



City of Belmont
ORDINARY COUNCIL MEETING
MINUTES
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26 October 2021

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ATTACHMENTS INDEX

- Attachment 1 – Item 12.1 refers**
- Attachment 2 – Item 12.1 refers**
- Attachment 3 – Item 12.1 refers**
- Attachment 4 – Item 12.4 refers**
- Attachment 5 – Item 12.5 refers**

CONFIDENTIAL ATTACHMENTS INDEX

- Confidential Attachment 1 – Item 12.3 refers**
- Confidential Attachment 2 – Item 12.3 refers**
- Confidential Attachment 3 – Item 12.3 refers**
- Confidential Attachment 4 – Item 12.3 refers**
- Confidential Attachment 5 – Item 12.3 refers**

MINUTES OF THE ORDINARY COUNCIL MEETING HELD IN THE COUNCIL CHAMBER, CITY OF BELMONT CIVIC CENTRE, 215 WRIGHT STREET, CLOVERDALE ON TUESDAY, 26 OCTOBER 2021 COMMENCING AT 7.00PM.

MINUTES

PRESENT

Cr P Marks, Mayor (Presiding Member)	East Ward
Cr R Rossi, JP, Deputy Mayor	West Ward
Cr B Ryan	East Ward
Cr N Carter	South Ward
Cr J Davis	South Ward
Cr S Wolff	South Ward
Cr G Sekulla, JP	West Ward
Cr D Sessions	West Ward

IN ATTENDANCE

Mr J Christie	Chief Executive Officer
Ms M Bell	Director Corporate and Governance
Ms M Reid	Director Infrastructure Services
Mr W Loh	Acting Director Development and Communities
Mr J Olynyk, JP	Manager Governance
Ms V Govender	Manager Finance
Mr D Boylan	Manager City Facilities and Property
Mr S Glassborow	Acting Manager Parks Leisure and Environment
Mrs M Lymon	Principal Governance and Compliance Adviser
Ms D Morton	Media and Communications Adviser
Mrs H Mark	Governance Officer

MEMBERS OF THE GALLERY

There were five members of the public in the gallery and no press representative.

1. OFFICIAL OPENING

7.00pm The Presiding Member welcomed all those in attendance and declared the meeting open.

The Presiding Member read aloud the Acknowledgement of Country.

Before I begin I would like to acknowledge the Noongar Whadjuk people as the Traditional Owners of this land and pay my respects to Elders past, present and emerging. I further acknowledge their cultural heritage, beliefs, connection and relationship with this land which continues today.

The Presiding Member invited Cr Sessions to read aloud the Affirmation of Civic Duty and Responsibility on behalf of Councillors and Officers. Cr Sessions read aloud the affirmation.

Affirmation of Civic Duty and Responsibility
I make this affirmation in good faith and declare that I will duly, faithfully, honestly, and with integrity fulfil the duties of my office for all the people in the City of Belmont according to the best of my judgement and ability. I will observe the City's Code of Conduct and Standing Orders to ensure efficient, effective and orderly decision making within this forum.

2. APOLOGIES AND LEAVE OF ABSENCE

Cr M Bass (Apology)
Ms J Gillan (Apology)

East Ward
Director Development and Communities

3. DECLARATIONS OF INTEREST THAT MIGHT CAUSE A CONFLICT

3.1 FINANCIAL INTERESTS

Nil.

3.2 DISCLOSURE OF INTEREST THAT MAY AFFECT IMPARTIALITY

Name	Item No and Title	Nature of Interest (and extent, where appropriate)
Cr Carter	12.1 – 2021-2022 October Budget Review	Member of Belmont Sports and Recreation Club
Cr Davis	12.1 – 2021-2022 October Budget Review	Member of Belmont Sports and Recreation Club and Member of Belmont Oasis
Cr Sekulla	12.1 – 2021-2022 October Budget Review	Member of City of Belmont RSL and Member of Belmont Sports and Recreation Club

4. ANNOUNCEMENTS BY THE PRESIDING MEMBER (WITHOUT DISCUSSION) AND DECLARATIONS BY MEMBERS

4.1 ANNOUNCEMENTS

Nil.

4.2 DISCLAIMER

7.03pm The Presiding Member drew the public gallery's attention to the Disclaimer.

The Presiding Member advised the following:

'I wish to draw attention to the Disclaimer Notice contained within the Agenda document and advise members of the public that any decisions made at the meeting tonight can be revoked, pursuant to the Local Government Act 1995.

Therefore members of the public should not rely on any decisions until formal notification in writing by Council has been received.'

4.3 DECLARATIONS BY MEMBERS WHO HAVE NOT GIVEN DUE CONSIDERATION TO ALL MATTERS CONTAINED IN THE BUSINESS PAPERS PRESENTLY BEFORE THE MEETING

Nil.

5. PUBLIC QUESTION TIME

5.1 RESPONSES TO QUESTIONS TAKEN ON NOTICE

5.1.1 MS L HOLLANDS ON BEHALF OF BELMONT RESIDENT AND RATEPAYER ACTION GROUP (BRRAG)

The following questions were taken on notice at the 28 September 2021 Ordinary Council Meeting. Ms Hollands was provided with a response on 14 October 2021. The response from the City is recorded accordingly:

1. The CEO quoted from a document used for notification of public questions and quoted rules that are on the back of the form. Where in Standing Orders is this document referred to, or when it was government gazetted?

Response

The Rules for Council Meeting Public Question time are included on the Public Question Time Proforma which is made available to members of the public wishing to ask questions at Council Meetings. The rules outline the requirements of question time and provide guidance on the procedures set out in the Standing Orders Local Law 2017, Section 6.2. These rules were established to assist the Presiding Member in accordance with the Local Government (Administration) Regulation 1996, regulation 7 (1) (a). The form is not a document that requires gazettal, though the Standing Orders Local Law were Gazetted in the WA Government Gazette dated 18 July 2017, No. 147. Subsequent amendments have also been Gazetted.

2. One of the questions refused at the last Council Meeting related to how many car bays were allocated to the Seniors and was refused on the basis that it was similar or had been asked before. I have not specifically asked how many car bays are allocated for the Seniors before. How many car bays when the Belmont Hub was built were allocated to the Senior Citizens Centre?

Response:

A total of 12 car bays adjacent to Belmont Hub and the Civic Centre are designated "BSCC AND COUNCILLOR PARKING ONLY". These bays are in the vicinity of the Seniors Hub along with two ACROD car bays. Two car bays in the basement of Belmont Hub are designated "BSCC". BSCC refers to the Belmont Senior Citizen Club.

3. Over the last week or so some comments and promises from candidates in the Local Government Elections, across social media have been disgraceful. In the event of a formal complaint what, if any, penalties can be applied and are they only applicable if the candidate is elected and what happens if a candidate is not elected?

Item 5.1.1 Continued

Response:

There are a range of penalties that can apply for breaches of the Local Government Act 1995 and Code of Conduct for Council Members, Committee Members and Candidates. If it is found that a breach has occurred, it is for the appropriate authority, eg: Council or the Standards Panel, to determine the penalty, depending on the nature of the breach. A complaint about an alleged breach of the Code of Conduct by a candidate cannot be dealt with unless the candidate has been elected as a council member. Outside of this process there may be other remedies that a person may pursue either in a civil or criminal jurisdiction.

5.1.2 Ms L HOLLANDS, 2 MILLER AVENUE, REDCLIFFE

The following questions were taken on notice at the 28 September 2021 Ordinary Council Meeting. Ms Hollands was provided with a response on 14 October 2021. The response from the City is recorded accordingly:

1. I previously asked if Councillors had been given details of the membership of the Belmont Sports and Recreation Club (BSRC) in accordance with the lease. It is important when ratepayers have funded the BSRC, that members are significantly from within Belmont. A number of members from the Bowling Club, including myself have recently found out we are not members of the BSRC. What is City of Belmont going to do about this once 30 September comes around and will the fact that memberships have been refused play any part in future decisions of Council?

