



Agenda

Ordinary Meeting of Council

Wednesday 26 March 2025 6:00 pm



Notice of an Ordinary Meeting of Council

Elected Members

An Ordinary Meeting of Council of the City of Fremantle will be held on **Wednesday 26 March 2025** in the Council Chamber (Bibbool Room) at the Walyalup Civic Centre, located at 151 High Street, Fremantle commencing at 6:00 pm.

A handwritten signature in black ink, appearing to read "Glen Dougall".

Glen Dougall
Chief Executive Officer

19 March 2025



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Official opening, welcome and acknowledgement

Ngala kaaditj Whadjuk moort keyen kaadak nidja Walyalup boodja wer djinang Whadjuk kaaditjin wer nyiting boola yeye.

We acknowledge the Whadjuk people as the traditional owners of the greater Fremantle/Walyalup area and we recognise that their cultural and heritage beliefs are still important today.

Attendance, apologies and leave of absence

Apologies

There are no previously received apologies.

Leave of absence

There are no previously received leave of absence.

Applications for leave of absence

Elected members may request leave of absence.

Disclosures of interest by members

Elected members must disclose any interests that may affect their decision-making. They may do this in a written notice given to the CEO or at the meeting.

Responses to previous public questions taken on notice

There are no responses to public questions taken on notice at a previous meeting.

Public question time

Members of the public have the opportunity to ask a question or make a statement at council and committee meetings during public question time. Further guidance on public question time can be viewed [here](#), or upon entering the meeting.



Petitions

Petitions may be tabled at the meeting with agreement of the presiding member.

Deputations

A deputation may be made to the meeting in accordance with the City of Fremantle Meeting Procedures Policy.

Presentations

Elected members and members of the public may make presentations to the meeting in accordance with the City of Fremantle Meeting Procedures Policy.

Confirmation of minutes

OFFICER'S RECOMMENDATION

Council confirm the minutes of the Ordinary Meeting of Council dated 12 March 2025.

Elected member communication

Elected members may ask questions or make personal explanations on matters not included on the agenda.



Reports and recommendations from officers

Planning reports

Nil.



Strategic and general reports

C2503-8 MEMORANDUM OF UNDERSTANDING – PERTH SOUTH WEST METROPOLITAN ALLIANCE

Meeting date:	26 March 2025
Responsible officer:	Manager Governance
Voting requirements:	Simple Majority Required
Attachments:	<ol style="list-style-type: none">1. PSWMA Governance Charter and Memorandum of Understanding2. Letter to the City of Fremantle - PSWMA Governance Charter and MOU

SUMMARY

The purpose of this report is to consider the renewal of the Governance Charter and Memorandum of Understanding (MoU) between the City of Fremantle and the Perth South West Metropolitan Alliance (PSWMA) for a further term of six years to 2031.

The PSWMA operates under a MoU with the City and the other five local governments within the region. This MoU is periodically reviewed and requires Council endorsement for it to continue in its regional capacity with and for the City and other members.

This report recommends that Council:

- 1. Endorses the Perth South West Metropolitan Alliance Governance Charter and Memorandum of Understanding (MoU) 2025/26 to 2030/31 provided in Attachment 1; and**
- 2. Authorises the Mayor and CEO to sign the Memorandum of Understanding with the Perth South West Metropolitan Alliance on behalf of the Council.**

BACKGROUND

Since 1983 the PSWMA (formerly the South West Group) has provided a platform for collaboration among the six member local governments supporting the advancement of regional priorities and a coordinated approach to economic, environmental, and social challenges.

The member Council's are currently;

- Town of East Fremantle



- City of Fremantle
- City of Melville
- City of Cockburn
- City of Kwinana
- City of Rockingham

The PSWMA operates under an MoU for a determined period of years which require endorsement from each member Council.

FINANCIAL IMPLICATIONS

Each member Council contributes a membership fee based on a base amount then a component based on population. Members also contribute to various joint projects such as Natural Resource Management (NRM) activities.

in accordance with the terms of the MoU, annual membership fee for participation in the Alliance is as follows:

- a) \$25,000 minimum fee; and
- b) 22.95 cents per head of population; and
- c) 22.95 cents per \$1,000 of operating revenue (from the most recent audited financial year statements); and
- d) Funding for work plan projects.

In 2024/25, the City of Fremantle contributed the following fees and contributions to the PSWMA;

Membership:	\$66,991	
Projects:	\$ 0	(2024/25 Project contributions were offset by reserve – normally \$19,585)
NRM Contribution:	<u>\$20,900</u>	
TOTAL:	<u>\$86,900</u>	

LEGAL IMPLICATIONS

Membership of the PSWMA is provided in accordance with an agreed MoU between the organisation and members. The Governance Charter and MoU is provided in **Attachment 1**. The intention is to adopt these for the next six years (2025 to 2031) which allows each member council to chair the PSWMA during its term.

STRATEGIC IMPLICATIONS

This item is in keeping with the City of Fremantle’s Strategic Community Plan 2024 – 2034:



Resilient City

- Strong partnerships with relevant State Government agencies and service providers.

CONSULTATION

Nil.

OFFICER COMMENT

The PSWMA has provided support and advocacy for regional projects such Future of Fremantle, Regional Transport initiatives, Westport, the Western Trade Coast, Housing, Economic initiatives and Environment issues. Regional collaboration and advocacy is essential to assist in achieving the outcomes of these initiatives and addressing associated challenges.

By endorsing the attached Governance Charter and MoU, the City of Fremantle will continue to:

- participate in regional advocacy and strategic planning;
- ensure its interests are represented in key regional projects; and
- work collaboratively with other councils to enhance economic, environmental, and social outcomes.

The attached MoU remains largely consistent with the previous version, with the following amendments:

- renaming references from South West Group to Perth South West Metropolitan Alliance;
- extending the agreement term from five to six years, ensuring each Council has an opportunity to chair the Alliance during the period;
- adjusting post-council reimbursements to a flat 5% of income to account for inflation; and
- removing provisions covering conflicts of interest and disclosures, as these matters are already governed under the *Local Government Act 1995*.

Given the economic and population growth expected in the Perth South West corridor, continued participation in the PSWMA will ensure the City remains at the forefront of regional planning, investment, and advocacy efforts.

The attached Charter and MoU ensures the Alliance is well-structured and capable to continue to advocate on behalf of the region while enhancing governance efficiency.



VOTING AND OTHER REQUIREMENTS

Simple Majority Required

OFFICER'S RECOMMENDATION

Council:

- 1. Endorses the Perth South West Metropolitan Alliance Governance Charter and Memorandum of Understanding (MoU) 2025/26 to 2030/31 provided in Attachment 1; and**
- 2. Authorises the Mayor and Chief Executive Officer to sign the Memorandum of Understanding with the Perth South West Metropolitan Alliance on behalf of the Council.**



C2503-9 FOSSIL FUEL ADVERTISING AND SPONSORSHIPS POLICY

Meeting date:	26 March 2025
Responsible officer:	Manager Governance
Voting requirements:	Simple Majority Required
Attachments:	<ol style="list-style-type: none">1. Draft Fossil Fuels Advertising and Sponsorships Council Policy - Engagement Report2. DRAFT Council Policy - Fossil Fuel Advertising and Sponsorships

SUMMARY

In response to an Elected Member Notice of Motion endorsed by Council at the Finance, Policy, Operations and Legislation Committee on 12 October 2022, officers drafted a Fossil Fuel Advertising and Sponsorships Policy for consideration.

At the Ordinary Council Meeting on 26 June 2024, Council endorsed the draft Council Policy for the purpose of public advertising. Upon the completion of public advertising, officers assessed the community feedback to the proposed Council Policy (provided in Attachment 1) and minor amendments to the proposed policy are included to provide further clarity on the intent of the policy.

This report recommends that Council adopt the proposed City of Fremantle Fossil Fuel Advertising and Sponsorships Policy, as provided in Attachment 2.

BACKGROUND

At the Finance, Policy, Operations and Legislation Committee meeting held on 12 October 2022, a Notice of Motion was raised by Cr Adin Lang requesting that the City of Fremantle investigate ways to restrict fossil fuel advertising on council owned or managed land and should not accept sponsorships from companies whose main business is the extraction or sale of coal, oil and gas.

In consideration of the Notice of Motion, Committee resolved:



Council requests the Chief Executive Officer to investigate and report back to council with options for:

- 1. Controlling or restricting advertising of fossil fuels on any City of Fremantle owned or managed property. In doing so Council consider any implications this may have for sporting and community organisations who currently use Council managed property or sporting venues.**
- 2. Restricting the acceptance of sponsorships from companies or organisations whose main business is the extraction or sale of coal, oil, or gas.**

At the Ordinary Council Meeting held on 26 June 2024, Council endorsed a draft Fossil Fuel Advertising and Sponsorships Council Policy for the purpose of public advertising.

FINANCIAL IMPLICATIONS

If the Council Policy is adopted as proposed, the City will not accept any form of sponsorship funding from companies involved in the production or supply of fossil fuels.

LEGAL IMPLICATIONS

If the Council Policy is adopted as proposed, the City will include any relevant provisions from this policy in any new or renewed leases, licenses or hire agreements, in accordance with this policy.

STRATEGIC IMPLICATIONS

This item is in keeping with the City of Fremantle's Strategic Community Plan 2024 – 2034:

Resilient City – A focus on planning for a stronger and more resilient future

- The matters contained in this report align to the intent of this theme's outcome.

CONSULTATION

The City of Fremantle opened public engagement on the Draft Fossil Fuels Advertising and Sponsorship Policy on 25 July 2024, and collected submissions until close-of-business on 23 September 2024.



The City of Fremantle conducted a series of in-person, local media, and digital community engagement activities to collect submissions and feedback for this draft council policy.

The public was asked to:

- Review the draft Fossil Fuel Advertising & Sponsorship Policy, Key Documents and Frequently Asked Questions.
- Contribute feedback by completing the survey below.
- Provide a written submission or request a 1:1 meeting with a City Officer.

City officers aimed to:

- Keep the public informed, listen to and acknowledge their concerns and provide feedback on how public input influenced the decision.
- Work with the public to ensure that their concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how public input influenced the decision.

The public engagement program **reached 522 people** through face-to-face conversations and online visits to the City's MySay portal. City officers collected submissions in two ways:

- **94% of submissions** were collected via formal submissions to the City's MySay platform, or hard copies of the MySay survey submitted to City staff.
- **6% of submissions** were collected via an interactive map on the City Plan MySay page.
- This resulted in **more than 1,315 individual pieces of information*** collected through the engagement program.

What we heard

Respondents were asked "Do you support the adoption of the Fossil Fuel Advertising and Sponsorships Policy?"

- 48% of respondents **do not support** the draft policy.
- 45% of respondents **support** the draft policy.
- 7% of respondents **"somewhat" support** the draft policy.

Respondents were also asked to explain their selection via an open text survey question. Their answers have been summarised into supportive, somewhat supportive and not supportive, along with the high-level themes that were repeatedly voiced.

Respondents who are **supportive of the draft** policy highlighted the following:



- Support for policies that reduce fossil fuel dependency and promote decarbonisation efforts.
- Opposition to fossil fuel advertising and sponsorship in general because of their influence on communities
- The health risks associated with fossil fuels
- Opportunity for local government to display climate leadership
- Growing recognition of global warming as an existential crisis

Respondents who are **somewhat** supportive of the draft policy highlighted the following:

- Cynicism towards policy effectiveness – namely section 1.3 which allows existing fossil fuel sponsorships to continue.
- Desire for broader restrictions, including other harmful industries.
- Scepticism on this policy being a council priority.

Respondents who are **not supportive** of the draft policy highlighted the following:

- Disagreement of council's role and responsibilities – council is seen as overreaching.
- Fossil fuels are still essential for providing affordable energy.
- The policy will impact funding to local sporting clubs.
- Scepticism on the efficacy of the proposed climate policies, viewing them as ineffective or misguided.
- Loss of sponsorship could lead to detrimental effects on community programs and initiatives.

Respondents were asked "Are you in favour of the policy allowing existing sponsorship agreements with fossil fuel-related companies to continue until their expiration?"

- 60% of respondents are **in favour** of existing sponsorship agreements to continue until they expire.
- 40% of respondents are **not in favour** of this clause in the draft policy.

Respondents were also asked to explain their selection via an open text survey question. Their answers have been summarised into "yes—in favour" and "no—not in favour", along with the high-level themes that were repeatedly voiced.

Respondents who selected "**yes--in favour**" highlighted the following:

- Financial impact to sporting clubs and community groups who might rely on this funding.



- Opposition to council's role in sponsorship decisions.
- Scepticism about the effectiveness of banning fossil fuel sponsorships while many residents still rely on fossil fuels.

Respondents who selected "**no--not in favour**" highlighted the following:

- The critical need for immediate action to reduce carbon emissions.
- Opposition to fossil fuel sponsorship overall.
- Mixed feelings about the balance between sponsorship benefits and the ethical implications of accepting funds from fossil fuel companies.
- The challenges and implications of amending or terminating existing sponsorship agreements.

An engagement report with full details of the public comment period for this draft policy, is provided in **Attachment 1**.

