of the City's 2025 Events Strategy:

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

Our Role

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

2025 Events Strategy Event Role Priorities



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

Key Principles

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

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

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

Sponsored Events

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

Other Facilitated Events

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

City-Led Events

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

Signature Event
Budget: \$1,800,000

A major event with a clear unique selling point, generating visitation including intrastate audiences which adds to the profile of Perth.

Events
Budget: \$2,695,000

Events of various scales which attract visitation to the city, deliver economic impact and engender community pride.

Activations
Budget: \$375,000

Activities which add vibrancy to a specific precinct, engages the community and contributes towards creating a sense of place.

Marketing
Budget: \$600,000

A marketing approach that tactfully promotes events, and leverages the City's new municipality brand - City of Light.

Approach to Incoming Sponsorship

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

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

Signature Event

Christmas Lights Trail November 2023 to January 2024

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

Christmas Lights Trail Achievements 2022/23

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

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

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

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

Events

City of Light Shows

November 2023 to February 2024

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

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

**Australia Day edition to be held on Langley Park.*

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

Christmas Nativity

December 2023

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

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

New Year's Eve

31 December 2023

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

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

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

Birak Concert

26 January 2024

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

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

Boorloo Heritage Festival

April 2024

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

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

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

Activations

Neighbourhood Activations

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

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

Leveraging and Activation

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

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

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

Twilight Hawkers Market October 2023 to March 2024

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

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

Lunar New Year 9 February to 26 February 2024

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

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

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

Marketing

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

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

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

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

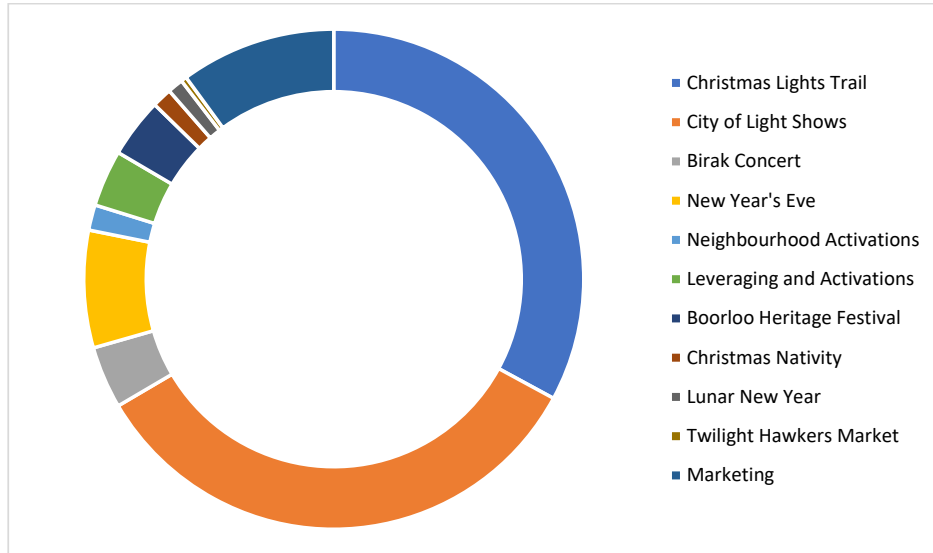
High profile events supported by the City that deliver positive brand association and improve consumer perception will continue to be supported through the City’s owned channels.

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

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

Events Budget FY23/24

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



**Actual expenditure may vary.*

^Projected incoming sponsorship is variable and outside of the City's control.

Measures of Success

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

Outcomes



Measures







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

11. Infrastructure and Operations Alliance and Commercial Services Alliance Reports

Nil.

12. Corporate Services Reports

14.1 Monthly Financial Statements - January 2023

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

Purpose

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

Recommendation

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

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

Background

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

Understanding the Financials

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

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

Discussion

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

Table 1:

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

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

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

Table 2:

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

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

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

Consultation

Nil.

Decision Implications

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

Strategic, Legislative and Policy Implications

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

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

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

Financial Implications

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

Further Information

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



City of Perth Financial Activity Statement - Nature and Type

Jan - 2023

Attachment A

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



Notes to Financial Activity Statement - January 2023

Attachment A

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

Notes to Accompany FAS - Operating Revenues

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

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

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

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

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

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

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

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

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

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

Rental & Hire Revenue is in line with the budget.

