

TOWN *of* CLAREMONT

Agenda

Audit and Risk Management Committee Meeting

Wednesday 11 December 2024

Please be advised that a Audit and Risk Management Committee Meeting will be held at **9:00 am** on **Wednesday 11 December 2024** at 308 Stirling Highway, Claremont

Liz Ledger
Chief Executive Officer

DISCLAIMER

Persons present at this meeting are cautioned against taking any action as a result of any Committee recommendation until such time as those recommendations have been considered by Council.

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1 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

2 RECORD OF ATTENDANCE/APOLOGIES

3 DISCLOSURE OF INTERESTS

4 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

That the minutes of the Audit and Risk Management Committee Meeting held on 14 August 2024 be confirmed.

5 PRESENTATION

6 REPORTS OF THE CEO

6.1 ANNUAL FINANCIAL STATEMENTS & AUDIT REPORT 2023/24

File Number: FIM/03/0001

Author: Hasreen Syed Maule (Manager Finance), Bree Websdale (Director Governance and People), Keirin Leveridge (Manager ICT)

Authoriser: Liz Ledger (Chief Executive Officer)

Attachments:

1. CONFIDENTIAL REDACTED - Auditor's Closing Report - 30 June 2024 [6.1.1 - 15 pages]
2. Financial Statements 2023/24 [6.1.2 - 39 pages]

PURPOSE

The purpose of this report is to present the:

1. Annual Financial Statements for the year ended 30 June 2024.
2. Office of Auditor General's (OAG) Audit Closing Report for the year ended 30 June 2024.

BACKGROUND

The *Local Government Amendment (Auditing) Act 2017* provides for the auditing of local governments by the Office of Auditor General (OAG). The Act allows the OAG to contract out some or all the financial audits, but all audits will be the responsibility of the OAG. In this instance RSM Australia (RSM) were engaged by the OAG.

The OAG retain the responsibility for forming an audit opinion and issuing an audit report to the Town. The objective of the audit is to obtain reasonable assurance about whether the annual financial statement is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes the Auditor General's opinion.

An Audit Exit meeting was held on 6 December 2024 with representatives from the OAG and RSM, the CEO, the Director Governance and People, the Manager Finance, Manager ICT and Councillor Cameron from the Audit and Risk Management Committee. **Attachment 1** is a copy of the Auditors Closing Report.

During the audit exit meeting the OAG and RSM explained and discussed the Auditor's Closing Report including all findings and items in the Management Letter.

On RSM's recommendation, the OAG has issued an unqualified audit opinion on the financial statements for the year ended 30 June 2024.

The final audited Annual Financial Statements for the year ending 30 June 2024 are shown in **Attachment 2**.

DISCUSSION

The Ratings are based on the audit team's assessment of risks and concerns with respect to the probability and/or consequence of adverse outcomes if action is not taken.

Significant - Those findings where there is potentially a significant risk to the entity should the finding not be addressed by the entity promptly. A significant rating could indicate the need for a modified audit opinion in the current year, or in a subsequent reporting period if not addressed. However, even if the issue is not likely to impact the audit opinion, it should be addressed promptly.

Moderate - Those findings which are of sufficient concern to warrant action being taken by the entity as soon as practicable.

Minor - Those findings that are not of primary concern but still warrant action being taken. The summary of the Financial Audit findings is set out below, with the Town's corresponding response

	Findings & Rating	Recommendation	Town's response	Status
1	<p>Significant</p> <p>Maintenance of detailed and accurate asset registers.</p>	<p>Maintain a financial fixed asset register with sufficient details, including the individual asset's acquisition date, cost, and depreciation rate, with a specific asset ID matching the asset management module to enable the Town to reconcile this to the asset management register.</p> <p>Perform a monthly reconciliation between the financial fixed asset register and the asset management register to ensure that transactions/movement in the infrastructure assets are recorded on both registers on a timely basis.</p> <p>Performed an inventory count of both asset registers periodically and before an asset revaluation exercise to ensure completeness.</p>	<p>The Town has maintained an excel fixed asset register for the 2023-24 financial year as the implementation of the asset module in the ERP system is yet to be completed.</p> <p>The finance fixed asset register for the 2023-24 financial year is based on the capital expenditures for the financial year.</p> <p>The Town acknowledges that a reconciliation against the infrastructure asset register has not been completed for the 2023-24 financial year. However, as the assets were extensively reviewed and revalued in the 2022-23 financial year the Town is confident that the value would not be significantly different between the two registers.</p> <p>With the implementation of the asset module in the ERP system by the end of December 2024, the Town will then develop a more detailed asset register.</p>	<p>Anticipated to be finalised by 30 June 2025.</p>