OFFICER COMMENT

In response to an Elected Member Notice of Motion, the proposed City of Fremantle Fossil Fuel Advertising and Sponsorships Policy provided in **Attachment 2** for Council consideration.

Part 1 of this Council Policy applies to all users of any property owned or managed by the City, who may advertise or promote companies involved in the production or supply of fossil fuels, unless otherwise specified in this policy; and Part 2 of the policy applies to any sponsorships offered to the City from companies involved in the production or supply of fossil fuels.

In drafting the proposed Council Policy, consideration was made to sponsorship agreements held by users of Council owned or managed property. Clause 1.3 allows for advertising on a temporary basis, such as during an event where the users' sponsorship agreement requires advertising to occur. This clause outlines time restrictions for temporary advertising and is intended to enable users of property owned or managed by the City, to meet their sponsorship obligations.

The Council Policy does not prevent individuals, organisations or clubs, from accepting sponsorship from companies involved in the production or supply of fossil fuels, it only affects how subsequent advertising of such companies is managed on Council owned or managed property.

In addition to this, if the proposed policy is adopted by Council, the City will not accept any form of sponsorship funding from companies involved in the production or supply of fossil fuels.

VOTING AND OTHER REQUIREMENTS

Simple Majority Required



OFFICER'S RECOMMENDATION

Council:

- 1. Receive the community engagement report, provided in Attachment 1.**
- 2. Adopt the draft Fossil Fuel Advertising and Sponsorships Council Policy, as provided in Attachment 2.**



C2503-10 APPOINTMENT OF NORTH FREMANTLE PLAN WORKING GROUP

Meeting date:	26 March 2025
Responsible officer:	Director Planning, Place and Urban Development
Voting requirements:	Simple Majority Required
Attachments:	1. Draft Terms of Reference - North Fremantle Plan Working Group

SUMMARY

This report has been prepared in response to informal discussions within Council around the potential benefits of establishing a North Fremantle Plan Working Group, consisting of elected members and senior staff, to focus on strategic planning matters.

This report recommends that Council supports establishing the North Fremantle Plan Working Group; agrees to the initial priorities and Terms of Reference for setting up the working group; and nominates and endorses elected member representation.

BACKGROUND

As part of the strategic planning work being carried out by the City, it has been identified that a high-level plan for North Fremantle would be beneficial to assist with the alignment of projects and broad advocacy regarding future decisions.

FINANCIAL IMPLICATIONS

There are no Financial Implications to this report. The working group has no authority to directly spend funds or amend existing budgets without seeking Council approval.

LEGAL IMPLICATIONS

Nil.

STRATEGIC IMPLICATIONS

This item is in keeping with the City of Fremantle's Strategic Community Plan 2024 – 2034:

Liveable City - Liveable and socially connected neighbourhoods

- The matters contained in this report align to the intent of this theme's outcome.



Liveable City - Sustainably designed and optimised urban and natural environments

- The matters contained in this report align to the intent of this theme's outcome.

Liveable City - A unique built heritage and history that is preserved, protected and shared

- The matters contained in this report align to the intent of this theme's outcome.

CONSULTATION

There has been no community consultation in the development of this report. However, there is likely to be significant community engagement on key planning matters, once the project is fully scoped by the working group.

OFFICER COMMENT

The scope of this strategic planning work is currently being developed. It is anticipated that the working group will assist with finalising the scope, prior to engagement with the community and stakeholders.

In broad terms, the study is anticipated to be completed by the end of 2025.

The City has an existing Council policy for the naming and function of Working Groups, Reference Groups and Liaison Groups (Council Policy - Internal Groups):

Internal Group Framework					
This framework does <i>not</i> include internal advisory committees or external groups not controlled by the City.					
Category	Purpose	Outcomes	Duration	Membership	Facilitation
Working group	Work collaboratively with council to develop a council strategy/plan or to develop a specific project.	Determined by the group once the purpose is defined.	Disbands on adoption of the strategy/plan or project plan. May convert to a reference group once the planning is complete.	Elected members, community members and/or groups, external professionals in a relevant field, or from a relevant organisation, City officers.	Chaired by a member appointed by the group.
Reference group	Provide feedback to and receive updates and progress from council on a project or council plan/strategy that is in progress.	No specific outcome – Information sharing forum related to a specific project or plan/strategy.	Disbands once the plan or project is complete. If plan or strategy, may act as a working group to develop or renew plan.	Elected members, community members and/or groups, external professionals in a relevant field, or from a relevant organisation, City officers.	Facilitated by an appropriate City officer selected by CEO/Director.
Liaison group	Engage in general dialogue with the council on subjects that are relevant to the group or general business of the Council.	No specific outcome – Information sharing forum.	Ongoing	Elected members, community members and/or groups, City officers.	Facilitated by an appropriate City officer selected by CEO/Director.



The proposed new working group fits within the existing classification of a Working Group. It is noted that the scope of the new group will be focussed, with clear deliverables and timeframes, as outlined in the terms of reference and adopted by Council.

Although the core membership of the group is anticipated to be elected members and senior staff, the Chief Executive Officer may invite external members to a Working Group, to bring specific expertise or community representation to the discussion. It is envisaged that this would be initiated by the Working Group and recommended to the CEO for the consideration.

VOTING AND OTHER REQUIREMENTS

Simple Majority Required

OFFICER'S RECOMMENDATION

Council:

- 1. Supports the establishment of the North Fremantle Plan Working Group consisting of elected members and senior staff, to advance strategic planning issues, based on the overall approach and purpose set out in this report;**
- 2. Approve the Terms of Reference for the North Fremantle Plan Working Group, provided in Attachment 1.**
- 3. Note the Chief Executive Officer may invite external members to the Working Group, to bring specific community representation to the discussion, should the Working Group consider that this may be advantageous.**
- 4. Endorses the following elected members to be representatives on the North Fremantle Plan Working Group:**
 - a. Mayor Hannah Fitzhardinge (ex-officio)**
 - b. Elected Member Nomination**
 - c. Elected Member Nomination**



C2503-11 WORKING GROUP INFORMATION REPORT

1. WALYALUP RECONCILIATION ACTION PLAN 2024-27 WORKING GROUP

WG meeting date:	27 February 2025
WG Chair:	Brendan Moore, Senior Aboriginal Engagement Officer
Responsible officer:	Manager Community Development
Attachments:	1. Walyalup Reconciliation Action Plan Progress Report July - December 2024.pdf

WRAP Meeting Overview

Opening and Acknowledgements

The meeting opened with Welcome to Country by a WRAP Working Group Elder. A minute of silence was observed for those who have passed away.

Previous Meeting Overview

The Chair provided an overview of the previous meeting, noting the launch of the new RAP in the latter half of last year and the progress already being made on deliverables.

Mayor's Update

The Mayor acknowledged Clive Morrison as the recipient of the Sealin Garlett Award.

The Mayor shared that Reconciliation Australia have said they see the City and the WRAP Working Group as leading the way. She briefly spoke on the work she and Cr Jemima Williamson-Wong have begun with the Office of the Future Generations Commissioner of Wales on intergenerational planning, noting that Indigenous planning already incorporates a multi-generational perspective. The Mayor also spoke on a meeting with interim Whadjuk Aboriginal Corporation CEO Lisa Dobrin regarding establishing clear pathways for business between the Whadjuk Aboriginal Corporation and WRAP, which can be explored further when a longer-term CEO is appointed.

Reconciliation Action Plan Implementation

The Manager Community Development spoke on RAP implementation for the first quarter (September-December 2024), which included 56 deliverables with all areas of the City participating. Current Aboriginal employment stands at 1.6% against a 4% target. Future reports will include quarter-to-quarter comparisons and procurement statistics involving Aboriginal artists and contractors.

Actions:

- Procurement statistics to be presented at the next meeting
- Finalised WRAP progress report to be circulated to WRAP members



- Quarter-to-quarter comparisons to be included in future updates and progress reports

Focus First Nation Films

The Director Creative Arts & Community reported on the successful FOCUS First Nation Films. The event featured two films shown each night from filmmakers across Australia, with most directors of featured films attending. Approximately 600 people attended film screenings, with the Sunday music concert that weekend drawing a record 1,750 attendees. The programming of Indigenous content on January 26th was particularly significant and will be considered for next year.

Welcome to Walyalup Mural

A new mural at Fremantle Visitor Centre was launched on 22 January, created by Jasmine Little, the winner of a statewide competition for Noongar artists. Discussion noted that "wanjoo" used in the mural is not a local Noongar word but borrowed from Yamatji language.

Towards 2029 Working Group

The Towards 2029 Working Group is focusing on marking the 200-year anniversary of European arrival. Interested WRAP members were invited to join the Towards 2029 Working Group.

Noongar Road Names

A local Stockland development is seeking Noongar names for roads. A list of approved names was discussed. Pronunciation guidance for Manjaree was shared by a Working Group member.

Action: the list of Noongar names accepted by Stockland to be circulated to the WRAP Working Group members.

Other Business

Photographs of a 1940 land survey map showing Fremantle and East Fremantle areas with some Noongar place names marked were presented to the group by a Working Group member.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple Majority Required

OFFICER'S RECOMMENDATION

Council receive the following working group updates for March 2025:

- 1. WALYALUP RECONCILIATION ACTION PLAN 2024-27 WORKING GROUP**



Statutory reports

C2503-12 STATEMENT OF INVESTMENTS - FEBRUARY 2025

Meeting date: 26 March 2025
Responsible officer: Manager Financial Services
Voting requirements: Simple Majority Required
Attachments: 1. Investment Report - February 2025

SUMMARY

This report recommends that Council receive the Investment Report for the month ending 28 February 2025, as provided in Attachment 1.

The investment reports provide a snapshot of the City's investment portfolio and include information in relation to:

- **Portfolio details;**
- **Portfolio credit framework;**
- **Portfolio liquidity;**
- **Portfolio fossil fuel summary;**
- **Interest income; and**
- **Investing activities.**

BACKGROUND

In accordance with the Investment Policy adopted by Council, the City of Fremantle invests its surplus funds, long term cash, current assets and other funds in authorised investments as outlined in the policy.

Due to timing differences between receiving revenue and the expenditure of funds, surplus funds may be held by the City for a period of time. To maximise returns and maintain a low level of credit risk, the City invests these funds into appropriately rated and liquid investments, until the City requires the money for operational expenditure.

The City's investment policy seeks to limit investments in financial institutions which support, either directly or indirectly, fossil fuel companies, while balancing compliance with the Investment Policy, and achieving a suitable return on those investments.



FINANCIAL IMPLICATIONS

Investment interest earned year to date is \$1,970,676 against a full year budget of \$2,349,359. Interest earnings year to date are over the YTD budget by \$26,576. The budget for investment income will be reviewed at mid-year budget review. The strong investment performance is due to the attractive interest rates in the current market.

As anticipated the Reserve Bank of Australia (RBA) cut the cash rate at its February 2025 meeting. The official cash rate stands at 4.10%, following a reduction from 4.35% in February—the first rate cut since 2020.

Recent data indicates a decline in core inflation, with the Trimmed mean inflation (TMI) falling to 3.2% annually in November 2024, down from 3.5%. This movement brings inflation closer to the RBA's target range of 2-3%, increasing the likelihood of a rate cut in the near future. Market expectations suggest a series of rate cuts throughout 2025 with a 12% probability of a rate change at the upcoming RBA Board meeting in April. However, the Australian dollar's depreciation to near five-year lows, trading around 61 US cents, poses an inflationary risk by increasing import prices. This currency weakness could impact the RBA's monetary policy decisions, potentially affecting the timing and extent of any rate cuts.

The City's investment portfolio is invested in highly secure investments with a low level of risk yielding a weighted average rate of return of 4.92% for the month of February 2025. The City's actual portfolio return in the last 12 months is 4.20%, comparing on par with the benchmark Bloomberg AusBond Bill Index reference rate of 4.48% (refer to Attachment 2 point 8).

LEGAL IMPLICATIONS

The following legislation is relevant to this report:

- *Local Government (Financial Management) Regulations 1996* Regulation 19 – Management of Investments; and
- *Trustee Act 1962* (Part 3)

Authorised Deposit-taking Institutions are authorised under the *Banking Act 1959* and are subject to Prudential Standards which are overviewed by the Australian Prudential Regulation Authority (APRA).

STRATEGIC IMPLICATIONS

This item is in keeping with the City of Fremantle's Strategic Community Plan 2024 – 2034:



Corporate - Lead and empower the organisation to deliver the vision of 'strong reputation, stronger future'

- Enable the City to maintain legislative compliance and accountability for organisational decision making.
- Improve organisational performance and capability.
- Support the City through financial, procurement and revenue functions whilst ensuring legislative compliance and providing excellent customer service.

CONSULTATION

Nil.

OFFICER COMMENT

The City's Investment Portfolio Manager has provided a comprehensive Investment Report for the month ending 28 February 2025 which can be viewed in Attachment 1. A summary of the investment report is provided below.

1. Portfolio Details

As at 28 February 2025, the City's investment portfolio totalled \$61,277,804. The market value of this investment was \$62,185,512 at that time, which takes into account accrued interest.