Response:

The BSRC submitted their membership data on 1 October in accordance with their lease. Over 50% of the club's members are residents of Belmont.

The City has no authority regarding the assessment or acceptance of membership applications to the BSRC, this is managed by the club through their governance framework which includes a constitution, club rules and bylaws.

2. Previous figures provided by the City of Belmont in respect to the number of verge trees planted each year being around 1,000 for each of the previous two years. How many verge trees have been allocated in the current budget and what is the cost?

Response:

The 2021-2022 budget has allocated approximately \$130,000 (including planting, watering, and maintenance) for at least 1000 street trees which will be contract grown under tender. Contract growing tree stock should address issues with tree quality that had an impact on the winter 2021 planting programme and result in improved survival rates and the quality of growth for trees in the future.

3. Other than verge trees, where else has Council increased the tree canopy and how many have been planted?

Item 5.1.2 Continued

Response:

The City can provide the following locations where trees were planted outside of streetscapes during the winter 2021 planting programme.

LOCATION	No. Trees Planted
<i>Grandstand Road Carbon Neutral</i>	30
<i>Severin Walk</i>	58
<i>Tomato Lake Bushland</i>	114
<i>Tomato Lake Pellegrini</i>	111
<i>Peachey Park Playground</i>	5
TOTAL	318

4. A number of Councillors disclose matters that may affect impartiality for the Ordinary Council Meeting of 24 August 2021, Item 3.2. On the City of Belmont website of the 24 August 2021 of the Elected Members' Contact Details and Membership Register not all declarations from the meeting appear to be on the register. It seems inconsistent with the disclosures in the Minutes received at the meeting. When can the community get the published register and when will it be updated to show what was declared at the meeting?

Response

The Public Register, including the Disclosures made by Councillors, is regularly updated and published on the City's website. The updated register is currently available on the website.

5.1.3 MS A FEARN ON BEHALF OF BELMONT SPORTS AND RECREATION CLUB (BSRC)

The following question was taken on notice at the 28 September 2021 Ordinary Council Meeting. Ms Fearn was provided with a response on 14 October 2021. The response from the City is recorded accordingly:

1. My question is in relation to a recent brochure that has been circulated by Cr Powell in the community, which stated the Belmont City Bowling Club (BCBC) are experiencing unacceptable demands, are finding it impossible to make club bookings until after Christmas and that they need help. I was in attendance at their recent opening day where 32 members were present and no representation from the City of Belmont. They have received a grant from the City of Belmont for \$32,000, \$198,000 from Cassie Rowe for a synthetic green and at their recent AGM, they made a profit of over \$1,000. What is the help that Cr Powell is saving them from?

Response

This question is to be directed to Councillor Powell or the person authorised to publish the brochure that is referred to. The City is not in a position to provide further response.

5.1.4 MR L ROSOLIN, 355 SYDENHAM STREET, BELMONT

The following question was taken on notice at the 28 September 2021 Ordinary Council Meeting. Mr Rosolin was provided with a response on 12 October 2021. The response from the City is recorded accordingly:

1. Councillors have said tonight that they are really proud to have raised a lot of money from State and Federal Government for various things. How much is the cost for the Belmont Hub, including cleaning, security and staff wages to the community?

Response

The gross annual operational budget for Belmont Hub is \$741,642, this includes but is not limited to cleaning, maintenance, security, insurance and utility costs for the building.

5.1.5 MR P HITT, 14 MCLAUCHLAN WAY, BELMONT

The following question was taken on notice at the 28 September 2021 Ordinary Council Meeting. Mr Hitt was provided with a response on 7 October 2021. The response from the City is recorded accordingly:

1. Would it therefore be fair to say that the Council's or a Councillors' ability to reduce crime is highly restricted and it is the role of the Commonwealth, Federal and State authorities to help "stamp out crime and anti-social behaviour in our community"?

Response

The City does not have an enforcement role in reducing crime and anti-social behaviour in the community. However, these issues cannot be adequately addressed if the City does not support and act collaboratively with all stakeholders involved, including WA Police (WAPOL). The City also recognises that while criminal and anti-social activity does occur there can be an enhanced perception of fear amongst some in our community.

With this in mind the City has invested heavily in initiatives, programs and services such as the Belmont Community Watch (BCW), CCTV, free Home and Business Security appraisals, the Taskforce, Community Safety Alliance, Bicycle Registration Program, Graffiti Removal program and Youth Engagement (Positive Engagement Program, Hip Hop Ed and Belmont Ballerz).

Many of these services help bridge the gap between the WAPOL and our community. The BCW for example aims to respond to resident's concerns regarding anti-social and suspicious behaviour within eight minutes. For many of our more vulnerable and elderly residents having a BCW officer responding to their late-night call provides great comfort and reassurance. Similarly, those away from home for extended periods appreciate the Holiday Watch program where BCW regularly visit and keep an eye on their properties for unusual activity.

The City's Community Safety Crime Prevention Officers are readily available to visit residents and businesses in their homes and at work to provide advice and guidance on how to improve their own safety and security. They also work closely with WAPOL providing CCTV footage of criminal and anti-social behaviour from the City's extensive network of cameras. The City's free Graffiti Removal program enhances the look, feel and aesthetics of the locality by removing unsightly and offensive material from public and private properties within 24 hours.

Item 5.1.5 Continued

The City has also recognised providing targeted support and services to our Youth as being an essential investment in our community's future. Some Youth need more intervention than others, however, they all benefit from the close relationships the City has developed with the Belmont City College, The Y at the Base and Constable Care (interactive workshops) and as well as the City's collaborative musical and sporting initiatives. The Hub has become an important meeting place for many of the local children where they can relax, socialise, as well as work on their schoolwork.

In summary, the City strongly believes that all of these activities directly and indirectly play an important role in supporting the community, as well as enforcement agencies such as WA Police, with the common goal of providing better and more positive outcomes for all.

5.2 QUESTIONS FROM MEMBERS OF THE PUBLIC

7.04pm The Presiding Member drew the public gallery's attention to the rules of Public Question Time as written in the Public Question Time Form. In accordance with rule (I), the Mayor advised that he had registered one member of the public who had given prior notice to ask questions.

The Presiding Member invited members of the public who had yet to register their interest to ask a question to do so. Two further registrations were forthcoming.

5.2.1 MS L HOLLANDS ON BEHALF OF BELMONT RESIDENT AND RATEPAYER ACTION GROUP (BRRAG)

1. In this month's budget review, there is an overall rating revenue surplus, which has increased by \$2,953,413, some of which was the FOGO grant of \$1.7m. As a result of increased surplus, was there any payment of the debt on the Belmont Hub loan? If not, what is the total amount of the loan, the interest rate, and terms of the loan?

Response

The Chief Executive Officer stated the City did not make any additional payments toward the loan of the Belmont Hub. The remainder of the question will be taken on notice to provide a comprehensive response.

2. If the Belmont Hub debt was not repaid, why was a large portion of the surplus income directed into the reserves, such as the property development fund reserve?

Response

The Chief Executive Officer stated the normal practice is that when a surplus is identified during a review, these are apportioned to the appropriate reserve. The question will be taken on notice to provide a comprehensive response as to why that reserve was chosen.

Item 5.2.1 Continued

3. Has Council considered using the surplus money for a new bowling club building as a remedy to some of the problems that has occurred there?

Response

The Chief Executive Officer stated no.

4. There appears to be two different figures in the budget documentation for the transfer of reserves. Figures provided in the October Budget Review attachment totalled \$1,785,807, but the figure on the Agenda states \$1,772,274. Which of the two figures is correct?