2	<p>Moderate</p> <p>Delay in review of monthly bank reconciliations.</p>	<p>The Town should set specific and reasonable timeframes for completing the bank reconciliation process, from preparation to review and sign-off. Monitor and track these metrics regularly to promptly identify bottlenecks and address deviations from established timelines. This helps mitigate the risk of errors going undetected for an extended period.</p>	<p>Due to changes in the financial software, there has been issues with the useability of the bank reconciliation module. The majority of the issues have been rectified by the ERP provider.</p> <p>The Town will ensure that the monthly reconciliation will be reviewed in a timely manner</p>	<p>Completed 18 November 2024</p>
3	<p>Moderate</p> <p>Monthly creditor reconciliations not reviewed.</p>	<p>The Town should ensure that monthly creditor reconciliation is carefully and promptly reviewed. This will help management quickly detect and correct any mistakes or oversights, providing the financial reporting is complete and accurate. Furthermore, establishing a clear separation of duties by giving the review to another staff member will enhance the internal control process.</p>	<p>The Town will ensure that the monthly reconciliation will be reviewed by a second person (an Accountant) and in a timely manner. This will ensure separation of duties.</p>	<p>Completed 18 November 2024</p>
4	<p>Moderate</p> <p>Delay in preparations and review of rates reconciliations.</p>	<p>The Town should ensure that the monthly rates reconciliations are prepared in a timely fashion and promptly reviewed to ensure accurate and timely updates to Datascape. Implementing a formal internal control process will allow management to detect and rectify discrepancies promptly, enhancing the accuracy and reliability of the financial report.</p>	<p>An internal process will be developed to promptly rectify this for the 2024-2025 financial year.</p>	<p>Anticipated to be completed by 1 March 2025.</p>

The summary of the IT General Controls Audit findings is set out below, with the Town’s corresponding response:

	Findings & Rating	Recommendation	Town’s response	Status
1	<p>Significant</p> <p>Datascape application – User access management.</p>	<p>Appropriately offboard all terminated users promptly, including removing their associated access to both applications and the network.</p> <p>Disable any accounts that have not logged on for an extended period.</p> <p>Periodically review service accounts and track and document any remediations to inappropriate accounts.</p> <p>Review, audit and document the purpose of each privileged account and remove those that are not required or serve a business purpose.</p> <p>Perform and appropriately document user access and permission reviews, including: the entire user population during access reviews, review of user roles assigned to each user and any issues identified from user access reviews are approved by appropriate personnel and remediated promptly.</p>	<p>The Town has a limited number of internal super users, they all members of the IT and Finance team and require this access to perform their roles.</p> <p>The other listed users are employees of Datacom engaged in the town ERP project and had Super User access but for limited durations as required for support and project implementation.</p> <p>The Town will review Super User access for Datacom users as a priority.</p>	<p>Anticipated to be completed by 30 June 2025.</p>

2	<p>Significant</p> <p>Network Active Directory (AD) - user access management.</p>	<p>Obtain approvals for all new staff who require network access before creating and activating their account.</p> <p>Appropriately offboard all terminated users, including removing their associated network access.</p> <p>Disable any accounts that have not logged on for an extended period.</p> <p>Periodically review service accounts and track and document any remediations to inappropriate accounts.</p> <p>Perform and appropriately document user access and permission reviews, including the entire user population during access reviews, review of user roles assigned to each user and any issues identified from user access reviews are approved by appropriate personnel and are remediated promptly.</p>	<p>The Town will develop a procedure for:</p> <p>Perform and appropriately document user access and permission reviews</p> <p>Disable any accounts that have not logged on for an extended period.</p> <p>Periodically review service accounts and track and document any remediations to inappropriate accounts.</p> <p>The Town has procedures relating to these recommendations and will review these procedures:</p> <p>Obtain approvals for all new staff who require network access before creating and activating their account.</p> <p>Appropriately offboard all terminated users, including removing their associated network access.</p>	<p>Anticipated to be completed by 30 June 2025.</p>
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3	<p>Moderate</p> <p>Data Backup Management</p>	<p>Review and approve the data backup procedure regularly.</p> <p>Define the documented backup frequency for a specific period.</p> <p>Define, document, and implement controls to uphold the Town’s change management process when changing backup job configurations.</p>	<p>The Town will review and update its data backup procedures and formalise it.</p>	<p>Anticipated to be completed by 30 June 2025.</p>
4	<p>Moderate</p> <p>Missing and overdue governance documentation</p>	<p>Document, approve, and publish policies/procedures/governance documents as the business requires.</p> <p>Periodically review and update policies/procedures/governance documents under the Town’s elected review frequency of 3 years minimum.</p>	<p>The Town will revise its IT governance documents.</p> <p>The Town will review procedures as required but at least every 3 years.</p>	<p>Anticipated to be completed by 30 December 2025.</p>
5	<p>Moderate</p> <p>Data loss prevention</p>	<p>Define, document, and implement data loss prevention policies, procedures, and processes, including personal cloud storage and transfer services.</p> <p>Investigate and implement appropriate technical controls to restrict access to personal cloud storage websites, file-sharing platforms, and portable storage devices.</p>	<p>The Town will plan and document its data loss prevention procedure as a priority.</p> <p>The Town will implement phased system improvements to prevent data loss, noting the potential for significant user impact and budget requirements.</p>	<p>Anticipated to be completed by 30 December 2025.</p>