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

Parking fees are in line with the budget.

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

The fines and costs are in line with the budget.

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

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

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

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

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

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

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

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

Notes to Accompany FAS - Operating Expenses

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

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

The employee costs are in line with the budget.

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

The advertising costs are in line with the budget.

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

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

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

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

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

Insurance expenses are in line with budget expectations.

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

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

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

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

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

Materials are in line with the budget.

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

Timing of software maintenance for core systems used.

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

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

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

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

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

Depreciation is in line with the budget.

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

Interest expenses are line with the budget.

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

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

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

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

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

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

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


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

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

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

Notes to Accompany FAS - Investing Activities


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

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

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


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

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

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

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

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

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

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

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

Notes to Accompany FAS - Financing Activities

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

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

No borrowings were required for the 2022/23 budget.

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

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

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

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

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

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

Transfers from Reserves is in line with the budget.

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

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

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

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

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

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

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



City of Perth - Net Current Position

31 January - 2023

Attachment B

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

 **CEO Alliance Variances by Alliance & Service**

31 January - 2023

Attachment C

Figures in this view include all Internal Allocations and Internal Recoveries

Detail **Revised Annual Budget** **YTD Budget** **YTD Actual** **YTD Budget Variance \$** **YTD Budget Variance %** **Budget Impact** **Comments on Material Variances Identified - by Service**

Financial Summary - CEO Alliance

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

Financial Summary - Services

Leadership - CEO Alliance

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

Figures in this view include all Internal Allocations and Internal Recoveries

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

Figures in this view include all Internal Allocations and Internal Recoveries

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

Figures in this view include all Internal Allocations and Internal Recoveries

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

Figures in this view include all Internal Allocations and Internal Recoveries

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

 Corporate Services Alliance Variances by Alliance & Service

31 January - 2023

Attachment C

Figures in this view include all Internal Allocations and Internal Recoveries

| Detail | Revised Annual Budget | YTD Budget | YTD Actual | YTD Budget Variance \$ | YTD Budget Variance % | Budget Impact | Comments on Material Variances Identified - by Service |
|--------|-----------------------|------------|------------|------------------------|-----------------------|---------------|--|
|--------|-----------------------|------------|------------|------------------------|-----------------------|---------------|--|

Financial Summary - Corporate Services Alliance

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

Financial Summary - Services

Corporate Planning and Reporting

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

Leadership - Corporate Services

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

Figures in this view include all Internal Allocations and Internal Recoveries

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

Figures in this view include all Internal Allocations and Internal Recoveries

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

Figures in this view include all Internal Allocations and Internal Recoveries

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

Figures in this view include all Internal Allocations and Internal Recoveries

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

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

31 January - 2023

Attachment C

Figures in this view include all Internal Allocations and Internal Recoveries

| Detail | Revised Annual Budget | YTD Budget | YTD Actual | YTD Budget Variance \$ | YTD Budget Variance % | Budget Impact | Comments on Material Variances Identified - by Service |
|--------|-----------------------|------------|------------|------------------------|-----------------------|---------------|--|
|--------|-----------------------|------------|------------|------------------------|-----------------------|---------------|--|