Response

The Manager Finance stated \$1,772,274 is the correct total. There would have been other minor transfers to the reserve, but only the large amounts were identified in the Agenda.

5. In February, I asked how much was paid for the gratuity and the response was \$1.7m. In this budget review there is an amount of \$750,000 transferred to reserves for unforeseen employee entitlements. Can you advise what these entitlements might be?

Response

The Chief Executive Officer stated the question would be taken on notice.

6. Does that mean that adding in the \$750,000, the gratuity now is potentially \$2.5m?

Response

The Chief Executive Officer stated the question would be taken on notice.

7. Cr Davis indicated last week that the City of Belmont employment contracts were no longer federal, but state Enterprise Bargaining Agreement's (EBA). Can you confirm if the gratuity clause now complies with the state regulations and if it is capped at \$5,000 per leaving staff member? If not, why not, and does it now comply? When can we expect the policy to be updated accordingly?

Response

The Chief Executive Officer stated the statement that the City has transferred to the state system is not quite accurate, but is still in the process of transferring from the federal system to the state system. The remainder of the question will be taken on notice.

5.2.2 Ms L HOLLANDS, 2 MILLER AVENUE, REDCLIFFE

Ms Holland's initial question was ruled inappropriate and out of order in accordance with Rules for Council Meeting Public Question Time Rule (e) being:

'Questions which are considered inappropriate; offensive or otherwise not in good faith; duplicates or variations of earlier questions; relating to the personal affairs or actions of Council members or employees; legal advice; legal proceedings or other legal processes; or would otherwise impose an unreasonable resource impost on the City; will be refused by the Presiding Member as 'out of order' and will not be recorded in the minutes'.

1. Certain committees that Councillors are elected to are paid positions in addition to the Councillor remuneration. Which of the committee positions are paid positions, who pays for the attendance and which Councillors were elected to these positions?

Response

The Presiding Member stated the position of JDAP Member is a paid position, however, especially as there has been very little activity for the last two years, this is a very meagre amount. The EMRC was also a paid position, but as the City is no longer a member, would no longer apply. There are no other paid positions.

2. What Councillors were elected to Executive of the Council?

Response

The Presiding Member stated the Executive Committee comprises of the Mayor, the Deputy Mayor and the Chairmen of the individual Standing Committees.

3. The dispute between the Belmont Sports and Recreation Club (BSRC) and Belmont City Bowling Club (BCBC) still goes on. What steps has Council taken so far with intervention and when can we expect this item to come before Council?

Response

The Chief Executive Officer stated City staff have met with both the BCBC and the BSRC and an agreed position is not likely to be achieved. Officers will now prepare a comprehensive report and it is anticipated will be presented to Council by December 2021.

4. Has Council been provided with membership details?

Response

The Chief Executive Officer stated it can be confirmed that the BSRC have provided a list of membership details associated with their club.

Item 5.2.2 Continued

Ms Hollands asked a further question which was ruled inappropriate and out of order in accordance with Rules for Council Meeting Public Question Time Rule (e) being:

‘Questions which are considered inappropriate; offensive or otherwise not in good faith; duplicates or variations of earlier questions; relating to the personal affairs or actions of Council members or employees; legal advice; legal proceedings or other legal processes; or would otherwise impose an unreasonable resource impost on the City; will be refused by the Presiding Member as ‘out of order’ and will not be recorded in the minutes’.

5. Have Council been provided with any financial updates from 1 July 2021 to ensure the BSRC is financially viable and won't end up costing the ratepayer yet again?

Response

The Chief Executive Officer stated no, the City is yet to receive these.

5.2.3 MS G GODFREY, 11 MORGAN ROAD, REDCLIFFE

1. I refer to the lease between the BSRC and the City of Belmont, Section 12.3 (2) and ask why the words “*subject to the execution of a satisfactory sub-lease by the lessee and a third-party*” were added?

Response

The Chief Executive Officer stated the words were added to try to reflect that, as part of previous lease, the bowling club were maintaining the greens, and was trying to provide an opportunity for that arrangement to remain in place.

The Manager City Facilities and Property further stated the reason the clause was included was to ensure the greens were maintained to a standard that met with both WA standard for Pennant Bowls and to ensure the City could hold the BSRC accountable for the maintenance of the greens.

2. The Belmont Seniors Club has a sub-lease over a portion of the Belmont Hub. Why can't the BCBC have a sub-lease over its portion of the BSRC?

Response

The Manager City Facilities and Property stated the Belmont Seniors have a License to Occupy, which is different to a sub-lease. The License to Occupy grants you certain conditions of the building and then you contribute towards the variable outgoings of that building.

3. The explanation given at the meeting was something to do with the liquor licence.

Response

The Manager City Facilities and Property stated the BSRC hold a liquor license over the entirety of the club. That liquor license cannot be sub-let to a definitive area inside the club that could not be managed or controlled for the Responsible Service of Alcohol.

Item 5.2.3 Continued

4. Can you please clarify how does Council plan to move forward on this issue of the lease agreement?

Response

The Chief Executive Officer stated the intention is to prepare a report for Council by December 2021, however the report will need to consider a range of options and give some background detail.

5.2.4 MR D SMITH, 87 TOORAK ROAD, RIVERVALE

1. Can I confirm if my understanding of the Electoral Gift Register is correct, that no gifts have been declared by any candidate in the 2021 Local Government Elections?

Response

The Presiding Member stated no.

2. I was contacted by the Chairperson of BRRAG shortly after nominating for the recent Local Government Elections. Several issues were raised, including the possibility of supporting myself as a candidate for election. It is a matter of public record that other candidates were similarly contacted. It is also a matter of public record that BRRAG supported candidates in this election which included statements on its own and other Facebook pages and direct canvassing of electors. It is also likely that BRRAG via its office holders engaged in additional electoral conduct in the form of the Facebook page Time for Change WA and by various accounts commenting on social media. A reasonable person would consider the services provided by BRRAG as both a gift in excess of \$200 and electoral conduct within the meaning of the *Local Government (Elections) Regulations 1997* and the *Local Government Act 1995* respectively. Is the City able to provide an explanation why the aforementioned gift has not been declared by donor or candidate and how would a possible breach of Section 4.85(1) of the *Local Government Act 1995* be raised by concerned electors and addressed by the City?

Response

The Manager Governance stated the question would be taken on notice to provide a comprehensive answer in respect to all components of the question asked.

7.24pm As there were no further questions, the Presiding Member declared Public Question Time closed.

6. CONFIRMATION OF MINUTES/RECEIPT OF MATRIX

**6.1 ORDINARY COUNCIL MEETING HELD 28 SEPTEMBER 2021
(Circulated under separate cover)**

OFFICER RECOMMENDATION

SEKULLA MOVED, DAVIS SECONDED

That the Minutes of the Ordinary Council Meeting held on 28 September 2021 as printed and circulated to all Councillors, be confirmed as a true and accurate record.

CARRIED 8 VOTES TO 0

**6.2 MATRIX FOR THE AGENDA BRIEFING FORUM HELD 19 OCTOBER 2021
(Circulated under separate cover)**

OFFICER RECOMMENDATION

WOLFF MOVED, DAVIS SECONDED

That the Matrix for the Agenda Briefing Forum held on 19 October 2021 as printed and circulated to all Councillors, be received and noted.

CARRIED 8 VOTES TO 0

**7. QUESTIONS BY MEMBERS ON WHICH DUE NOTICE HAS BEEN GIVEN
(WITHOUT DISCUSSION)**

Nil.

8. QUESTIONS BY MEMBERS WITHOUT NOTICE

8.1 RESPONSES TO QUESTIONS TAKEN ON NOTICE

Nil.

8.2 QUESTIONS BY MEMBERS WITHOUT NOTICE

Nil.