The investment portfolio is made up of:

Cash Investments (<= 3 months)	\$9.67m
Term Deposits (> 3 months)	\$51.61m
TOTAL	\$61.28m

Of which:

Unrestricted cash	\$44.44m
Restricted cash (Reserve Funds)	\$16.84m
TOTAL	\$61.28m

The current amount of \$44.44m held as unrestricted cash represents 44.79% of the total adopted budget for operating revenue (\$99.22m).

2. Portfolio Credit Framework

The City's Investment policy determines the maximum amount to be invested in any one Tier, or any one financial institution within a Tier, based on the credit rating



of the financial institution. Council adopted amendments to this policy at its Ordinary Council Meeting held on 25 November 2020, and the current adopted Counterparty Credit Framework is noted below.

Tier	Allocation	Allocation %	Maximum Allocation %	% Used of Maximum Allocation	% Available of Maximum Allocation	% Exceeded of Maximum Allocation
Tier 1	43,767,060.14	71.42%	100.00%	71.42%	28.58%	0.00%
Tier 2	9,510,743.51	15.52%	60.00%	25.87%	74.13%	0.00%
Tier 3	8,000,000.00	13.06%	35.00%	37.31%	62.69%	0.00%
Tier 4	0.00	0.00%	15.00%	0.00%	100.00%	0.00%
	61,277,803.65					

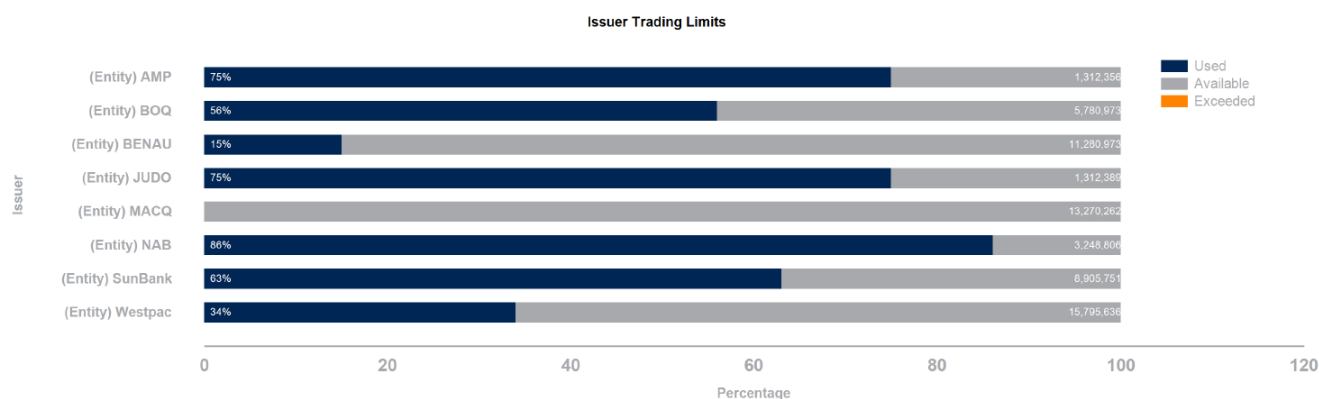
Values used in the above calculations exclude interest for term deposits and other simple interest securities.

Portfolio Credit Framework limits

The Portfolio Credit Framework limits prescribe the limit of investments that may be made within any Tier of financial institutions. The maximum allocation to be invested in each Tier, and the City’s actual investment allocation in those Tiers as at 28 February 2025, is outlined below. It shows that the distribution of the City’s investments across the four Tiers is compliant with the City’s investment policy.

Within each Tier, the Counterparty Credit Framework limits prescribe the limit of investments that may be made with any one financial institution. The maximum percentage of investments to be held with any one financial institution, within a given Tier, are outlined below.

The City’s funds invested as at 28 February 2025, relative to the Counterparty Credit Framework limits were as follows:



As shown in the above graph, the portfolio was compliant with the issuer trading limit.

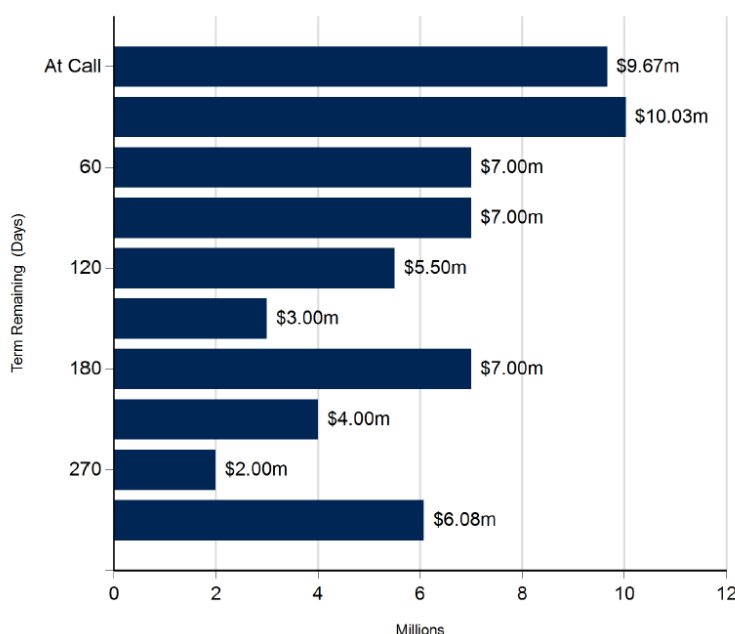


3. Portfolio Liquidity Indicator

The City’s investments are to be made in a manner to ensure sufficient liquidity to meet all reasonably anticipated cash flow requirements, without incurring significant costs due to the unanticipated sale of an investment.

The below graph provides details on the maturity timing of the City’s investment portfolio as at 28 February 2025. Currently, all investments will mature in less than one year.

Face Value by Term Remaining



4. Portfolio Summary by Fossil Fuels Lending Authorised Deposit-Taking Institutions (ADIs)

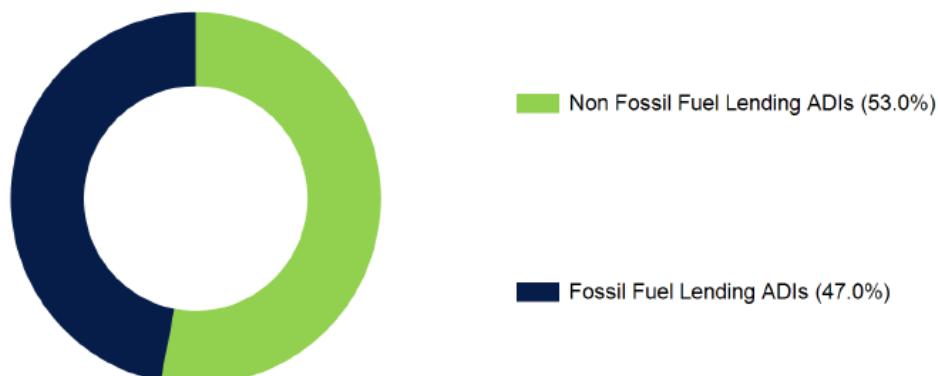
To support the City’s ability to undertake greater fossil fuel divestment, a review of the Investment Policy was presented and adopted by Council on 25 November 2020 which incorporated a minor change to the investment framework to increase the percentages allocated to Tier 3 and Tier 4 categories, allowing greater flexibility.

Since December 2020, investments have been made in accordance with the revised policy to increase the percentage invested in “Green Investments”; being ADIs that do not lend to industries engaged in the exploration for, or production of, fossil fuels (Non-Fossil Fuel Lending ADIs).

As at 28 February 2025, \$32.5m (53.0%) of the City’s portfolio was invested in “Green Investments”.



**Fossil Fuel vs
Non Fossil Fuel
Lending ADI**



Refer to Attachment 2 (Note 7) for details on which financial institutions these investments are held in.

Risk Assessment

In line with an ongoing risk assessment of the Global and Australian banking sectors, the City continues to implement the following investment strategies:

1. Diversify investment portfolio across different banks - continue to prioritise higher rated banks (Tier 1 & 2) when it comes to investment activity. If a non-fossil fuel lender is providing competitive rates that will generate a suitable return, and fall within a tier 1 or 2 category, these lenders will be prioritised.
2. Implement risk management strategies to protect the investment portfolio against downside risks - The City will prioritise low risk investment activity across higher tier banks in order to limit the City's exposure to the risk being faced across the sector.
3. Regular review and rebalance of investment portfolio to ensure alignment with the investment goals, risk tolerance and market conditions.

Interest Income for Matured Investments

Per Attachment 2 (Note 9), interest income earned during February 2025 from matured investments was \$198,866.

Investing Activities

In February 2025, there were two new term deposits totalling \$6.07m. Full details of the institutions invested in, interest rates, number of days and maturity date for investments held as at 28 February 2025 are provided in Attachment 1 (Note 10).



VOTING AND OTHER REQUIREMENTS

Simple Majority Required

OFFICER'S RECOMMENDATION

Council receive the Investments Report for the month ending 28 February 2025, as provided in Attachment 1.



C2503-13 SCHEDULE OF PAYMENTS - 28 FEBRUARY 2025

Meeting date:	26 March 2025
Responsible officer:	Manager Financial Services
Voting requirements:	Simple Majority Required
Attachments:	<ol style="list-style-type: none">1. Schedule of Payments and Listings - February 20252. Purchase Card Transactions - February 20253. Summary of Payments and Listings - February 2025

SUMMARY

The purpose of this report is to present to Council a list of accounts paid by the Chief Executive Officer under delegated authority for the month ending 28 February 2025 as required by the *Local Government (Financial Management) Regulations 1996*.

This report recommends that Council accept the list of payments made under delegated authority and accept the detailed transaction listing of purchase card expenditure.

BACKGROUND

Council has delegated, to the Chief Executive Officer, the exercise of its power to make payments from the City's municipal or trust fund. In accordance with regulation 13 of the *Local Government (Financial Management) Regulations 1996*, a list of accounts paid under delegation for the month of 28 February 2025, is provided within Attachments 1 and 2.

FINANCIAL IMPLICATIONS

A total of \$7,906,873.89 in payments were made in February 2025, from the City's municipal and trust fund accounts.

LEGAL IMPLICATIONS

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

13. *Payments from municipal fund or trust fund by CEO, CEO's duties as to etc.*
 - (1) *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; and*



- (b) the amount of the payment; and*
- (c) the date of the payment; and*
- (d) sufficient information to identify the transaction.*

(2) A list of accounts for approval to be paid is to be prepared each month showing

- (a) for each account which requires council authorisation in that month*

—

- (i) the payee’s name;*
- (ii) the amount of the payment; and*
- (iii) sufficient information to identify the transaction; and*

- (b) the date of the meeting of the council to which the list is to be presented.*

(3) A list prepared under sub-regulation (1) or (2) is to be —

- (a) presented to the council at the next ordinary meeting of the council after the list is prepared; and*
- (b) recorded in the minutes of that meeting.*

STRATEGIC IMPLICATIONS

This item is in keeping with the City of Fremantle’s Strategic Community Plan 2024 – 2034:

Corporate - Lead and empower the organisation to deliver the vision of 'strong reputation, stronger future'

- Support the City through financial, procurement and revenue functions whilst ensuring legislative compliance and providing excellent customer service.

CONSULTATION

Nil.

OFFICER COMMENT

The following table summarises the payments for the month ending 28 February 2025, by payment type:

Payment Type	Amount (\$)
<i>Cheque / EFT / Direct Debit/International Payments</i>	<i>\$ 5,052,444.36</i>
<i>Purchase card transactions</i>	<i>\$ 62,426.25</i>
<i>Salary / Wages / Superannuation</i>	<i>\$ 2,792,003.28</i>
Total	\$ 7,906,873.89



Attachment 1 provides a detailed listing of the payments by Cheque, EFT and Direct Debit, while Attachment 2 provides a detailed listing of Purchase Card transactions for the month ending 28 February 2025.

VOTING AND OTHER REQUIREMENTS

Simple Majority Required

OFFICER'S RECOMMENDATION

Council:

- 1. Accept the list of payments made under delegated authority, totalling \$5,052,444.36 for the months ending 28 February 2025 including the Cheque /EFT/ Direct Debits/ International Payments as contained within Attachment 1.**
- 2. Accept the detailed transaction listing of Purchase Card expenditure, totalling \$62,426.25 for the month ending 28 February 2025, as contained within Attachment 2.**
- 3. Accept the Salary / Wages / Superannuation payments made under delegated authority, totalling \$2,792,003.28 for the month ending 28 February 2025, as contained within Attachment 3.**



C2503-14 MONTHLY FINANCIAL REPORT - FEBRUARY 2025

Meeting date: 26 March 2025
Responsible officer: Manager Financial Services
Voting requirements: Simple Majority Required
Attachments: 1. Monthly Financial Report - February 2025

SUMMARY

The monthly financial report for the periods ending 28 February 2025 has been prepared and tabled in accordance with the *Local Government (Financial Management) Regulations 1996*.