6	<p>Moderate</p> <p>Disaster Recovery and Continuity Management</p>	<p>Develop, review, and endorse a plan for disaster recovery, including requirements for periodic testing of disaster recovery processes and ensuring that this testing is upheld.</p> <p>Review the current disaster recovery strategy in accordance with its review period.</p> <p>Review and update the business continuity plan.</p>	<p>The Town commenced implementation of a disaster recovery (DR) system in 2023. This project was significantly delayed due to IT staff turnover over the previous 12 months.</p> <p>The Town will plan, implement, and document a DR strategy. The Town has recently re-started this process. This process will be ongoing and rolled out in stages.</p> <p>The Town anticipates that it will have its disaster recovery arrangements completed by late 2026 subject to sufficient allocation of budget.</p>	<p>Anticipated to be completed by 30 December 2026.</p>
7	<p>Moderate</p> <p>Password Manager Access Reviews</p>	<p>Ensure the scope and frequency for access reviews of the password manager are defined and documented.</p> <p>Ensure access to the password manager is reviewed in compliance with the defined frequency, ensuring results from the review are recorded and any following remediations are documented as per the change management process.</p>	<p>The Town has now implemented a cloud-based, audited password manager. The previous password manager is now inactive.</p> <p>The Town will review its password procedure and update accordingly</p>	<p>Anticipated to be completed by 30 December 2025.</p>
8	<p>Moderate</p> <p>Password Criteria Missing in Password Policy</p>	<p>Ensuring reversible encryption is not enabled.</p> <p>Lockout threshold</p> <p>Lockout duration</p>	<p>The Town will review the security and user impact of these password criteria and document within the password procedure.</p>	<p>Anticipated to be completed by 30 December 2025.</p>

PAST RESOLUTIONS

Audit and Risk Management Committee Meeting 4 December 2023, Resolution 017/23:

That the Audit and Risk Management Committee received and notes the Officer of Auditor General's overview of the audit findings for the year ended 30 June 2024.

FINANCIAL AND STAFF IMPLICATIONS

Minor additional audit fees were incurred above what was budgeted for.

POLICY AND STATUTORY IMPLICATIONS

Local Government Act 1995: Part 5, Division 5 – Annual Reports and planning; Part 7 – Audit

Local Government (Financial Management) Regulations 1996: cl.s 36-51 – Financial Reports

Local Government (Audit) Regulations 1996: Cl. 9 - Performance of Audit; cl. 10 – Report by Auditor

COMMUNICATION AND CONSULTATION

A copy of the annual financial report is required to be sent to the Department within 30 days of receiving the auditor's report.

The Annual Report to be accepted by Council no later than 2 months of audit report becoming available.

STRATEGIC COMMUNITY PLAN

Leadership and Governance *We are an open and accountable local government; a leader in community service standards.*

- Demonstrate a high standard of governance, accountability, management and strategic planning.
- Manage our finances responsibly and improve financial sustainability.

URGENCY

It is desirable this matter is dealt with promptly.

VOTING REQUIREMENTS

Simple Majority decision of Committee (*More than half the Committee Members present are required to vote in favour*).

OFFICER RECOMMENDATION

That the Audit and Risk Management Committee receives and notes the Office of Auditor General's overview of the audit findings for the year ended 30 June 2024.



FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2024

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The Town of Claremont conducts the operations of a local government with the following community vision:

The Town is progressive, respectful, sustainable local government supporting flourishing community.

Principal place of business:
308 Stirling Highway
Claremont WA 6010

**TOWN OF CLAREMONT
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

*Local Government Act 1995
Local Government (Financial Management) Regulations 1996*

STATEMENT BY CEO

The accompanying financial report of the Town of Claremont has been prepared in compliance with the provisions of the *Local Government Act 1995* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2024 and the financial position as at 30 June 2024.

At the date of signing this statement the particulars included in the financial report are not misleading or inaccurate.