**9. NEW BUSINESS OF AN URGENT NATURE APPROVED BY THE PERSON
PRESIDING OR BY DECISION**

Nil.

10. BUSINESS ADJOURNED FROM A PREVIOUS MEETING

Nil.

11. REPORTS OF COMMITTEES

11.1 STANDING COMMITTEE (AUDIT AND RISK) HELD 18 OCTOBER 2021
(Circulated under separate cover)

OFFICER RECOMMENDATION

DAVIS MOVED, ROSSI SECONDED

That the Minutes for the Standing Committee (Audit and Risk) meeting held on 18 October 2021 as previously circulated to all Councillors, be received and noted.

CARRIED 8 VOTES TO 0

11.2 STANDING COMMITTEE (COMMUNITY VISION) HELD 18 OCTOBER 2021
(Circulated under separate cover)

OFFICER RECOMMENDATION

CARTER MOVED, SESSIONS SECONDED

That the Minutes for the Standing Committee (Community Vision) meeting held on 18 October 2021 as previously circulated to all Councillors, be received and noted.

CARRIED 8 VOTES TO 0

11.3 STANDING COMMITTEE (ENVIRONMENTAL) HELD 18 OCTOBER 2021
(Circulated under separate cover)

OFFICER RECOMMENDATION

RYAN MOVED, SESSIONS SECONDED

That the Minutes of the Standing Committee (Environmental) meeting held on 18 October 2021 as previously circulated to all Councillors, be received and noted.

CARRIED 8 VOTES TO 0

12. REPORTS OF ADMINISTRATION

WITHDRAWN ITEMS

Item 12.1 was withdrawn at the request of Cr Davis

RYAN MOVED, SESSIONS SECONDED

That with the exception of Item 12.1, which is to be considered separately, the Officer or Committee Recommendations for Items 12.2, 12.3, 12.4, and 12.5 be adopted en bloc by an Absolute Majority decision.

CARRIED BY ABSOLUTE MAJORITY 8 VOTES TO 0

12.1 2021-2022 OCTOBER BUDGET REVIEW

ATTACHMENT DETAILS

<u>Attachment No</u>	<u>Details</u>
Attachment 1 – Item 12.1 refers	<u>2021-2022 October Budget Review Amendments</u>
Attachment 2 – Item 12.1 refers	<u>Rate Setting Statement 30 June 2022</u>
Attachment 3 – Item 12.1 refers	<u>Reserve Balance as at 30 June 2022</u>

Voting Requirement	:	Absolute Majority
Subject Index	:	54/004–Budget Documentation-Council
Location/Property Index	:	N/A
Application Index	:	N/A
Disclosure of any Interest	:	Nil
Previous Items	:	N/A
Applicant	:	N/A
Owner	:	N/A
Responsible Division	:	Corporate and Governance

COUNCIL ROLE

- | | | |
|-------------------------------------|-----------------------|---|
| <input type="checkbox"/> | Advocacy | <i>When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i> |
| <input type="checkbox"/> | Executive | <i>The substantial direction setting and oversight role of the Council eg adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i> |
| <input checked="" type="checkbox"/> | Legislative | <i>Includes adopting local laws, local planning schemes and policies.</i> |
| <input type="checkbox"/> | Review | <i>When Council reviews decisions made by Officers.</i> |
| <input type="checkbox"/> | Quasi-Judicial | <i>When Council determines an application/matter that directly affect a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of quasi-judicial authority include local planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i> |

PURPOSE OF REPORT

This report is prepared to conduct the first review of the Adopted Budget for 2021-2022 and recommend budget adjustments.

SUMMARY AND KEY ISSUES

In keeping with sound financial management practices, a review of the 2021-2022 Adopted Budget has been conducted with the aim of reviewing and finalising carried forward items from 2020-2021 and including other amendments.

Item 12.1 Continued

LOCATION

Not applicable.

CONSULTATION

There has been no specific consultation undertaken in respect to this matter other than internal staff. Community consultation is not required.

STRATEGIC COMMUNITY PLAN IMPLICATIONS

In accordance with the 2020 – 2040 Strategic Community Plan:

Goal 5: Responsible Belmont.

Strategy:

5.2 Manage the City's assets and financial resources in a responsible manner and provide the best possible services for the community.

POLICY IMPLICATIONS

There are no policy implications associated with this report.

STATUTORY ENVIRONMENT

Regulation 33A of the *Local Government (Financial Management) Regulations 1996* requires a local government to carry out a review of its Budget between 1 January and 31 March each year, report it to Council and then report the outcome of the review to the Department of Local Government, Sport and Cultural Industries (the Department). Although this budget review is not mandatory, it has been considered good financial practice to perform two budget reviews at the City of Belmont. The second budget review will be conducted and reported to Council and also the Department in March 2022.

BACKGROUND

In keeping with Council's ongoing budget control and financial management, a number of adjustments are required to ensure Council's Budget continues to reflect an accurate position. It has been five months since the detailed Budget was prepared and the carried forward figure was estimated, many estimates can now be accurately confirmed.

The October Budget Review process is predominantly aimed at addressing the following issues:

- Decisions of Council requiring funding
- New items arising following the original budget adoption
- Updating of carry forward works mainly Infrastructure Works
- Reviewing and updating the estimated opening surplus.

Item 12.1 Continued

OFFICER COMMENT

Opening balance

As has been the case in previous October Budget Reviews, one of the issues to be addressed relates to the estimated opening balance. The opening balance is predicted early in the budget process to enable budget preparation and rate modelling to proceed and is a best estimate at that point in time. This surplus position is finalised when the City's audit has been completed.

The financials for 30 June 2021 have been finalised, however the audit is expected to be completed in December 2021 and at that stage the opening surplus will be confirmed. In the interim, the opening surplus has been updated based on the recent estimates and will be further updated during the March 2022 budget review.

The following summarises the movement in the opening surplus position for this review:

Movement in Opening Surplus Position	Amount
Adopted budget estimated opening surplus	3,915,000
Increase in surplus	2,953,413
Updated estimated opening surplus	6,868,413

The increased surplus is mainly due to the carry forward of capital projects as noted in [Attachment 1](#). The surplus was also supported through a significant dividend payment received from the Eastern Metropolitan Regional Council (EMRC) of \$622,000 and other projects and expenditure that performed better than anticipated.

Budget Amendments

A detailed listing of all budget adjustments can be found in [Attachment 1](#). It should be noted that the report includes only those line items that have changed during the review process, all other line items remain as per the Adopted Budget.

An updated 'Rate Setting Statement' in [Attachment 2](#) compares the proposed March Budget Review to the Adopted Budget. Material adjustments as per the Rates Setting Statement are further explained below:

- **Transfer to reserves** has increased by \$1,772,274 and includes the following significant amendments:
 - Property Development Reserve, \$413,528 as a result of available funds identified during the budget review;
 - Waste Management Reserve, \$622,279 due to receipt of EMRC dividend in last financial year; and
 - Miscellaneous Entitlements Reserve, \$750,000 to allow for contractual employment costs.