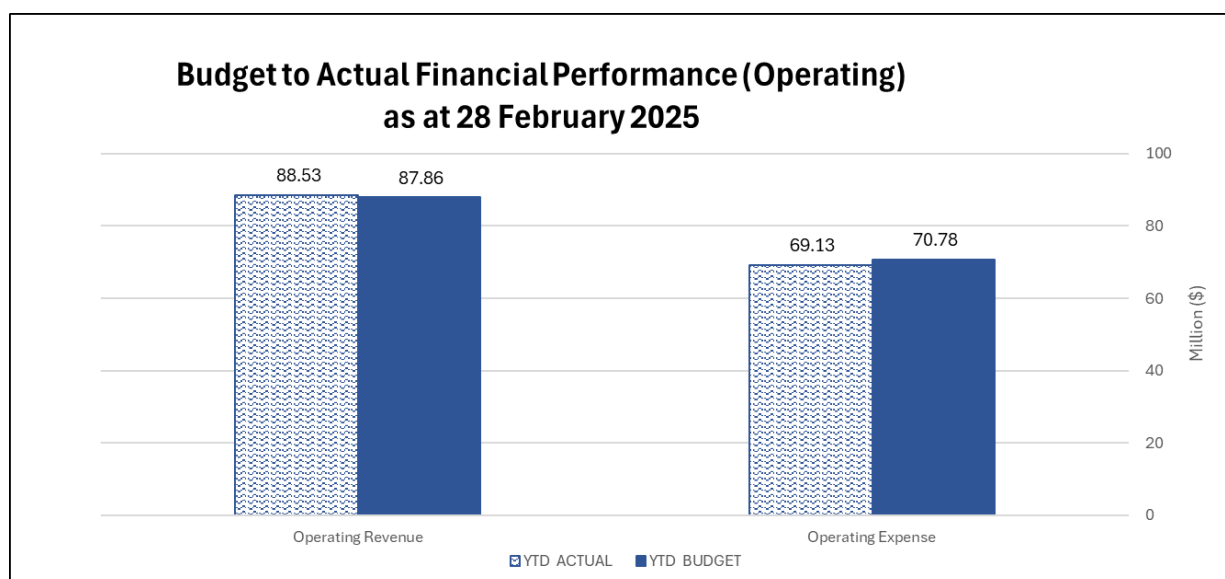
This report provides an analysis of financial performance up to 28 February 2025 based on the following statements:

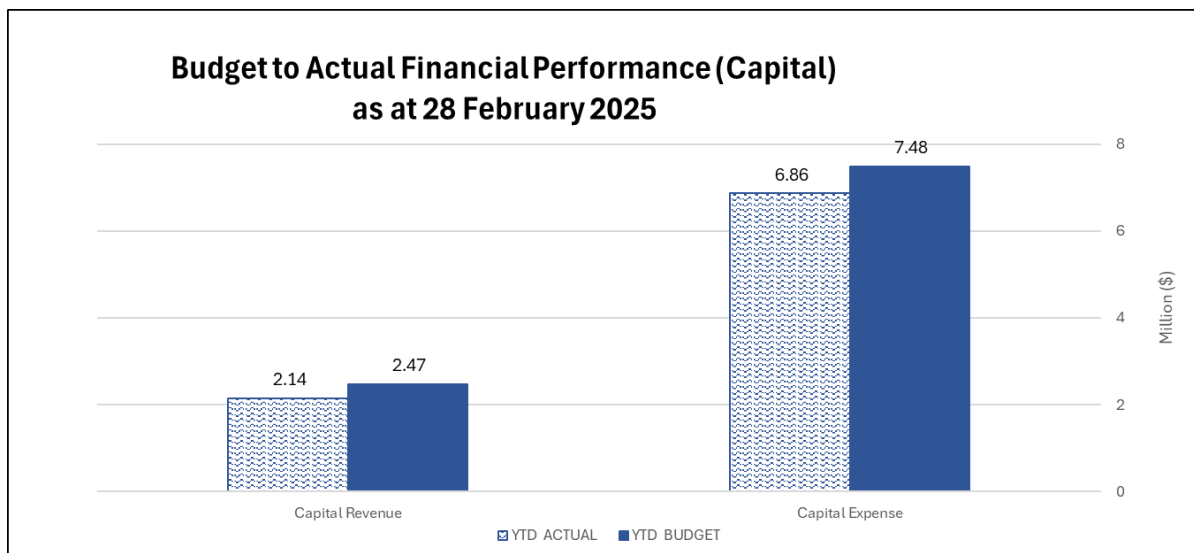
- Statement of Comprehensive Income by Nature;
- Statement of Financial Activity by Nature and by Directorate; and
- Statement of Financial Position with Net Current Assets.

This financial report for the period ending 28 February 2025 is prepared considering accrued interest on borrowings (loans) and prepaid insurance premiums.

BACKGROUND

The following charts and table provide a high-level summary of the Council’s year to date financial performance as at 28 February 2025.





STATEMENT OF FINANCIAL ACTIVITY – BY NATURE FOR THE PERIOD TO 28 FEBRUARY 2025

The table to follow provides a summary of the year-to-date Statement of Financial Activity by Nature, to 28 February 2025. The detailed Statement can be found in the attached Monthly Financial Report.

Description	YTD Budget	YTD Actual	Variance	Variance
	\$M	\$M	\$M	%
Opening Surplus	11.57	11.57	0.00	0.00%
Operating				
General Rate Revenue	63.19	63.17	(0.02)	(0.02%)
Revenue (Exc. Rates)	24.67	25.36	0.69	2.80%
Expenses	(70.78)	(69.13)	1.65	2.33%
Non-Cash Adj.	14.97	14.49	(0.48)	
	32.05	33.89	1.84	5.74%
Investing				
Capital Revenue	2.47	2.14	(0.33)	(13.62%)
Capital Expenses	(7.48)	(6.86)	0.62	8.36%
	(5.01)	(4.72)	0.29	5.77%
Financing				
Repayment Loans & Leases	(1.43)	(1.44)	(0.01)	(0.97%)
Reserve Transfers	0.24	0.15	(0.09)	36.73%
	(1.19)	(1.29)	(0.10)	(8.59%)



Closing Funding Surplus/(Deficit)	37.42	39.45	2.03	5.42%
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STATEMENT OF COMPREHENSIVE INCOME – BY NATURE FOR THE PERIOD TO 28 FEBRUARY 2025

As detailed in the Statement of Comprehensive Income by Nature, operating income and expenses have varied to the Adopted Budget as follows:

Description	YTD Adopted Budget \$	YTD Actual \$	Variance \$	Variance %
Operating Income				
Rates (including Annual Levy)	63,186,761	63,174,276	(12,485)	(0.02%)
Service Charges	8,804	15,006	6,202	70.44%
Grants, Subsidies & Contributions	2,195,707	2,206,077	10,370	0.47%
Fees and Charges	18,567,010	18,955,351	388,341	2.09%
Interest Earnings	2,469,200	2,515,645	46,445	1.88%
Reimbursement Income	889,569	971,480	81,911	9.21%
Other Income	540,478	672,668	132,190	24.46%
Total	87,857,529	88,510,503	652,974	0.74%
Operating Expenses				
Employee Costs	(31,145,611)	(30,070,074)	1,075,537	3.45%
Employee costs - Agency Labour	(1,449,583)	(1,408,573)	41,010	2.83%
Materials and Contracts	(20,111,229)	(20,261,981)	(150,752)	(0.75%)
Depreciation - Non-Current Assets	(14,897,483)	(14,445,848)	451,635	3.03%
Interest Expenses	(264,629)	(269,202)	(4,573)	(1.73%)
Utility Charges	(1,291,496)	(1,183,861)	107,635	8.33%
Insurance Expenses	(760,519)	(709,951)	50,568	6.65%
Other Expenditure	(828,367)	(751,919)	76,448	9.23%
Total	(70,748,917)	(69,101,409)	1,647,508	2.33%

Further explanation of material variances can be found within the Officer’s Comment section of this report.

FINANCIAL IMPLICATIONS

This report is provided to enable Council to assess how revenue and expenditure are tracking against budget, and to identify any budget issues of which the Council should be informed.



LEGAL IMPLICATIONS

Local Government (Financial Management) Regulation 34 requires a monthly financial activity statement and an explanation of any material variances to be prepared and presented to an Ordinary Council meeting.

STRATEGIC IMPLICATIONS

This item is in keeping with the City of Fremantle's Strategic Community Plan 2024 – 2034:

Corporate - Lead and empower the organisation to deliver the vision of 'strong reputation, stronger future'

- Support the City through financial, procurement and revenue functions whilst ensuring legislative compliance and providing excellent customer service.

CONSULTATION

Nil.

OFFICER COMMENT

Summary of financial performance

As at the end of February 2025, the City demonstrated strong financial performance with a closing funding position of \$39.45m.

In summary, as at the end of January 2025, the current closing position exceeds the YTD amended budget by \$2.03m. This is mainly due to favourable variances against the year-to-date budget across the following areas:

- Increased revenue from Fees and Charges of \$0.39m;
- Increased revenue from Other revenue of \$0.13m;
- Operating expenditure underspend of \$1.08m from Employee Cost;
- Operating expenditure underspend of \$0.11m from Utilities;
- Capital expenditure underspend of \$0.63m;

The adopted budgeted opening position has been amended to the audited amount.

These favourable variances are offset by:




- Decreased revenue from Capital Grants, Subsidies and Contributions of \$0.33m;
- Increased expenditure from Materials and Contracts \$0.15m;



Explanation of Material Variances & YTD Performance

In accordance with regulation 34(5) of the *Local Government (Financial Management) Regulations 1996* and AASB 1031 Materiality, Council adopted the level to be used in Statements of Financial Activity by Nature in the 2024-25 financial year for reporting material variances as 10% together with the minimum value of \$100,000 (Refer Item C2407-10 from Council meeting on 10 July 2024). The material variance thresholds are adopted annually by Council and indicate whether actual expenditure or revenue varies materially from the year-to-date budget. The following is an explanation of significant operating and capital variances to budget as identified in the Statements of Financial Activity by Nature.

Building on the favourable opening net position for the year, the following items explain the City’s major variances in operating performance for this financial year, as highlighted in the year-to-date Financial Activity Statement as at 28 February 2025:

Description	Variance Amount (\$)	Comment
Other Revenue	132,190	 24.46%
Major Variances:		
Containers for Change	31,094	Increase in handling fees received per container and promotional offer from WA Return Recycle Renew (WARRRL).
Lead Infrastructure directorate	19,596	Coding adjustment required to reimbursement income.
Manage destination marketing plan implementation	16,227	Funmantle partnership fee – Jan 2025, offset by increase in expenses.
Contribution - Blessing of the Fleet	15,000	Coding adjustment required to grants, subsidies and contributions.
Capital Grants, Subsidies and Contributions	(340,402)	 (14.36%)
Major Variances:		
MRRG Program - South St	164,010	Timing variance: Budget phasing to be adjusted.
City Centre - Walyalup Koort KBN Public Artwork	(279,684)	Timing variance: Budget phasing to be adjusted.
Black Spot - Stevens & Amherst St Roundabout Construction	(385,000)	Timing variance: Budget phasing to be adjusted.
Payment for Investment Properties	126,143	 42.81%



Description	Variance Amount (\$)	Comment
Major Variances:		
Fremantle Arts Centre - Arts Centre Creative Hub	45,225	Architectural consultancy is progressing, claim to be finalized.
Moore's Building - Electrical	39,999	Delays in scheduling building access with tenancy. Coordination ongoing.
Design and construct – 38-40 Henry Street Facade	15,502	Delivery of construction works scheduled 25/26. Stakeholder liaison and engagement ongoing.

Accounting methods

The City manages its finances in line with the requirements of the *Local Government Act 1995*, associated regulations and Australian accounting standards.

The City carries out accounting on both an accrual basis and a cash basis.

Accrual accounting requires accounting transactions to be recognised and recorded when they occur, regardless of whether payment/receipt has been made at that time, in accordance with the Australian Accounting standards.

The City accounts for Rates, Service Charges, Interest income on term deposits, Insurance expenses and Interest expenses on borrowings (loans) & leases on an accrual basis.

The remainder of income and expenditure items are recognised and recorded at the period they are encountered.

VOTING AND OTHER REQUIREMENTS

Simple Majority Required

OFFICER'S RECOMMENDATION

Council receive the Monthly Financial Reports, as provided in Attachment 1, including the Statement of Comprehensive Income, Statement of Financial Activity, Statement of Financial Position and Statement of Net Current Assets, for the period ending 28 February 2025.



Committee reports

C2503-15 CEO PERFORMANCE REVIEW COMMITTEE REPORT - MARCH 2025

Meeting date:	26 March 2025
Responsible officer:	Manager People and Culture
Voting requirements:	Simple Majority Required
Attachments:	<ol style="list-style-type: none">1. CEOPRC Minutes - 12 March 20252. CONFIDENTIAL - CEO Performance Criteria 2024-25 - February 2025 Report3. CONFIDENTIAL – Price Consulting Proposal – CEO Performance Review

SUMMARY

This report makes recommendation to Council from the Chief Executive Officer (CEO) Performance Review Committee in relation to the progress of performance monitoring undertaken by the committee.

This report recommends that Council:

Council:

- 1. Receive the minutes of the Chief Executive Office Performance Review Committee meeting held 12 March 2025, as provided in Attachment 1.**
- 2. Receive the Chief Executive Officer interim progress report, for the period ending March 2024, as provided in Confidential Attachment 2.**
- 3. Appoint Ms Natalie Lincoln from Price Consulting to support the CEO performance review process for the next two years being 2025 and 2026.**
- 4. Note the CEO performance review process as outlined in this report will be undertaken by the consultant.**

BACKGROUND

The purpose of the CEO Performance Review Committee (the Committee) is to coordinate and undertake the performance review of the CEO on behalf of Council,



and report findings and recommendations to Council for consideration in accordance with the Local Government Act 1995.