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

Financial Summary - Services

Leadership - Community Development

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

Customer Experience

Figures in this view include all Internal Allocations and Internal Recoveries

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


Figures in this view include all Internal Allocations and Internal Recoveries

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

Figures in this view include all Internal Allocations and Internal Recoveries

| Detail | Revised Annual Budget | YTD Budget | YTD Actual | YTD Budget Variance \$ | YTD Budget Variance % | Budget Impact | Comments on Material Variances Identified - by Service |
|---|-----------------------|--------------------|--------------------|------------------------|-----------------------|---------------|---|
| Depreciation | 1,052,788 | 618,837 | 622,464 | (3,627) | (0.6%) | ✘ | |
| Insurance Expenses | 46,022 | 26,846 | 26,277 | 570 | 2.1% | ✔ | |
| Other Expenditure | 85,861 | 52,552 | 86,097 | (33,544) | (63.8%) | ✘ | Unfavourable variance for Council rates and emergency services levy to be addressed at statutory mid year review. |
| Internal Allocations Total | 1,455,072 | 835,505 | 877,252 | (41,747) | (5.0%) | ✘ | |
| Internal Recovery Total | 0 | 0 | 2,203 | 2,203 | 0.0% | ! | |
| Operating Project Expenditure Total | 42,000 | 41,700 | 30,348 | 11,352 | 27.2% | ✔ | |
| Services Review | 22,000 | 21,700 | 21,700 | 0 | 0.0% | ! | Project completed |
| Library Software and Hardware Upgrade | 20,000 | 20,000 | 8,648 | 11,352 | 56.8% | ✔ | Project completed, savings to be reprioritised at budget review for an auditorium camera to live stream events. |
| Total Expenditure | 6,172,778 | 3,589,054 | 3,791,461 | (202,408) | (5.6%) | ✘ | |
| Net Operating Surplus (Deficit) | (6,098,988) | (3,524,664) | (3,721,187) | (196,523) | (5.6%) | ✘ | |
| Total Capital Project Expenditure | 0 | 0 | 0 | 0 | 0.0% | ! | Please refer to the capital project schedule for details |
| Culture and Arts Management | | | | | | | |
| Operating Revenue Total | 25,000 | 0 | 95,052 | 95,052 | 0.0% | ! | |
| Operating Grants, Subsidies and Contributions | 25,000 | 0 | 95,000 | 95,000 | 0.0% | ! | Grant received for Boorloo Heritage Festival in April 2023. |
| Fees and Charges | 0 | 0 | 52 | 52 | 0.0% | ! | |
| Core Service Expenditure Total | 1,612,304 | 933,730 | 704,463 | 229,267 | 24.6% | ✔ | |
| Employee Costs | 1,188,255 | 690,452 | 509,291 | 181,161 | 26.2% | ✔ | Employee vacancies. |
| Materials and Contracts | 412,422 | 236,495 | 188,518 | 47,977 | 20.3% | ✔ | Timing variance for adhoc maintenance requirements related to public artworks. |
| Insurance Expenses | 11,127 | 6,491 | 6,353 | 138 | 2.1% | ✔ | |
| Other Expenditure | 500 | 292 | 300 | (9) | (2.9%) | ✘ | |
| Internal Allocations Total | 569,378 | 325,845 | 324,811 | 1,034 | 0.3% | ✔ | |
| Internal Recovery Total | 0 | 0 | 0 | 0 | 0.0% | ! | |
| Operating Project Expenditure Total | 110,000 | 13,328 | 19,494 | (6,166) | (46.3%) | ✘ | |
| Collections Storage Project | 40,000 | 13,328 | 13,328 | 0 | 0.0% | ! | |
| Council Buildings - Art Displays | 0 | 0 | 1,671 | (1,671) | 0.0% | ! | |
| Heritage Perth Weekend | 70,000 | 0 | 4,185 | (4,185) | 0.0% | ! | |
| Historic Northbridge | 0 | 0 | 310 | (310) | 0.0% | ! | |
| Total Expenditure | 2,291,683 | 1,272,903 | 1,048,768 | 224,134 | 17.6% | ✔ | |
| Net Operating Surplus (Deficit) | (2,266,683) | (1,272,903) | (953,716) | 319,186 | 25.1% | ✔ | |
| Total Capital Project Expenditure | 264,438 | 145,313 | 104,320 | 40,993 | 28.2% | ✔ | Please refer to the capital project schedule for details |
| Events Management | | | | | | | |
| Operating Revenue Total | 1,035,000 | 785,000 | 1,246,514 | 461,514 | 58.8% | ✔ | |

14.2 Schedule of Accounts Paid - January 2023

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

Purpose

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

Recommendation

That Council:

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

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

Background

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

Discussion

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

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

Consultation

Nil.

Decision Implications

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

Strategic, Legislative and Policy Implications

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

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

Financial Implications

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

Further Information

Nil.