Item 12.1 Continued

- **Transfer from reserves** has increased by \$1,431,743 and the following amendments largely contribute to this increase:
 - Property Development Reserve was utilised for the funding of the cost of the Belmont Hub Café fitout costs of \$150,000 (remaining funds carried forward from 2020-2021);
 - Building Maintenance Reserve, \$781,781 for the funding of the additional costs of the Refurbishment of 'The Glasshouse' to reflect tendered rates and to fund Stage 2 (in accordance with the August 2021 OCM resolution, with the intent of this expenditure being reimbursed by Local Roads and Community Infrastructure (LRCI) Programme Phase 3 funding);
 - Waste Management Reserve transfer increased by \$103,525 to fund additional costs required to resource waste management services;
 - Miscellaneous Entitlement Reserve increased by \$320,175 to accommodate for increased employment entitlement costs; and
 - Long Service Leave (LSL) reserves increased by \$65,554 due to an anticipated increase in LSL costs.
- **Acquisition of infrastructure assets** has increased by \$1,821,659, and is made up of the following material items:
 - The Belmont Hub Café fitout costs for \$150,000 (the balance of the required funds, in accordance with the lease, were carried forward from 2020-2021). As indicated above this will be funded from the Property Development Reserve;
 - The refurbishment cost for 'The Glasshouse' has been increased by \$781,781 based on updated tender costs and funding Stage 2, the increased expenditure will be funded from the Building Maintenance Reserve. Due the additional funding to be received from LRCI Programme Phase 3, Stage 2 of this project has been brought forward; and
 - Various carry forward projects relating to Roads, Drainage, Footpaths, Parks and Buildings for \$880,000 as reflected in [Attachment 1](#).
- **Acquisition of plant and equipment** has increased by \$136,691, mainly relating to carry forward costs for the Hub and the Museum.
- **Materials costs** have increased by \$590,637 and relates mainly to increased agency costs of \$240,000 (which has been funded from a reduction in salaries), an increase in cleaning costs (associated with the continuation of COVID-19) of \$100,000 and an increase in playground construction costs of \$74,000 (due to recently updated condition assessments triggering the need to bring forward construction works for some sites).
- **Employee costs** has increased by \$220,566 mainly as a result of an increase in employment entitlement costs, these additional costs have been funded from the Miscellaneous Entitlements Reserve.

[Attachment 3](#) provides an updated estimate of reserve balances for the 2021-2022 year with reserve balances expected to increase to \$49,113,765, a net movement in reserves of \$1,577,007.

Item 12.1 Continued

Summary of budget amendment per Directorate

The following summary, lists the budget adjustments per Directorate ([Attachment 1](#)):

Department	Amount
Opening Balance-Surplus	(2,953,412)
Chief Executive Officer Section	(8,512)
Corporate and Governance Division	1,775,906
Infrastructure Services Division	1,090,953
Development and Communities Division	95,065
Net movement	-

(brackets indicate increased income / reduced expenditure)

FINANCIAL IMPLICATIONS

The budget review has resulted in a closing surplus position of \$500,000, which is the same as the adopted budget position.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications associated with this report.

SOCIAL IMPLICATIONS

The effective management of the City's Annual Budget ensures that the community has access to the services and facilities it needs now and into the future.

Note:

Cr Carter, Cr Davis and Cr Sekulla declared an interest that may affect impartiality in Item 12.1 2021-2022 October Budget Review.

OFFICER RECOMMENDATION

That Council:

1. In accordance with *Local Government (Financial Management) Regulations 1996* Regulation 33A, adopt the amendments contained in the 2021-2022 Budget Review ([Attachment 1](#)), including the descriptions of variations and closing fund amendments.
2. Authorise the Director Corporate and Governance to amend the 2021-2022 Budget in accordance with all resolved variations.

Item 12.1 Continued

ALTERNATIVE COUNCILLOR MOTION

DAVIS MOVED, SEKULLA SECONDED

That Council:

- 1. In accordance with Local Government (Financial Management) Regulations 1996 Regulation 33A, adopt the amendments contained in the 2021-2022 Budget Review ([Attachment 1](#)), including the descriptions of variations and closing fund amendments.***
- 2. Authorise the Director Corporate and Governance to amend the 2021-2022 Budget in accordance with all resolved variations.***
- 3. Further to [Attachment 1](#) page 11 of 33 Peachey Park - bike track and playground renewal to be considered for next years' Capital Works Programme as part of a full upgrade of Peachey Park for inclusion in the 2022-2023 budget;***
 - Play equipment to include steps to the fort.***
 - Upgrade the basketball hoop to comply with the standard height, currently is below standard height.***
 - Re-install bike elements similar to the previous elements that were removed in 2020.***
 - Consider an enclosed dog exercise area at Peachey Park.***

CARRIED BY ABSOLUTE MAJORITY 6 VOTES TO 2

*For: Carter, Davis, Marks, Rossi, Sekulla, Sessions
Against: Ryan, Wolff*

Reasons:

- Feedback amongst local residents is the lack of community consultation in relation to the removal of bicycle elements in 2020 and no funds in the budget for replacement of elements.***
- The new play equipment is difficult for younger children to access without the help of an adult, therefore the reason of requesting steps.***
- The basketball hoop is below standard height. It would be ideal for a basketball area for teenagers to play therefore a hoop that complied with the standard height.***
- Residents have requested an enclosed dog exercise area. Peachey Park would be ideal as it is close to a children's' playground and has sufficient room.***

12.2 REQUEST FOR RATE EXEMPTION – STELLAR LIVING LTD FOR 90A LEAKE STREET, BELMONT

ATTACHMENT DETAILS

Nil.

Voting Requirement	:	Simple Majority
Subject Index	:	98/008 Rate Exemption
Location/Property Index	:	90A Leake Street, Belmont
Application Index	:	N/A
Disclosure of any Interest	:	Nil
Previous Items	:	OCM 26 March 2019 – Item 12.3
Applicant	:	Stellar Living Ltd
Owner	:	Department of Housing
Responsible Division	:	Corporate and Governance

COUNCIL ROLE

- | | | |
|-------------------------------------|-----------------------|---|
| <input type="checkbox"/> | Advocacy | <i>When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i> |
| <input type="checkbox"/> | Executive | <i>The substantial direction setting and oversight role of the Council eg adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i> |
| <input type="checkbox"/> | Legislative | <i>Includes adopting local laws, local planning schemes and policies.</i> |
| <input type="checkbox"/> | Review | <i>When Council reviews decisions made by Officers.</i> |
| <input checked="" type="checkbox"/> | Quasi-Judicial | <i>When Council determines an application/matter that directly affect a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of quasi-judicial authority include local planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i> |

PURPOSE OF REPORT

To consider a request for rate exemption for 90A Leake Street, Belmont.

SUMMARY AND KEY ISSUES

Stellar Living Ltd have made an objection against the rate book as per section 6.76 of the *Local Government Act 1995*. Documentation has been provided to show that the property is being used for charitable purposes.

Item 12.2 Continued

LOCATION

Strata Lot 1 on Strata Plan 8014 - known as 90A Leake Street, Belmont.



CONSULTATION

There has been no specific consultation undertaken in respect to this matter.

STRATEGIC COMMUNITY PLAN IMPLICATIONS

In accordance with the 2020 – 2040 Strategic Community Plan:

Goal 5: Responsible Belmont.

Strategy:

5.2 Manage the City's assets and financial resources in a responsible manner and provide the best possible services for the Community.

POLICY IMPLICATIONS

There are no policy implications associated with this report.

Item 12.2 Continued

STATUTORY ENVIRONMENT

The relevant sections of the *Local Government Act 1995* that apply are:

‘6.26. Rateable land

- (1) *Except as provided in this section all land within a district is rateable land.*
- (2) *The following land is not rateable land — ..*
 - (g) *land used exclusively for charitable purposes;”*
and ..’

‘6.53. Land becoming or ceasing to be rateable land

Where during a financial year —

- (a) *land that was not rateable becomes rateable land; or*
- (b) *rateable land becomes land that is not liable to rates,*

the owner of that land —

- (c) *is liable for rates proportionate to the portion of the year during which the land is rateable land; or*
- (d) *is entitled to a refund of an amount proportionate to the portion of the year during which the land is not rateable land,*

as the case requires.’