This committee does not have any decision-making authority and therefore may only make recommendations to Council for consideration. The committee is to report to Council and provide appropriate advice and recommendations on matters relevant to its functions, such as:

- a. Appointment of an independent facilitator to assist the committee to undertake the CEO performance review.
- b. Development and review of Key Performance Indicators (KPI's) to be achieved by the CEO.
- c. Annual review of the CEO's performance in accordance with the CEO's KPI's.
- d. Quarterly informal reviews of the CEO's performance in accordance with the CEO's KPI's.
- e. Review of the CEO's remuneration package.

The CEO KPI's were adopted by Council in August 2024. As part of the interim performance reviews undertaken by the Committee, the CEO is required to prepare a brief report outlining progress against these KPIs for discussion with the CEO Performance Review Committee.

FINANCIAL IMPLICATIONS

Nil.

LEGAL IMPLICATIONS

The CEO's performance review process is undertaken in accordance with the Local Government Act 1995 and the City of Fremantle CEO Recruitment, Performance and Termination Standards, as adopted by Council on 15 December 2021.

STRATEGIC IMPLICATIONS

Nil.

CONSULTATION

Nil.



OFFICER COMMENT

As outlined in the Minutes of the Committee meeting held 25 March 2024 (Attachment 1), Committee received the CEO's interim progress report for the period ending March 2024 and recommended that Council receive this report.

In addition to reviewing the CEO's progress report, the Committee had a general discussion around the following matters;

- Progress towards service reviews being completed by year end
- The Performance Review Process for the end of year
- Selection of a consultant to assist with the Performance Review Process
- Contract Renewal

The Committee has made a recommendation in relation to the appointment of a consultant to assist with the process for the next two years. Price Consulting's quotation and proposal has been provided in Confidential Attachment 3.

The following performance review process was discussed by the Committee, and the timeline for each activity will be finalised once the consultant is appointed.

- CEO self-report sent to consultant;
- Draft feedback questionnaires for Councillors and Staff developed and sent to Committee and CEO for approval;
- Feedback questionnaires issued/feedback period;
- Draft Assessment Report sent to CEO for initial review regarding procedural fairness;
- Consultant sends Draft Performance Review Report and a working draft of the new CEO Performance Criteria to members of the CEO Performance Review Committee;
- Consultant sends Draft Performance Review Report and a working draft of the new CEO Performance Criteria to members of the CEO Performance Review Committee;
- Consultant presents high-level outcomes to the Committee and facilitates a discussion that identifies:
 - Key achievements to thank/congratulate the CEO for Priority focus areas for the next period
 - Any changes required to the Performance Criteria for the next period;
- Consultant meets with CEO to advise the outcomes of the meeting with Committee;
- Consultant facilitates the formal feedback meeting with CEO and Committee;



- Consultant finalises the Performance Review Report and sends to the CEO and Mayor; and
- Consultant develops a Summary Report to Council and sends to CEO for inclusion on the Agenda for the 23 October Ordinary Council Meeting.

VOTING AND OTHER REQUIREMENTS

Simple Majority Required

COMMITTEE RECOMMENDATION

Council:

- 1. Receive the minutes of the Chief Executive Office Performance Review Committee meeting held 12 March 2025, as provided in Attachment 1.**
- 2. Receive the Chief Executive Officer interim progress report, for the period ending March 2024, as provided in Confidential Attachment 2.**
- 3. Appoint Ms Natalie Lincoln from Price Consulting to support the CEO performance review process for the next two years being 2025 and 2026.**
- 4. Note the CEO performance review process as outlined in this report will be undertaken by the consultant.**



ARMC2503-1 APPOINTMENT OF SECOND INDEPENDENT AUDIT COMMITTEE MEMBER

Meeting date: 17 March 2025
Responsible officer: Manager Governance
Voting requirements: Absolute Majority Required
Attachments: 1. CONFIDENTIAL - Independent Members Expression of Interest

SUMMARY

The purpose of this report is to consider the appointment of a second independent member to the Audit and Risk Management Committee.

This report recommends that Council appoint Mr Brad Pearce as the second independent member of the Audit and Risk Management Committee, until the Local Government Ordinary Election in October 2025.

BACKGROUND

In accordance with the Audit and Risk Management Committee (ARMC) Terms of Reference, the appointment of an independent member to the Audit and Risk Management Committee is made following a public notice period calling for applicants through an expressions of interest process.

Following the Local Government Elections in 2023, Council appointed Ms Hayley Manser as the independent member of the Audit and Risk Management Committee, leaving one independent member position vacant. The term of this appointment was made until the Ordinary Local Government Elections in October 2025.

The appointment of a second independent member will ensure that the committee has the appropriate number of independent members required to satisfy new legislative requirements as part of the Local Government Reforms.

The *Local Government Amendment Bill 2024* (the Bill) proposed various changes to the *Local Government Act 1995* (the Act). Under the proposed amendments in the Bill, the Audit Committee of Council will require an independent presiding member. To support this, a local government can choose to appoint an independent deputy presiding member to chair the meeting if the independent presiding member is unable to do so. If a local government chooses not to



nominate a deputy presiding member, the council will need to appoint an independent proxy to chair the meeting should the need arise.

A report will be brought to the ARMC detailing any additional changes that are required to undertake in relation to the ARMC, prior to commencement of further legislative changes.

FINANCIAL IMPLICATIONS

In accordance with the Council decision made 10 April 2024 (C2404-6), independent members are paid an allowance of \$432 on a per meeting basis, as determined by the Salaries and Allowances Tribunal in accordance with section 5.100 of the *Local Government Act 1995*.

LEGAL IMPLICATIONS

Part 7, Division 1A, section 7.1A of the *Local Government Act 1995* requires that all local governments establish an audit committee.

Part 5, Division 2, Subdivision 2, Section 5.8 of the *Local Government Act 1995*, outlines the requirements for the establishment of committees.

Section 5.10 of the *Local Government Act 1995* outlines the requirements for the appointment of committee members.

An independent committee member is a committee member who is not a Council Member or an employee of the Local Government i.e. 'other person' as defined in s.5.9(1) of the Act.

Council adopted a Terms of Reference to include a second independent member. In line with the Local Government Reforms, audit committees will need to have an independent presiding member to ensure a level of neutrality and impartial oversight in chairing these meetings. The terms of reference will be updated once the reforms commence.

STRATEGIC IMPLICATIONS

This is in keeping with the City of Fremantle's Strategic Community Plan 2024 – 2034:

Corporate - Lead and empower the organisation to deliver the vision of 'strong reputation, stronger future'



- Enable the City to maintain legislative compliance and accountability for organisational decision making.

CONSULTATION

A public notice was placed in the Fremantle Herald on the 14 February 2025 until 7 March 2025. The notice was also placed on the City's website and noticeboard folder, located at the Walyalup Civic Centre for the duration of the notice period, from 14 February 2025 until 7 March 2025.

Candidates have been notified that their applications will be considered, and a decision will be made at the Ordinary Meeting of Council on Wednesday, 26 March 2025 in relation to the appointment of another independent member to the Audit and Risk Management Committee.

OFFICER COMMENT

The City received two applications for the independent member on the Audit and Risk Management Committee during the advertising period, as outlined in Confidential Attachment 1.

The Chief Executive Officer, Director City Business and Manager Governance reviewed the applications in accordance with the Terms of Reference and concluded that the Mr Brad Pearce's qualifications and experience aligns to the requirements of the position and was subsequently selected as the preferred applicant.

It is recommended that Mr Pearce be appointed as the second independent member of the Audit and Risk Management Committee for the term ending at the Local Government Ordinary Election in 2025. This appointment term is recommended to align with the term of the current appointed independent member. This will enable officers to streamline the EOI process, to be undertaken every two years.

It is noted that Mr Pearce will not be required to reapply for this position and will be given an opportunity to request his appointment be reconsidered for a further two-year term of appointment, for Council consideration following the Local Government Elections in October.

VOTING AND OTHER REQUIREMENTS

Absolute Majority Required



COMMITTEE RECOMMENDATION ITEM ARMC2503-1
(Officer's recommendation)

Moved: Cr Frank Mofflin

Seconded: Cr Jenny Archibald

Council appoint Mr Brad Pearce as the second independent member of the Audit and Risk Management Committee, until the Local Government Ordinary Election in October 2025.

Carried: 5/0

For:

**Cr Fedele Camarda, Cr Frank Mofflin, Cr Ingrid van Dorssen,
Cr Jenny Archibald and Ms Hayley Manser**

Against:

Nil



ARMC2503-2 APPOINTMENT OF REGULATION 17 INDEPENDENT AUDITOR

Meeting date:	17 March 2025
Responsible officer:	Manager Governance
Voting requirements:	Absolute Majority Required
Attachments:	<ol style="list-style-type: none">1. CONFIDENTIAL - 2025 Regulation 17 Review Quotes2. CONFIDENTIAL - Regulation 17 Independent Auditor Assessment

SUMMARY

In accordance with Regulation 17 of the *Local Government (Audit) Regulations 1996*, the Chief Executive Officer (CEO) is required to review the appropriateness and effectiveness of a local government's systems and procedures, once every three years in relation to:

- a. Risk management;**
- b. Internal control; and**
- c. Legislative compliance.**

It is recommended that the Council should appoint an independent auditor to conduct the 2025 Regulation 17 audit review on behalf of the CEO. The independent auditor will provide the City of Fremantle with a report on any findings, including any actions in response to the findings.

BACKGROUND

In accordance with Regulation 17 of the *Local Government (Audit) Regulations 1996*, the CEO is required to review the appropriateness and effectiveness of a local government's systems and procedures once every three years in relation to:

- a. Risk management;
- b. Internal control; and
- c. Legislative compliance.

The City is required to engage an independent auditor to conduct the Regulation 17 audit review on behalf of the CEO. The consultant will provide an in-depth report outlining the findings and recommendations. In previous reviews the City has engaged Civic Legal in 2019 to 2022 and Quantum Assurance in 2023.

Under Regulation 17 (3) of the *Local Government (Audit) Regulations 1996*, the CEO is required to report the results and findings to the Audit and Risk



Management Committee (ARMC). The committee is required to review the audit and make recommendations to Council on any action required in response to the findings.

In October 2024 the City requested quotes from a number of providers to conduct the Regulation 17 review. An item was presented to the ARMC on 2 December 2024, at this meeting the Chief Executive Officer advised the ARMC that the item was to be withdrawn from the agenda, as the preferred provider withdrew their submission prior to the meeting. It was noted that officers will undertake a new EOI process in early 2025, and a report will be brought back to the Audit and Risk Management Committee meeting in March 2025.

FINANCIAL IMPLICATIONS

The expenditure associated with the Regulation 17 review is included in the 2024/2025 budget.

LEGAL IMPLICATIONS

In accordance with the *Local Government (Audit) Regulations 1996* Regulation 17:

1. *The Chief Executive Officer is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to:*
 - a. *Risk management;*
 - b. *Internal control; and*
 - c. *Legislative compliance.*
2. *The review may relate to any or all of the matters referred to in sub regulation 1(a), (b) and (c), but each of those matters is to be the subject of a review not less than once in every 3 financial years.*
3. *The Chief Executive Officer is to report to the audit committee the results of that review.*

STRATEGIC IMPLICATIONS

This is in keeping with the City of Fremantle's Strategic Community Plan 2024 – 2034:

Corporate - Lead and empower the organisation to deliver the vision of 'strong reputation, stronger future'



- Enable the City to maintain legislative compliance and accountability for organisational decision making.
- Improve organisational performance and capability.

CONSULTATION

The City recommends engaging an independent auditor to conduct the Regulation 17 systems and procedures review on behalf of the CEO, as required by the *Local Government (Audit) Regulation 1996*.

In February 2025, the City requested a quote from six different providers, including:

1. Civic Legal
2. Australian Audit
3. Stantons
4. Quantum Assurance
5. Moore-Australia
6. Paxon Group

Regulation 17 requires the CEO to review the appropriateness and effectiveness of systems and procedures relating to internal control, risk management and legislative compliance once every 3 financial years. The City intends to undertake all three matters during the one review. The successful independent auditor is to provide the City with a report outlining any findings and actions in response to the findings.

This review would occur between April 2025 to May 2025, with findings presented to the Audit and Risk Management Committee in June, and subsequently Council.

Quotes were requested to be received by 28 February 2025. The City received a total of six quotes, which are provided in Confidential Attachment 1. To protect the City's relationship with each organisation that provided a quote, they will be referred to as Independent Auditors A, B, C, D, E, and F.

The name of the appointed auditor will be included within the minutes of the Audit and Risk Management Committee as a committee recommendation, for Council consideration.

OFFICER COMMENT

It is important that the independent auditor undertakes a thorough review of the City's systems and procedures in relation to risk management, internal control



and legislative compliance, to enable a better understanding of how the City can better achieve 'best practise' principals across the organisation.