13. Chief Executive Officer Reports

15.1 Consideration of Decisions from the Annual General Meeting of Electors

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

Purpose

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

Recommendation

That Council:

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

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

Decision 2 - "That Council:

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

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

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

Background

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

"That Council:

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

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

Discussion

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

Decision 1 – Acknowledging that the 2021/22 Annual Report

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

Decision 2 – Cat Local Laws

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

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

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

BGPA reported the following to City officers:

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

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

Decision 3 – Parking Restrictions

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

Consultation

Nil

Decision Implications

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

Nil.

Decision 2 – Cat Local Laws

17. If Council supports Decision 2 a report expanding on the above discussion points and resourcing implications could be presented to Council for further consideration.
18. If Council does not support Decision 2, no further action will be undertaken.

Decision 3 – Parking Restrictions

19. If Council, in its consideration of Decision 3, supports the officer’s recommendation, the City will undertake stakeholder engagement to invite feedback from impacted residents. The results of this feedback will be assessed for further consideration.
20. If Council does not support Decision 3, no further action will be undertaken.

Strategic, Legislative and Policy Implications

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

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


Financial Implications

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

Further Information

Nil.

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

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

Purpose

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

Recommendation

That Council:

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

Background

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

Discussion

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

Local Government Reform

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

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

Consultation

Nil.

Decision Implications

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

Strategic, Legislative and Policy Implications

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

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



Financial Implications

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

Further Information

Nil.

15.3 New Council Policy 2.17 Legal Representation

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

Purpose

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

Recommendation

That Council:

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

Background

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

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

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

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

Discussion

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

Consultation

Nil.

Decision Implications

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

Strategic, Legislative and Policy Implications

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

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

Financial Implications

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



Further Information

Nil.

14. Committee Reports

Audit and Risk Committee

16.1 Internal Audit Report - Compliance Audit Return for 2022

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

Purpose

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

Committee Recommendation

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

Background

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

Discussion

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

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

Next steps:

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

Consultation

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

Decision Implications

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

Strategic, Legislative and Policy Implications

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

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


Financial Implications

Nil.

Further Information

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

16.2 Internal Audit report - Owners and Occupiers/Electoral roll

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

Purpose

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

Committee Recommendation

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

Background

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

Discussion

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

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

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

Consultation

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

Decision Implications

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

Strategic, Legislative and Policy Implications

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

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


Financial Implications

Nil.

Further Information

Nil.

16.3 Risk Management Policy - 2023 Review

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

Purpose

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

Committee Recommendation

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

Background

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

Discussion

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

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

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

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

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

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

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

Consultation

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

Decision Implications

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

Strategic, Legislative and Policy Implications

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

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

Financial Implications

Nil.

Further Information

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

16.4 Progress on FY 22/23 Audit Plan

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

Purpose

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

Committee Recommendation

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

Background

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

Discussion

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

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

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

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

Consultation

Nil

Decision Implications

Nil

Strategic, Legislative and Policy Implications

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

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


Financial Implications

Nil.

Further Information

Nil.

16.5 Work Health and Safety Strategic Report - January 2023

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

Purpose

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

Committee Recommendation

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

Background

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

Discussion

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

Consultation

Nil.

Decision Implications

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

Strategic, Legislative and Policy Implications

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

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

Financial Implications

Nil.

Further Information

Nil.

16.6 WHS LGIS Tier 3 WorkSafe Plan Safety Assessment Report

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

Purpose

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

Committee Recommendation

That Council:

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

Background

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

Discussion

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

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

Positive Observations

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

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

| | | |
|--------------------------|------------|------------|
| Training and Supervision | 25 | 89% |
| Overall Score | 137 | 90% |

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

Next Steps – Process Improvement

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

Consultation

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

Decision Implications

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

Strategic, Legislative and Policy Implications

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

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

Financial Implications

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

Further Information

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

17. Motions of which Previous Notice has been Given

This item will be dealt with at the Ordinary Council Meeting.

18. Matters for which the meeting may be closed

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

18.1 Tamala Park Regional Council - Proposed Amendments to Establishment Agreement

| | |
|---------------------|--|
| Responsible Officer | Steve Holden – General Manager Commercial Services |
| Voting Requirements | Simple Majority |
| Attachments | Attachment 19.1A – TPRC Schedule of Amendments |

19. Urgent Business

This item will be dealt with at the Ordinary Council Meeting.

20. Closure