‘6.76. Grounds of objection

- (1) *A person may, in accordance with this section, object to the rate record of a local government on the ground —*
 - (a) *that there is an error in the rate record —*
 - (i) *with respect to the identity of the owner or occupier of any land;*
or
 - (ii) *on the basis that the land or part of the land is not rateable land; or*
 - (b) *if the local government imposes a differential general rate, that the characteristics of the land recorded in the rate record as the basis for imposing that rate should be deleted and other characteristics substituted.*
- (2) *An objection under subsection (1) is to —*
 - (a) *be made to the local government in writing within 42 days of the service of a rate notice under section 6.41; and*
 - (b) *identify the relevant land; and*
 - (c) *set out fully and in detail the grounds of objection.*
- (3) *An objection under subsection (1) may be made by the person named in the rate record as the owner of land or by the agent or attorney of that person.’*

Item 12.2 Continued

BACKGROUND

A “Lease of Premises for Residential Purposes to a Non-Government Organisation or Community Housing Organisation for the Justice Adult Re-Integration Programme” was originally signed between the Housing Authority and Stellar Living Ltd on 9 July 2018 for a period of two years. A rate exemption was requested and approved at the Ordinary Council Meeting held on 26 March 2019 for the initial lease.

The new lease was signed for the period 23 August 2021 to 30 June 2022. A new rate exemption is now being requested for the same property under the same Justice Adult Re-Integration Programme.

In the Defined Terms and Interpretation of the lease, Community Housing means housing for people on a very low, low or moderate income, or for people with additional needs that is provided by non-government organisations in accordance with any relevant Policy. As required, the current weekly rent being paid at this property is below market rent.

Some of their main objectives written into the Stellar Living Ltd Constitution are:

- To provide for the direct relief of poverty, suffering, destitution, misfortune, helplessness and distress through the provision of low cost and affordable housing;
- Acquire, construct and provide low cost and affordable housing stock for people in poverty, with low income, who are homeless, socially marginalised, inadequately housed or otherwise disadvantaged;
- Provide property and tenancy management services for the provision of low cost rental housing;
- Respond to changing client and community needs and maintain high quality client and housing services;
- Grow the accommodation and housing programme by identifying new expansion opportunities in keeping sound governance, managerial capacities and local housing needs; and
- Work in partnership with the community to ensure that tenants have access to the support services they require.

OFFICER COMMENT

Stellar Living Ltd provided a letter requesting rate exemption under Section 6.26(2)(g) of the *Local Government Act 1995* and have supplied the following supporting documentation:

- The Rates and Charitable Land Use Exemptions Application has been completed. This document was created jointly by the WA Rates Officers Association and the Western Australian Local Government Association to ensure consistency with exemption requests.
- Copy of relevant sections of the current lease effective from 23 August 2021 expiring on 30 June 2022.
- Statutory Declaration confirming the use of the property.
- Rules for Associated Incorporated under the Associations Incorporations Act 1984.

Item 12.2 Continued

- Notice of Endorsement for Charity Tax Concessions with the Australian Taxation Office.
- Copy of the Certificate of registration under the Australian Charities and Not-for-profits Commission (ACNC).

This property is being used as part of the Justice Programme called ReSet (prisoners exiting prison and having available transitional short-term accommodation usually for a period of three to 12 months). The property is used exclusively for the programme and sometimes as part of rehabilitation. The tenant is allowed to have some family members stay with them over the term of their lease. This programme is initiated through the Department of Justice.

With the information provided by Stellar Living Ltd, the use of this strata unit for this purpose is not considered to alter the use from a dwelling to a 'community home' under LPS15 given that only one person occupies the dwelling at a time. Should that situation change an application for a change of use will be required from the operator.

FINANCIAL IMPLICATIONS

The property is rated as Residential with a Gross Rental Valuation of \$12,740 and therefore attracts Councils minimum rate of \$855.00. The loss of income for the 2021-2022 rating year, if approved for exemption effective from 23 August 2021, will be \$730.85.

The Emergency Services Levy is still applicable to the property and is required to be paid in full and the payment forwarded to the Department of Fire and Emergency Services as per the current legislative requirements.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications associated with this report.

SOCIAL IMPLICATIONS

There are no social implications associated with this report.

OFFICER RECOMMENDATION

That Council endorse the rate exemption for the property known as 90A Leake Street, Belmont under section 6.26 (2)(g) and Section 6.53 of the Local Government Act 1995 effective from 23 August 2021.

***OFFICER RECOMMENDATION ADOPTED EN BLOC BY ABSOLUTE MAJORITY –
REFER TO RESOLUTION APPEARING AT ITEM 12***

12.3 STANDING COMMITTEE (AUDIT AND RISK) – APPOINTMENT OF AN INDEPENDENT MEMBER

ATTACHMENT DETAILS

Attachment No	Details
Confidential Attachment 1 – Item 12.3 refers	<u>Independent Member – Expression of Interest and Profile 1</u>
Confidential Attachment 2 – Item 12.3 refers	<u>Independent Member – Expression of Interest and Profile 2</u>
Confidential Attachment 3 – Item 12.3 refers	<u>Independent Member – Expression of Interest and Profile 3</u>
Confidential Attachment 4 – Item 12.3 refers	<u>Independent Member – Expression of Interest and Profile 4</u>
Confidential Attachment 5 – Item 12.3 refers	<u>Evaluation Scorecard</u>

Voting Requirement : Simple Majority
Subject Index : 19/003 Standing Committee (Audit and Risk)
Location/Property Index : N/A
Application Index : N/A
Disclosure of any Interest : Nil
Previous Items : SCM – 21 October 2019 – Item 11.1
Applicant : N/A
Owner : N/A
Responsible Division : Corporate and Governance

COUNCIL ROLE

- Advocacy** *When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.*
- Executive** *The substantial direction setting and oversight role of the Council eg adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.*
- Legislative** *Includes adopting local laws, local planning schemes and policies.*
- Review** *When Council reviews decisions made by Officers.*
- Quasi-Judicial** *When Council determines an application/matter that directly affect a person’s right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of quasi-judicial authority include local planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.*

PURPOSE OF REPORT

For Council to consider and endorse the appointment of an Independent Member to the Standing Committee (Audit and Risk).

Item 12.3 Continued

SUMMARY AND KEY ISSUES

An Independent Member is appointed to the Standing Committee (Audit and Risk) for a maximum term of two years to align with local government ordinary elections. This appointment is made in line with Local Government Operational Guideline Number 9 – Audit in Local Government (the appointment, function and responsibilities of Audit Committees).

LOCATION

Not applicable.

CONSULTATION

There has been no specific consultation undertaken in respect to this matter.

STRATEGIC COMMUNITY PLAN IMPLICATIONS

In accordance with the 2020 – 2040 Strategic Community Plan:

Goal 5: Responsible Belmont.

Strategy

5.2: Manage the City's assets and financial resources in a responsible manner and provide the best possible services for the community.

POLICY IMPLICATIONS

There are no policy implications associated with this report.

STATUTORY ENVIRONMENT

The existence and conduct of the Standing Committee (Audit and Risk) ensures compliance with the *Local Government Act 1995* and the *Local Government (Audit) Regulations 1996*.

BACKGROUND

Local Government Operational Guideline Number 9 – Audit in Local Government outlines the appointment, functions and responsibilities of Audit Committees.

This guideline details the process for the appointment of an Independent Member to the Standing Committee (Audit and Risk) with the appropriate skills and experience, to provide Council and the community with an increased level of Corporate Governance and to ensure a best practice approach.

Item 12.3 Continued

Advertisements were placed in 'The West Australian' on Wednesday, 1 September 2021 and 'Southern Gazette' on Thursday 2 September 2021, as well as a Public Notice placed on the City's website, Library Community Notice Board and the Civic Centre inviting expressions of interest from suitably qualified and experienced persons. Four Expressions of Interest were received, and are attached as [Confidential Attachment 1](#), [Confidential Attachment 2](#), [Confidential Attachment 3](#), and [Confidential Attachment 4](#).