To provide a recommendation to the Audit and Risk Management Committee and Council, the city assessed each quote received against criteria including experience, value proposition, and cost. The assessment is provided in Confidential Attachment 2.

Based on the quotes provided and assessment completed in line with the City's Purchasing Policy, Auditor E is recommended to be appointed as the independent auditor for the 2025 Regulation 17 audit review on behalf of the CEO.

Any matters identified during this audit that require attention, will be reviewed by officers and appropriate action will be taken to improve the City's systems and procedures in relation to risk management, internal control and legislative compliance. In addition, all actions will be recorded in the City's Audit Actions Register and will be monitored and reported back to the ARMC on a regular basis.

The final report from the independent auditor will be provided to the Audit and Risk Management Committee and Council in June 2025.

VOTING AND OTHER REQUIREMENTS

Absolute Majority Required

COMMITTEE RECOMMENDATION ITEM ARMC2503-2 **(Officer's recommendation)**

Moved: Cr Frank Mofflin

Seconded: Cr Fedele Camarda

Council approves to appoint Paxon Group as an independent auditor to complete the 2025 Regulation 17 audit review in the appropriateness and effectiveness of the City of Fremantle's systems and procedures, in relation to, risk management, internal controls and legislative compliance.

Carried: 5/0

For:

**Cr Fedele Camarda, Cr Frank Mofflin, Cr Ingrid van Dorssen,
Cr Jenny Archibald and Ms Hayley Manser**

Against:

Nil



ARMC2503-3 ADOPTION OF THE 2024 COMPLIANCE AUDIT RETURN

Meeting date:	17 March 2025
Responsible officer:	Manager Governance
Voting requirements:	Simple Majority Required
Attachments:	<ol style="list-style-type: none">1. City of Fremantle Compliance Audit Return 20242. Compliance Audit Return 2024 - Audit Notes

SUMMARY

The 2024 Compliance Audit Return (CAR) has been completed by the City of Fremantle and is presented to Council for adoption in accordance with regulation 14 of the *Local Government (Audit) Regulations 1996*.

This report recommends that Council adopt the 2024 Compliance Audit Return as shown in Attachment 1, and note that the Mayor and the Chief Executive Officer will certify the return before it is submitted to the Department of Local Government, Sport, and Cultural Industries by 31 March 2025.

BACKGROUND

In accordance with regulation 14 of the *Local Government (Audit) Regulations 1996*, each local government authority is required to carry out a compliance audit for the period 1 January to 31 December of each year and submit it to the Department of Local Government, Sport, and Cultural Industries (the Department) by 31 March.

The 2024 CAR contains 94 questions focusing on the local government's compliance with the requirements of the *Local Government Act 1995* (the Act) and associated regulations, in relation to the following matters:

- Commercial Enterprises by Local Governments
- Delegation of Power/Duty
- Disclosure of Interest
- Disposal of Property
- Elections
- Finance
- Integrated Planning and Reporting
- Local Government Employees
- Official Conduct
- Tenders for Providing Goods and Services
- Optional Questions



Under regulation 14 (3A) of the *Local Government (Audit) Regulations 1996*, the Audit and Risk Management Committee is required to review the CAR and make recommendations to Council on any action required in response to the audit findings. The Council are required to adopt the CAR prior to it being submitted to the Minister for Local Government before the deadline of 31 March 2024.

FINANCIAL IMPLICATIONS

Nil.

LEGAL IMPLICATIONS

In accordance with section 7.13(1)(i) of the *Local Government Act 1995* and regulations 13, 14 and 15 of the *Local Government (Audit) Regulations 1996*, local governments are required to carry out an audit of compliance for the period 1 January to 31 December each year.

Following preparation of the return a local government is to:

- a. Review the audit report at its audit committee,
- b. Present the audit report to council,
- c. Adopt the audit report, and
- d. Record the audit report in the minutes of that meeting.

The return is to be signed by the Mayor and Chief Executive Officer before it is submitted, with a copy of the relevant section of the minutes of the meeting at which it is adopted, to the Department of Local Government, Sport and Cultural Industries by the 31 March following the period to which the return relates.

STRATEGIC IMPLICATIONS

This is in keeping with the City of Fremantle's Strategic Community Plan 2024 – 2034:

Corporate - Lead and empower the organisation to deliver the vision of 'strong reputation, stronger future'

- Enable the City to maintain legislative compliance and accountability for organisational decision making.

CONSULTATION

Nil.



OFFICER COMMENT

As the City intends to engage an independent auditor to assist in the completion of the Regulation 17 audit in 2025 which has a cross over in focus area, the City opted to conduct the 2024 Compliance Audit Return (CAR) internally, after having an independent auditor assist in previous years. This choice was made with the knowledge that the City achieved a 98% compliance rating in the previous years audit, and continues to follow the implemented procedures which enabled the high rating.

The results of the Regulation 17 audit, conducted by an independent auditor, are expected to be presented to Council in June 2025. Although unlikely as the City conducted a thorough internal audit, if any discrepancies are identified between the two audit outcomes, officers will address the findings in the June report.

Internal meetings were held with relevant officers to review each of the 94 questions contained within the CAR and examined supporting documents to verify responses. Of the 94 questions contained within the 2024 CAR, 1 non-compliance was identified, as shown in the following table:

Reference	Question	Explanatory Notes
Tenders for Providing Goods and Services – Question 7 <i>Local Government (Functions and General) Regulation 1996</i>	Did the information recorded in the local government's tender register comply with the requirements of the <i>Local Government (Functions and General) Regulations 1996</i> , Regulation 17 and did the CEO make the tenders register available for public inspection and publish it on the local government's official website?	The current register does not meet all requirements. This is currently under review with a plan to amend the register to record all inclusions as required by Regulation 17. Regulations complied with: 17(1), 17(1A), 17(2)(a), 17(C)(i), 17(2)(f), 17(3) Regulations not complied with: 17(2)(C)(ii) and (iii), 17(2)(d), and 17(2)(e).

1 noted matter:

In response to question 3 of the Optional Questions, a note was added due to two gifts that were disclosed, 1 day outside of the 10-day disclosure timeframe. This was reported to the Department of Local Government, Sport and Communities



and the Crime and Corruption Commission as required by legislation; however, it was determined that no breach or corruption had occurred as the due date/s fell on an excluded day (Saturday/Sunday/Public Holiday). Whilst this is not reported as a non-compliance in the CAR, it has been noted for transparency.

1 non-compliance:

The current tender register does not meet all the requirements of Regulation 17 of the *Local Government (Functions and General) Regulation 1996*.

- The City's register currently complies with regulations 17(1), 17(1A), 17(2)(a), 17(C)(i), 17(2)(f), and 17(3).
- The City's register does not comply with regulations 17(2)(C)(ii) and (iii), 17(2)(d), and 17(2)(e).
- It is noted that regulation 17(2)(b) was deleted 18 September 2015.

This process for updating the tender register is currently under review with a plan to amend the register to record all inclusions as required by Regulation 17 by 30 March 2025. The City intends to include a link to the register on its *Publicly available registers* website page, in addition to the *Tenders and quotations* website page to improve access.

Officer's note that this question was not identified as a non-compliance in the previous CAR audit. Information required by the Regulations are included on the Tenderlink Portal which is available via the City's website, however officers considered this when reviewing the 2024 CAR and concluded that although Tenderlink meets the requirements, this information is only accessible with a login for approved tender applicants with an ABN and not widely available to the general community.

Audit outcome:

The City has achieved a 99% compliance rating for the period covered by the 2024 CAR. This compares with the 98% compliance rating in the 2023 CAR, and 90% in 2022. The 2024 questions did not alter from the previous year, and no non-compliances were repeated.

The City uses the CAR each year as an opportunity to review and identify processes improvement opportunities, that may assist the City to avoid potential non-compliance in the future. In addition to this, officers are exploring options to implement an ongoing internal audit process that will monitor and track compliance throughout the year and assist with continuous improvement.



VOTING AND OTHER REQUIREMENTS

Simple Majority Required

COMMITTEE RECOMMENDATION ITEM ARMC2503-3 **(Officer's recommendation)**

Moved: Cr Frank Mofflin

Seconded: Cr Jenny Archibald

Council:

- 1. Adopt the 2024 Compliance Audit Return, for the period 1 January 2024 to 31 December 2024, as shown in Attachment 1.**
- 2. Note that the Mayor and the Chief Executive Officer will certify the 2024 Compliance Audit Return before it is submitted to the Department of Local Government, Sport, and Cultural Industries by 31 March 2025.**

Carried: 5/0

For:

**Cr Fedele Camarda, Cr Frank Mofflin,
Cr Ingrid van Dorssen, Cr Jenny Archibald and Ms Hayley Manser**

Against:

Nil



ARMC2503-4 AUDIT ACTIONS UPDATE - FEBRUARY 2025

Meeting date: 17 March 2025
Responsible officer: Manager Financial Services
Voting requirements: Simple Majority Required
Attachments: 1. CONFIDENTIAL - March 2025 Audit Action Register

SUMMARY

This report provides an update on the status of actions arising from annual audits carried out in line with statutory requirements.

The report requests the Audit and Risk Management Committee receive and note the current list of audit actions and status associated with each.

BACKGROUND

Currently the City of Fremantle participates in or undertakes the following audits as required under the *Local Government Act 1995*:

- Audit of annual financial statements
- Audit of General computer controls and information systems
- Audit of Financial management (Regulation 5)
- Audit of general systems, procedures and controls (Regulation 17)

The Financial Audit and General Computer Controls Audit are carried out by the Office of the Auditor General (OAG) and assess both financial and information technology related compliance and controls.

The Regulation 5 and Regulation 17 audits are carried out by external auditors engaged by the City.

Each audit results in a series of recommendations being made by the auditor, which the City reviews, tracks and actions accordingly. Recommendations are rated based on risk and severity and the city prioritises any remediation required on that basis.

The audit register, as provided in confidential attachment 1, provides information regarding the status of each action and progress associated with each.

FINANCIAL IMPLICATIONS

Nil.



LEGAL IMPLICATIONS

The City considers and actions audit recommendations in line with its requirements under the *Local Government Act 1995*.

STRATEGIC IMPLICATIONS

This is in keeping with the City of Fremantle's Strategic Community Plan 2024 – 2034:

Corporate - Lead and empower the organisation to deliver the vision of 'strong reputation, stronger future'

- Enable the City to maintain legislative compliance and accountability for organisational decision making.
- Support the City through financial, procurement and revenue functions whilst ensuring legislative compliance and providing excellent customer service.

CONSULTATION

Audit recommendations are implemented and actioned in consultation with auditors to ensure accurate interpretation and understanding of audit recommendations.

OFFICER COMMENT

The audit action register has been developed as part of the continuous improvement of the City's management and reporting of audit activities and findings.

The audit action register provides a summary report of all the current open audit findings, recommendations, and progress comments from the various audit activities.

Noting that full audit reports are presented to the Audit and Risk Management Committee upon completion of each audit, the register provides an ongoing summary update on status and includes the following information:

- The core finding identified by the relevant audit.
- The associated risk rating as identified by the auditor.
- The auditor's core recommended actions.
- The officer responsible for implementing the action.



- Indications of which audits resulted in the core finding, whether it be the OAG financial or IT audits, Regulation 5 or 17.
- Comments on progress made, and current status of action being taken by the City.
- Estimated completion date and actual completion date for the items that have been resolved.

Since the ARMC in December 2024, there were 12 outstanding items on the audit register.

Of the Twelve outstanding items:

- Eleven relate to the OAG GCC (IT) Audit, with nine of those findings being assessed as moderate and two other being assessed as minor.
- One relates to the Reg 17 audit and is assessed as moderate.

All twelve findings are on track to be addressed with the majority to be closed out prior to the end of the 2024/2025 financial year.

VOTING AND OTHER REQUIREMENTS

Simple Majority Required

COMMITTEE RECOMMENDATION ITEM ARMC2305-4 **(Officer's recommendation)**

Moved: Cr Frank Mofflin

Seconded: Cr Fedele Camarda

Council receive and note the updated Audit Actions Register as provided in confidential attachment 1.

Carried: 5/0

For:

**Cr Fedele Camarda, Cr Frank Mofflin,
Cr Ingrid van Dorssen, Cr Jenny Archibald and Ms Hayley Manser**

Against:

Nil



ARMC2503-5 EMERGING ISSUES REPORT - DECEMBER 2024 TO FEBRUARY 2025

Meeting date: 17 March 2025
Responsible officer: Manager Governance
Voting requirements: Simple Majority Required
Attachments: 1. CONFIDENTIAL - Emerging Issues Summary Report February 25

SUMMARY

This report highlights the relevant issues which are either current or emerging and may significantly affect the operation, financial, legal, or reputational operation of the City.

These matters are raised to inform the committee of any significant issues identified by officers and allow for any further feedback or questions on the actions currently being taken or under consideration to address and resolve them.

BACKGROUND

Part of the role of the Audit and Risk Management Committee is to be aware of any significant financial, political, and corporate issues being identified by the organisation and to understand, review or advise on the possible actions to address these.

FINANCIAL IMPLICATIONS

Some of the issues and potential mitigation actions outlined in this report may include financial implications for the City. Order of magnitude estimates of financial implications based on information available at the time of the report is included in the issues table attached.

LEGAL IMPLICATIONS

The City actively seeks legal advice and support where issues and risks identified have potential legal implications.

STRATEGIC IMPLICATIONS

This is in keeping with the City of Fremantle's Strategic Community Plan 2024 – 2034:



Corporate - Lead and empower the organisation to deliver the vision of 'strong reputation, stronger future'

- Enable the City to maintain legislative compliance and accountability for organisational decision making.
- Support the City through financial, procurement and revenue functions whilst ensuring legislative compliance and providing excellent customer service.

CONSULTATION

Nil.

OFFICER COMMENT

The table provided in confidential attachment 1 identifies the current or emerging issues which are considered significant by the organisation. Some are in action, and some are under review by the organisation and will continue to be updated to the Audit and Risk Management Committee over time.

In conjunction with the organisation's newly developed Risk Management Framework, the City's issues log will provide a consistent and effective means of tracking, managing, and resolving significant issues.

It should be noted that as the City progresses through the transitional period to the new Risk Management Framework, there are a number of issues covered on both the issues log and the current Corporate Risk Register.

The City's emerging issues log is populated and maintained by officers. This document is maintained live in the City's corporate document management system and is reviewed and discussed by the Executive Leadership Team as a standing agenda item monthly.

VOTING AND OTHER REQUIREMENTS

Simple Majority Required



**COMMITTEE RECOMMENDATION ITEM ARMC2503-5
(Officer's recommendation)**

Moved: Cr Frank Mofflin

Seconded: Ms Hayley Manser

Council receive the Emerging Issues report for December 2024 to February 2025 as detailed in confidential attachment 1.

Carried: 6/0

For:

**Mayor Hannah Fitzhardinge, Cr Fedele Camarda, Cr Frank Mofflin,
Cr Ingrid van Dorssen, Cr Jenny Archibald and Ms Hayley Manser**

Against:

Nil



ARMC2503-6 PURCHASING POLICY EXEMPTIONS NOVEMBER 2024 TO FEBRUARY 2025

Meeting date: 17 March 2025
Responsible officer: Manager Financial Services
Voting requirements: Simple Majority Required
Attachments: 1. Purchasing Policy Exemptions November 2024 - February 2025

SUMMARY

The purpose of this report is to inform Council of purchases made by the City that were exempted from the requirements of the Purchasing Policy, during the period November 2024 to February 2025.

This report recommends that Council receive the Purchasing Policy Exemptions report for November 2024 to February 2025.

BACKGROUND

At the Ordinary Meeting of Council of 25 November 2020, Council adopted an updated Purchasing Policy. The Purchasing Policy outlines the requirements and decision-making process for each Policy threshold. The Policy also contains a list of tender exemptions (exempt under Regulation 11(2) of the *Local Government (Functions and General) Regulations 1996*) and other Policy exemptions.

Under this policy all exemptions applied by the City are to be reported to the Audit and Risk Management Committee.

FINANCIAL IMPLICATIONS

Nil.

LEGAL IMPLICATIONS

Nil.

STRATEGIC IMPLICATIONS

This is in keeping with the City of Fremantle's Strategic Community Plan 2024 – 2034:



Corporate - Lead and empower the organisation to deliver the vision of 'strong reputation, stronger future'

- Support the City through financial, procurement and revenue functions whilst ensuring legislative compliance and providing excellent customer service.

CONSULTATION

Nil.

OFFICER COMMENT

November 2024

The total value of spending exempt from the City of Fremantle Purchasing Policy was **\$58,432.50** for the month of November 2024.

The value of exemptions by category is:

Exemption Category	Value
Purchasing Policy Exemption	\$58,432.50
Request for Artist	Nil
Sole Source of Supply	Nil
Total	\$58,432.50

Details regarding individual exemptions can be found in Attachment 1.

December 2024

The total value of spending exempt from the City of Fremantle Purchasing Policy was **\$53,600.00** for the month of December 2024.

The value of exemptions by category is:

Exemption Category	Value
Purchasing Policy Exemption	50,000.00
Request for Artist	3,600.00
Sole Source	Nil
Total	\$53,600.00

Details regarding individual exemptions can be found in Attachment 1.



January 2025

The total value of spending exempt from the City of Fremantle Purchasing Policy was **\$39,432.00** for the month of January 2025.

The value of exemptions by category is:

Exemption Category	Value
Purchasing Policy Exemption	\$39,432.00
Request for Artist	Nil
Sole Source	Nil
Total	\$39,432.00

Details regarding individual exemptions can be found in Attachment 1.

February 2025

The total value of spending exempt from the City of Fremantle Purchasing Policy was **\$75,798.28** for the month of February 2025.

The value of exemptions by category is:

Exemption Category	Value
Purchasing Policy Exemption	\$50,629.28
Request for Artist	Nil
Sole Source	\$25,169.00
Total	\$75,798.28

Details regarding individual exemptions can be found in Attachment 1.

VOTING AND OTHER REQUIREMENTS

Simple Majority Required



COMMITTEE RECOMMENDATION ITEM ARMC2305-6
(Officer's recommendation)

Moved: Cr Frank Mofflin

Seconded: Cr Fedele Camarda

Council receive the information report on Purchasing Policy Exemptions for November 2024 to February 2025.

Carried: 6/0

For:

**Mayor Hannah Fitzhardinge, Cr Fedele Camarda, Cr Frank Mofflin,
Cr Ingrid van Dorssen, Cr Jenny Archibald and Ms Hayley Manser**

Against:

Nil



ARMC2503-7 TENDERS AWARDED UNDER DELEGATION NOVEMBER 2024 TO FEBRUARY 2025

Meeting date: 17 March 2025
Responsible officer: Manager Financial Services
Voting requirements: Simple Majority Required
Attachments: Nil

SUMMARY

The purpose of this report is to summarise tenders awarded under delegation by various delegated Officers and Committees during the period November 2024 to February 2025.

This report recommends that Council receive the report on tenders awarded under delegation between November 2024 to February 2025.

BACKGROUND

Tenders awarded by the City are awarded under the following delegations, approved at Council on 26 June 2024 (C2406-15):

Delegated Authority	Amount of Delegation
Ordinary Meeting of Council	\$1,000,000+ (if within budget)
CEO	Up to \$1,000,000
Directors	Up to \$500,000

Items identified under 'Officer Comment' of this report detail tenders awarded under delegation.

FINANCIAL IMPLICATIONS

All tenders were awarded in line with the adopted 2024-25 budget.

LEGAL IMPLICATIONS

All tenders awarded met the requirements of Regulations 11A – 24AJ of the *Local Government (Functions and General) Regulations 1996* and S3.57 of the *Local Government Act 1995*.

Under delegation 2.11 Expressions of interest and tenders, of the City's Register of Delegated Authority 2023-24, the Chief Executive Officer is required to report the use of this delegation to the Audit and Risk Management Committee.



STRATEGIC IMPLICATIONS

This is in keeping with the City of Fremantle’s Strategic Community Plan 2024 – 2034:

Corporate - Lead and empower the organisation to deliver the vision of 'strong reputation, stronger future'

- Support the City through financial, procurement and revenue functions whilst ensuring legislative compliance and providing excellent customer service.

CONSULTATION

Nil.

OFFICER COMMENT

Below is a list of tenders awarded under delegation between November 2024 to February 2025.

November 2024

Tender Description	Awarded By	Contractor(s)	Contract Term	Contract Value
Nil				

December 2024

Tender Description	Awarded By	Contractor(s)	Contract Term	Contract Value
FCC660/24 - Security Services for FAC	Ordinary Meeting of Council	Silverback Enterprises Pty Ltd (Paramount Security)	Up to 6 Years	\$2,043,390.00 ex GST

January 2025

Tender Description	Awarded By	Contractor(s)	Contract Term	Contract Value
WFCC125/24 - Amherst St – Stevens St, Fremantle Roundabout Construction	Directors	WCP Civil Pty Ltd	3 Months	\$335,797.78 ex GST
FCC668/24 - Supply of One Bitumen Patching Truck	Directors	Major Motors Isuzu Pty Ltd	One Off Purchase	\$270,990.00 ex GST



February 2025

Tender Description	Awarded By	Contractor(s)	Contract Term	Contract Value
FCC672/24 - Supply and Delivery of One 4x2 Jetting and Vacuum Excavator Truck	Directors	STG Global Pty Ltd	One Off Purchase	\$381,396.00 ex GST

VOTING AND OTHER REQUIREMENTS

Simple Majority Required

**COMMITTEE RECOMMENDATION ITEM ARMC2503-7
 (Officer's recommendation)**

Moved: Cr Frank Mofflin

Seconded: Ms Hayley Manser

Council receive the information report on Tenders Awarded under Delegation for November 2024 to February 2025.

Carried: 6/0

For:

**Mayor Hannah Fitzhardinge, Cr Fedele Camarda, Cr Frank Mofflin,
 Cr Ingrid van Dorssen, Cr Jenny Archibald and Ms Hayley Manser**

Against:

Nil



ARMC2503-8 OVERDUE DEBTORS REPORT AS AT 28 FEBRUARY 2025

Meeting date:	17 March 2025
Responsible officer:	Manager Financial Services
Voting requirements:	Simple Majority Required
Attachments:	1. CONFIDENTIAL - Summary of Outstanding Debtors as at 28 February 2025

SUMMARY

This Overdue Debtors Report, with confidential attachment, is provided to the Audit and Risk Management Committee to report details of overdue debts, as at 28 February 2025, and identify those where the amount owing is over 90 days with a total debt exceeding \$10,000.

This report recommends that Council receive the Overdue Debtors Report and acknowledge the overdue debts exceeding 90 days that have a combined value greater than \$10,000 as at 28 February 2025.

BACKGROUND

This report provides the Audit and Risk Management Committee the following information in relation to overdue debtors:

- The amount of total debt outstanding for the period aged from current to over 90 days overdue with a comparison to the same period for the previous year.
- All records of the uses of delegated authority, to waive or write off debts valued at \$1,000 or above.
- A confidential report containing the individual debtor information in relation to the outstanding debts exceeding 90 days with a combined value of debt, by debtor, exceeding \$10,000.
- The Debtor Day Ratio, being the average number of days taken for the City to receive payment from its customers for invoices issued to them.

FINANCIAL IMPLICATIONS

It is a requirement that annual financial statements include an allowance for impairment of receivables owed to the local government to be recognised as a cost to the budget in the year in which the impairment is made.

As at the year ending 30 June 2024, an amount of \$160,937 is held as an allowance for impairment of sundry receivables. There was a total of \$87,996 of waivers or debts written off for the 2023/24 financial year.



LEGAL IMPLICATIONS

Section 6.12 (1) (c) of the *Local Government Act 1995* provides authority for the Council to write off outstanding monies.

In accordance with section 5.42 and 5.44 of the *Local Government Act 1995* the following delegated authority applies:

- The Chief Executive Officer has delegated authority to write off debts (not including rates or infringement) considered unrecoverable up to \$50,000 per account where, in the opinion of the Chief Executive Officer, all other reasonable avenues of recovery have been exhausted.
- Directors and Managers have various sub-delegated authority to write off debts (not including rates or infringement) considered unrecoverable up to \$20,000 per account where, in the opinion of the Director or Manager, all other reasonable avenues of recovery have been exhausted.

All records of the uses of this delegated authority, to waive or write off debts valued at \$1,000 or above, per debtor, must be reported to the Audit and Risk Management Committee.

Any amount more than \$50,000 is to be written off by Council resolution. A Council resolution authorising the write-off of any bad debt does not prevent Council from reinstating the debt if the future circumstances change and the debt becomes collectable.

STRATEGIC IMPLICATIONS

This is in keeping with the City of Fremantle's Strategic Community Plan 2024 – 2034:

Corporate - Lead and empower the organisation to deliver the vision of 'strong reputation, stronger future'

- Support the City through financial, procurement and revenue functions whilst ensuring legislative compliance and providing excellent customer service.

CONSULTATION

Nil.

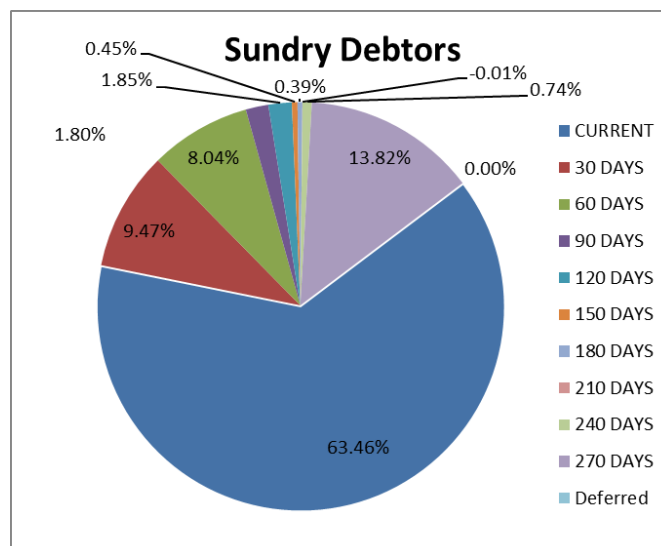


OFFICER COMMENT

The total of debts outstanding as at 28 February 2025 was \$739,705. A breakdown of aged debt for the current period compared to prior year is tabled below.