OFFICER COMMENT

An Evaluation Panel consisting of Director Corporate and Governance, Manager Finance and Principal Governance and Compliance Adviser assessed the four Expressions of Interest and evaluated them against the criteria outlined in the advertisement.

1	Business or Financial Management knowledge and experience.
2	Business or Financial Reporting knowledge and experience.
3	Conversant with financial and other reporting requirements.
4	Local Government Exposure (advertised as not essential - highly regarded).

Following independent evaluation by each member of the panel, the Evaluation Panel met to discuss the evaluations, criteria and the proposed level of reimbursement provided by each of the applicants.

The four Expressions of Interest submitted were all considered to be of high calibre from applicants with a broad range of experience. The Expression of Interest from Mr Ron Back achieved the highest score through the evaluation process and is recommended by the panel as the preferred Independent Member due to having extensive experience in local government and a working knowledge of industry best practice. (Refer [Confidential Attachment 5](#))

The appointment will be for a two-year period, to expire immediately before the next Ordinary Election being 21 October 2023.

FINANCIAL IMPLICATIONS

Expenses for the Independent Member of the Standing Committee (Audit and Risk) are appropriately budgeted.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications associated with this report.

Item 12.3 Continued

SOCIAL IMPLICATIONS

There are no social implications associated with this report.

OFFICER RECOMMENDATION

That Council appoint Mr Ron Back to the position of Independent Member of the Standing Committee (Audit and Risk) for a term to expire 20 October 2023 at an hourly reimbursement of expenses rate as detailed in [Confidential Attachment 1](#) to be paid in arrears.

***OFFICER RECOMMENDATION ADOPTED EN BLOC BY ABSOLUTE MAJORITY –
REFER TO RESOLUTION APPEARING AT ITEM 12***

12.4 ACCOUNTS FOR PAYMENT – SEPTEMBER 2021

ATTACHMENT DETAILS

<u>Attachment No</u>	<u>Details</u>
Attachment 4 – Item 12.4 refers	<u>Account for Payment – September 2021</u>

Voting Requirement	:	Simple Majority
Subject Index	:	54/007-Creditors-Payment Authorisations
Location / Property Index	:	N/A
Application Index	:	N/A
Disclosure of any Interest	:	Nil
Previous Items	:	N/A
Applicant	:	N/A
Owner	:	N/A
Responsible Division	:	Corporate and Governance Division

COUNCIL ROLE

- | | | |
|-------------------------------------|-----------------------|--|
| <input type="checkbox"/> | Advocacy | <i>When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i> |
| <input checked="" type="checkbox"/> | Executive | <i>The substantial direction setting and oversight role of the Council eg. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i> |
| <input type="checkbox"/> | Legislative | <i>Includes adopting local laws, local planning schemes and policies.</i> |
| <input type="checkbox"/> | Review | <i>When Council reviews decisions made by Officers.</i> |
| <input type="checkbox"/> | Quasi-Judicial | <i>When Council determines an application/matter that directly affect a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of quasi-judicial authority include local planning applications, building licences, applications for other permits/ licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i> |

PURPOSE OF REPORT

Confirmation of accounts paid and authority to pay unpaid accounts.

SUMMARY AND KEY ISSUES

A list of payments is presented to the Council each month for confirmation and endorsement in accordance with the *Local Government (Financial Management) Regulations 1996*.

Item 12.4 Continued

LOCATION

Not applicable.

CONSULTATION

There has been no specific consultation undertaken in respect to this matter.

STRATEGIC COMMUNITY PLAN IMPLICATIONS

In accordance with the 2020 – 2040 Strategic Community Plan:

Goal 5: Responsible Belmont.

Strategy:

- 5.2 Manage the City's assets and financial resources in a responsible manner and provide the best possible services for the community.
- 5.6 Deliver effective, fair and transparent leadership and decision-making, reflective of community needs and aspirations.

POLICY IMPLICATIONS

There are no policy implications associated with this report.

STATUTORY ENVIRONMENT

Regulation 13(1) of the *Local Government (Financial Management) Regulations 1996* states:

"If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing for each account paid since the last such list was prepared:

- (a) the payee's name;*
- (b) the amount of the payment;*
- (c) the date of the payment; and*
- (d) sufficient information to identify the transaction."*

BACKGROUND

Checking and certification of Accounts for Payment required in accordance with *Local Government (Financial Management) Regulations 1996*, Clause 12.

Item 12.4 Continued

OFFICER COMMENT

The following payments as detailed in the Authorised Payment Listing are recommended for confirmation and endorsement.

Municipal Fund Cheques	788712 to 788729	\$30,377.95
Municipal Fund EFTs	EF075171 to EF075750	\$4,715,463.08
Municipal Fund Payroll	September 2021	\$2,368,998.86
Trust Fund EFTs	EF075215 to EF075217	<u>\$17,926.88</u>
Total Payments for September 2021		\$7,132,766.77

A copy of the Authorised Payment Listing is included as [Attachment 4](#) to this report.

FINANCIAL IMPLICATIONS

Provides for the effective and timely payment of Council's contractors and other creditors.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications associated with this report.

SOCIAL IMPLICATIONS

There are no social implications associated with this report.

OFFICER RECOMMENDATION

That the Authorised Payment Listing for September 2021 as provided under [Attachment 4](#) be received.

***OFFICER RECOMMENDATION ADOPTED EN BLOC BY ABSOLUTE MAJORITY –
REFER TO RESOLUTION APPEARING AT ITEM 12***

12.5 MONTHLY ACTIVITY STATEMENT AS AT 30 SEPTEMBER 2021

ATTACHMENT DETAILS

<u>Attachment No</u>	<u>Details</u>
Attachment 5 – Item 12.5 refers	<u>Monthly Activity Statement as at 30 September 2021</u>

Voting Requirement	:	Simple Majority
Subject Index	:	32/009-Financial Operating Statements
Location/Property Index	:	N/A
Application Index	:	N/A
Disclosure of any Interest	:	Nil
Previous Items	:	N/A
Applicant	:	N/A
Owner	:	N/A
Responsible Division	:	Corporate and Governance

COUNCIL ROLE

- Advocacy** *When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.*
- Executive** *The substantial direction setting and oversight role of the Council eg adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.*
- Legislative** *Includes adopting local laws, local planning schemes and policies.*
- Review** *When Council reviews decisions made by Officers.*
- Quasi-Judicial** *When Council determines an application/matter that directly affect a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of quasi-judicial authority include local planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.*

PURPOSE OF REPORT

To provide Council with relevant monthly financial information for the 2021-2022 financial year.

SUMMARY AND KEY ISSUES

The following report includes a concise list of material variances and a Reconciliation of Net Current Assets at the end of the reporting month.

LOCATION

Not applicable.

Item 12.5 Continued

CONSULTATION

There has been no specific consultation undertaken in respect to this matter.

STRATEGIC COMMUNITY PLAN IMPLICATIONS

In accordance with the 2020 – 2040 Strategic Community Plan:

Goal 5: Responsible Belmont.

Strategy:

- 5.2 Manage the City's assets and financial resources in a responsible manner and provide the best possible services for the Community.
- 5.6 Deliver effective, fair, and transparent leadership and decision-making, reflective of community needs and aspirations.

POLICY IMPLICATIONS

There are no policy implications associated with this report.

STATUTORY ENVIRONMENT

Section 6.4 of the *Local Government Act 1995* in conjunction with Regulations 34 (1) of the *Local Government (Financial Management) Regulations 1996* requires monthly financial reports to be presented to Council.

Regulation 34(1) requires a monthly Statement of Financial Activity reporting on revenue and expenditure.