Period Ending February 2025	Current	30 Days	60 Days	90+ Days	Total
Nov 24 - Feb 25	63%	9%	8%	19%	100%
	469,387	70,061	59,450	140,807	739,705
Nov 24 - Feb 25 Excl. Commercial Properties	70%	11%	13%	7%	100%
	295,380	45,531	53,365	29,607	423,884
Nov 23 - Feb 24	560,984	103,893	80,479	402,983	1,148,340

The graph below shows the aged debt balances as at 28 February 2025:



Compared to the report of overdue debtors as at 30 November 2024, which was presented to Audit and Risk Management Committee meeting on 2 December 2024, the total value of outstanding debts has increased from \$680,439 to \$739,705.

Total outstanding debt over 90 days has decreased from \$170,022 at the end of the previous reporting date to \$140,807.

The number of overdue debtors over 90 days, and above the total debt reporting threshold of \$10,000 has reduced to three.

Of the three reported, one debtor has had no change and the remaining two have had the debts reduced.



These three debtors have a total debt owing of \$108,435 of which \$86,798 is over 90 days. The confidential attachment contains details of the debtors comprising this balance.

Key Performance Indicators

When determining status or risk associated with outstanding debtors, officers typically consider and assess the following metrics:

- Total amount of outstanding debt
- Age of outstanding debt (and value of that debt)
- Frequency of payment of outstanding debt
- Outstanding debt per individual debtor
- Outstanding debt per type of debtor

Officers consider all of these metrics alongside each other as well as the debtor day ratio to assist in providing an overarching assessment of general performance of outstanding debtors. The debtor day ratio measures how quickly cash is being collected from debtors regardless of the level of total outstanding amount of debt or the type of debt, allowing for a consistent metric that will identify periods where debtors are taking longer to pay down outstanding debt.

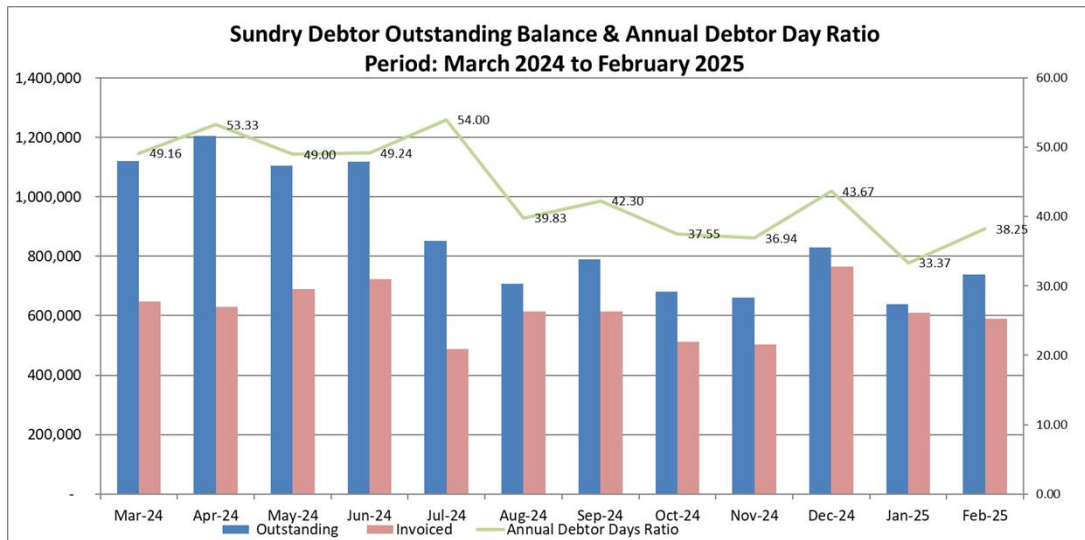
A number of metrics have been provided to follow that provide an initial snapshot of performance and or status of outstanding debtors to follow.

Debtor Day Ratio

The Debtor Day Ratio measures how quickly cash is being collected from debtors. The longer it takes for an organisation to collect, the greater the number of debtor days.

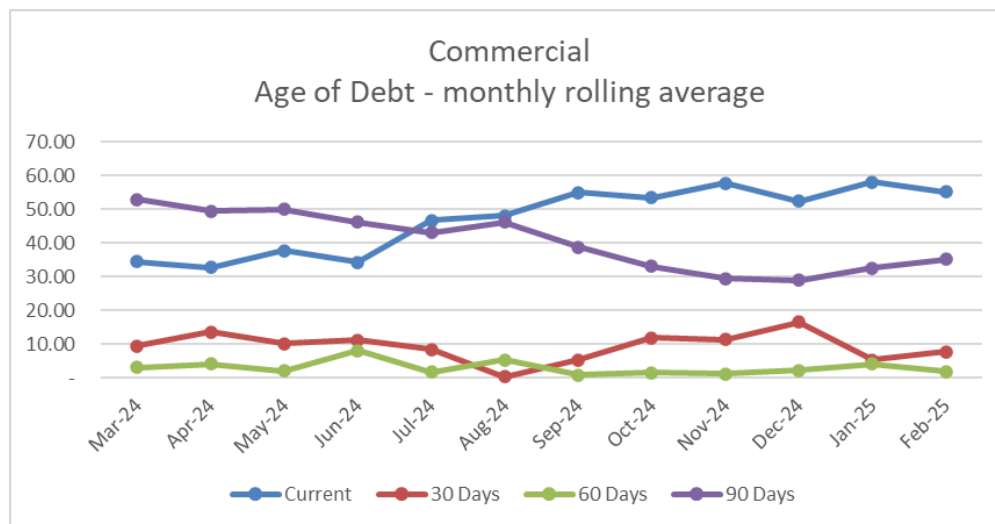
The calculation of the ratio considers the total amount outstanding at the end of the period divided by the total amount invoiced to that period for the financial year. This is then multiplied by the total number of days from 1 July to the end of the period. See calculation in the graph to follow.

The chart to follow indicates the debtor days over the last 12 months. Debtor days have steadily decreased over the past 12 months, with a ratio of 38.25 being reported for February 2025.



Age of Debt

The rolling 12-month Average for debt in each age category is shown in the graphs to follow for Commercial and Other (non-commercial) debt. These graphs show the 12-month average as at each point in time, to provide a view of the trend of the City’s aged debt portfolio.

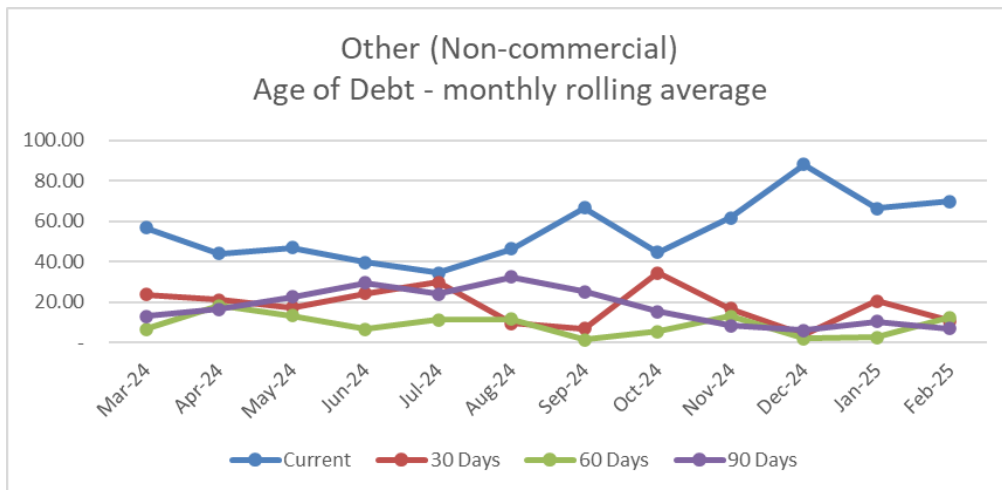


As per the monthly rolling average chart for commercial, the portion of debt that is current was 24% as at February 2025. The portion of debt that is over 90 days has remained steady since the last reporting period. The portion of debt in the 30-59 days and 60-89 days remained at the lower end.

For other (non-commercial) debt, current debt remains the category with the highest amount outstanding. All other categories remain much lower than the

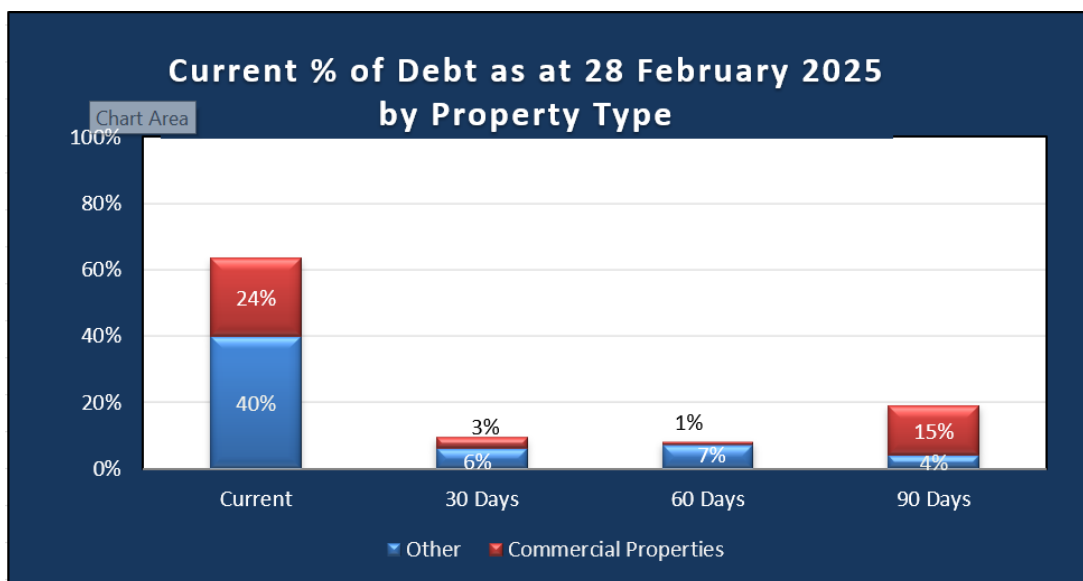


current trend line. This indicates a high proportion of debts being collected in a timely manner.



The Current Value of Debt by Age category is shown in the graph to follow, split between Commercial Properties and Other (non-Commercial) Property Types. Of the total debt, Non-Commercial Properties account for 40% of Current debt, and account for 4% of the debt owing 90 days or more.

City officers continue to liaise with all commercial tenants to provide assistance, including payment arrangements where appropriate.



Delegation 2.3 - Defer payment, grant a concession, waive fees and write off of Debts



During the reported period there were no waivers or write offs greater than \$1,000.

VOTING AND OTHER REQUIREMENTS

Simple Majority Required

COMMITTEE RECOMMENDATION ITEM ARMC2503-8 (Officer's recommendation)

Moved: Cr Frank Mofflin

Seconded: Cr Jenny Archibald

Council receive the Overdue Debtors Report as at 28 February 2025, and the confidential attachment listing overdue debts exceeding 90 days with the combined value, by debtor, exceeding \$10,000 as at 28 February 2025.

Carried: 6/0

For:

**Mayor Hannah Fitzhardinge, Cr Fedele Camarda, Cr Frank Mofflin,
Cr Ingrid van Dorssen, Cr Jenny Archibald and Ms Hayley Manser**

Against:

Nil



Motion of which previous notice has been given

C2503-16 NOTICE OF MOTION - PIAZZA AND MALLS DISTRICT – CR ADIN LANG

Meeting date:	26 March 2025
Responsible officer:	Chief Executive Officer
Voting requirements:	Simple Majority Required
Attachments:	Nil

ELECTED MEMBER SUMMARY

The intent of this Motion is to support community and volunteer efforts to activate and return business to the PM District (Piazza and Malls District):

- Fremantle Malls
- Fremantle Piazza
- Paddy Troy Mall

In recent times the PM District has seen many long-term vacancies and as a result, the area can be subject to antisocial behaviour.

The community has planned a volunteer cleanup of the PM District which includes general cleaning, painting and the installation of plants and seating.

To support this volunteer effort, the City of Fremantle could offer free alfresco dining rates on City land and investigate ways to assist alfresco on non-City land (with the individual strata buildings).

OFFICER COMMENT

Officer's will review the Notice of Motion and bring a report back to Council with options for consideration.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple Majority Required



ELECTED MEMBER MOTION

Requests the Chief Executive Officer to bring a report back to Council considering the following:

- 1. City of Fremantle to implement free alfresco dining within the following areas of the Piazza and Malls District for a period of 24 months:**
 - Fremantle Malls**
 - Fremantle Piazza**
 - Paddy Troy Mall**

- 2. City of Fremantle to investigate options to facilitate alfresco within the strata owned properties in this precinct, noting that this does not include those properties facing Market Street, South Terrace or High Street within the Piazza and Malls District.**



Urgent business

In cases of extreme urgency or other special circumstances, matters may, on a motion that is carried by the meeting, be raised without notice and decided by the meeting.

Late items

In cases where information is received after the finalisation of an agenda, matters may be raised and decided by the meeting. A written report will be provided for late items.

Confidential business

Nil.

Closure