Regulation 34(5) determines the mechanism required to ascertain the definition of material variances which are required to be reported to Council as a part of the monthly report. It also requires Council to adopt a "percentage or value" for what it will consider to be material variances on an annual basis. Further clarification is provided in the Officer Comments section.

BACKGROUND

The *Local Government (Financial Management) Regulations 1996* requires that financial statements are presented on a monthly basis to Council. Council has adopted 10% of the budgeted closing balance as the materiality threshold.

Item 12.5 Continued

OFFICER COMMENT

The Statutory Monthly Financial Report is to consist of a Statement of Financial Activity reporting on revenue and expenditure as set out in the Annual Budget. It is required to include:

- Annual budget estimates
- Budget estimates to the end of the reporting month
- Actual amounts to the end of the reporting month
- Material variances between comparable amounts
- Net current assets as at the end of the reporting month.

Previous amendments to the Regulations fundamentally changed the reporting structure which requires reporting of information consistent with the “cash” component of Council’s budget rather than being “accrual” based.

The monthly financial report is to be accompanied by:

- An explanation of the composition of the net current assets, less committed* and restricted** assets
- An explanation of material variances***
- Such other information as is considered relevant by the local government.
*Revenue unspent but set aside under the annual budget for a specific purpose.
**Assets which are restricted by way of externally imposed conditions of use e.g. tied grants.
***Based on a materiality threshold of 10%.

In order to provide more details regarding significant variations as included in [Attachment 5](#) the following summary is provided.

Report Section	Budget YTD	Actual YTD	Comment
Expenditure Capital	-		
Computing	162,500	10,120	Timing issue regarding the payment of business applications and equipment.
Crime Prevention & Community Safety	65,561	Nil	Variance relates to the purchase of fleet and equipment has not yet occurred.
Environment	137,519	55,691	Two foreshore restoration design carryover projects are behind budget.
Road Works	630,130	331,610	Abernethy Rd will be rescheduled for construction in April 2022 due to redesign by MRWA. The balance of projects is awaiting outstanding invoices or is work in progress.
Drainage Works	150,000	7,846	Phasing of projects have been updated in October budget review
Operations Centre	80,900	604	Budget variance due to timing of replacement of plant.
Expenditure - Operating			

Item 12.5 Continued

Report Section	Budget YTD	Actual YTD	Comment
Finance Department	503,541	559,645	Employee entitlement and retirement payment not included in budget and ABC cost allocations are above budget. Employee entitlement payment will be addressed in the October budget review.
Computing	802,892	975,932	Business applications are largely paid in July but have been budgeted over the year.
Marketing & Communications	549,425	435,547	Several items are below budget with no specific items having a material variance.
Human Resources	366,574	643,061	Redundancy and employee entitlement payment not included in the budget, to be addressed in October budget review.
Rates	1,988,850	1,453,655	Variance relates to the timing of the take-up of rates discount for Perth Airport Pty Ltd
City Facilities & Property	Nil	105,839	Budget variance regarding the allocation of Belmont Hub accommodation costs, to be amended in the October budget review
Engagement Strategies	447,299	388,374	Timing variance for donations and salaries.
Youth Services General	200,712	134,153	Contractor payments are made one month in arrears, adjusted in October budget review
Sanitation Charges	886,627	1,000,248	Timing issue relating to the spread of Rubbish services costs.
Ruth Faulkner Library	679,497	873,018	Timing variance regarding the spread of internal allocations
Community Development	206,216	98,673	Timing variance regarding the spread of project management costs and donations.
Grounds - Active Reserves	350,513	140,168	Timing issue regarding the spread of turf maintenance costs.
Streetscapes	585,444	207,185	Street tree maintenance programs are currently below budget.
City Facilities & Property	201,002	254,215	Timing variance for Belmont Hub cleaning services costs.
Building Control	208,104	260,705	Timing variance in allocation of internal charges.
Customer Service	130,338	227,651	Employee entitlements not included in budget, to be amended in October budget review and funded from the Miscellaneous Entitlements Reserve.

Item 12.5 Continued

Report Section	Budget YTD	Actual YTD	Comment
Plant Operating Costs	262,735	317,495	Employee entitlement payment not included in budget, to be addressed in October budget review
Technical Services	653,683	704,127	Employee costs and Internal allocations are above budget.
Other Public Works	211,513	142,797	Street lighting costs are paid one month in arrears.
Revenue - Capital			
Road Works	(529,989)	(143,867)	Timing variance regarding grant income relates to timing of capital works.
Building Operations	Nil	(309,728)	Timing variance of grant income, to be adjusted in October budget review
City Projects	(128,250)	Nil	Timing variance regarding the grant income for Wilson Park project.
Revenue - Operating			
Computing	(806,374)	(975,932)	Activity Based Costing (ABC's) recoveries are above budget which is consistent with IT costs being above budget.
Insurance	(846,380)	(930,206)	Variance due to timing of insurance allocation recoveries and insurance reimbursement claims being higher than anticipated.
Human Resources	(377,342)	(643,061)	ABC recoveries are above budget.
Rates	(52,396,019)	(39,956,926)	Rates revenue not yet raised for Perth Airport Pty Ltd. Awaiting finalisation of GRV assessment by Valuer General.
City Facilities & Property	(210,266)	(470,259)	Budget timing regarding the recovery of accommodation costs.
Financing Activities	(118,459)	(51,947)	Bank Interest is lower than anticipated
Health	(102,572)	(158,737)	Mosquito Control income received earlier than anticipated.
Streetscapes	(60,000)	Nil	Income is expected to be received later in the financial year.
Customer Service	(134,859)	(227,651)	ABC recoveries are above budget.
Public Works Overheads	(286,850)	(235,993)	Overhead recoveries are below budget.

In accordance with *Local Government (Financial Management) Regulations 1996*, Regulation 34 (2)(a) the following table explains the composition of the net current assets amount which appears at the end of the attached report.

Item 12.5 Continued

Reconciliation of Nett Current Assets to Statement of Financial Activity		
Current Assets as at 30 September 2021	\$	Comment
Cash and investments	86,385,390	Includes municipal and reserves
- less non rate setting cash	(51,135,124)	Reserves
Receivables	11,005,694	Rates levied yet to be received and Sundry Debtors
ESL Receivable	(3,059,728)	ESL Receivable
Stock on hand	198,908	
Total Current Assets	43,395,140	
Current Liabilities		
Creditors and provisions	(16,578,269)	Includes ESL and deposits
- less non rate setting creditors & provisions	10,587,892	Cash Backed LSL, current loans & ESL
Total Current Liabilities	(5,990,377)	
Nett Current Assets 30 September 2021	37,404,763	
Nett Current Assets as Per Financial Activity Report		
Nett Current Assets as Per Financial Activity Report	37,404,763	
Less Committed Assets	(36,904,763)	All other budgeted expenditure
Estimated Closing Balance	500,000	

FINANCIAL IMPLICATIONS

The presentation of these reports to Council ensures compliance with the *Local Government Act 1995* and associated Regulations, and also ensures that Council is regularly informed as to the status of its financial position.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications associated with this report.

SOCIAL IMPLICATIONS

There are no social implications associated with this report.

OFFICER RECOMMENDATION

That the Monthly Financial Reports as at 30 September 2021 as included in [Attachment 5](#) be received.

***OFFICER RECOMMENDATION ADOPTED EN BLOC BY ABSOLUTE MAJORITY –
REFER TO RESOLUTION APPEARING AT ITEM 12***

13. REPORTS BY THE CHIEF EXECUTIVE OFFICER

Nil.

13.1 REQUESTS FOR LEAVE OF ABSENCE

Nil.

13.2 NOTICE OF MOTION

Nil.

14. MATTERS FOR WHICH THE MEETING MAY BE CLOSED

Nil.

15. CLOSURE

There being no further business, the Presiding Member thanked everyone for their attendance and closed the meeting at 7.44pm.