Signed on the 6 day of December 2024



CEO

Elizabeth Ledger

Name of CEO

**TOWN OF CLAREMONT
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
Revenue				
Rates	2(a),23	16,439,901	16,739,741	15,818,250
Grants, subsidies and contributions	2(a)	660,496	272,645	658,372
Fees and charges	2(a)	3,864,459	3,884,165	4,021,875
Interest revenue	2(a)	1,112,603	868,172	612,440
Other revenue	2(a)	231,131	517,470	647,317
		22,308,590	22,282,193	21,758,254
Expenses				
Employee costs	2(b)	(8,088,710)	(8,447,148)	(7,922,515)
Materials and contracts		(8,010,323)	(7,955,391)	(6,722,793)
Utility charges		(460,267)	(552,399)	(538,323)
Depreciation		(3,960,149)	(4,034,247)	(3,573,345)
Finance costs		(203,899)	(226,940)	(338,318)
Insurance		(278,514)	(276,366)	(263,930)
Other expenditure	2(b)	(757,297)	(1,296,747)	(970,037)
		(21,759,159)	(22,789,238)	(20,329,261)
		549,431	(507,045)	1,428,993
Capital grants, subsidies and contributions	2(a)	349,332	462,000	250,586
Profit on asset disposals		121,490	29,919	95,903
Loss on asset disposals		0	(10,037)	0
Share of net profit of associates accounted for using the equity method	21(e)	49,235	0	67,310
		520,057	481,882	413,799
Net result for the period		1,069,488	(25,163)	1,842,792
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	16	0	0	42,353,859
Share of other comprehensive income of associates accounted for using the equity method	16, 21(b)	4,176	0	0
Total other comprehensive income for the period	16	4,176	0	42,353,859
Total comprehensive income for the period		1,073,664	(25,163)	44,196,651

This statement is to be read in conjunction with the accompanying notes.

**TOWN OF CLAREMONT
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024**

	NOTE	2024	2023
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	3,787,776	6,479,946
Trade and other receivables	5	1,136,263	2,104,067
Other financial assets	4(a)	13,871,772	9,414,766
Inventories	6	10,783	15,078
Other assets	7	273,308	198,627
TOTAL CURRENT ASSETS		19,079,902	18,212,484
NON-CURRENT ASSETS			
Trade and other receivables	5	359,922	382,023
Investment in associate	21(a)	753,271	699,860
Property, plant and equipment	8	121,694,120	121,524,263
Infrastructure	9	89,819,079	89,511,578
Right-of-use assets	11(a)	58,603	119,825
TOTAL NON-CURRENT ASSETS		212,684,995	212,237,549
TOTAL ASSETS		231,764,897	230,450,033
CURRENT LIABILITIES			
Trade and other payables	12	2,967,094	2,482,159
Other liabilities	13	192,406	90,000
Lease liabilities	11(b)	50,024	45,087
Borrowings	14	459,727	4,377,136
Employee related provisions	15	1,169,739	1,160,897
TOTAL CURRENT LIABILITIES		4,838,990	8,155,279
NON-CURRENT LIABILITIES			
Lease liabilities	11(b)	27,013	78,078
Borrowings	14	4,729,434	1,038,157
Employee related provisions	15	184,904	267,627
TOTAL NON-CURRENT LIABILITIES		4,941,351	1,383,862
TOTAL LIABILITIES		9,780,341	9,539,141
NET ASSETS		221,984,556	220,910,892
EQUITY			
Retained surplus		64,976,362	64,282,435
Reserve accounts	26	12,115,121	11,739,560
Revaluation surplus	16	144,893,073	144,888,897
TOTAL EQUITY		221,984,556	220,910,892

This statement is to be read in conjunction with the accompanying notes.

**TOWN OF CLAREMONT
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2022		60,787,089	13,392,114	102,535,038	176,714,241
Comprehensive income for the period					
Net result for the period		1,842,792	0	0	1,842,792
Other comprehensive income for the period	16	0	0	42,353,859	42,353,859
Total comprehensive income for the period		1,842,792	0	42,353,859	44,196,651
Transfers from reserve accounts	26	2,539,178	(2,539,178)	0	0
Transfers to reserve accounts	26	(886,624)	886,624	0	0
Balance as at 30 June 2023		64,282,435	11,739,560	144,888,897	220,910,892
Change in accounting policies		0	0	0	0
Correction of error		0	0	0	0
Restated balance at 1 July 2023		64,282,435	11,739,560	144,888,897	220,910,892
Comprehensive income for the period					
Net result for the period		1,069,488	0	0	1,069,488
Other comprehensive income for the period	16	0	0	4,176	4,176
Total comprehensive income for the period		1,069,488	0	4,176	1,073,664
Transfers from reserve accounts	26	587,965	(587,965)	0	0
Transfers to reserve accounts	26	(963,526)	963,526	0	0
Balance as at 30 June 2024		64,976,362	12,115,121	144,893,073	221,984,556

This statement is to be read in conjunction with the accompanying notes.

**TOWN OF CLAREMONT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2024 Actual \$	2023 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		16,492,584	15,549,319
Grants, subsidies and contributions		1,683,067	930,746
Fees and charges		3,850,095	4,036,931
Interest revenue		1,112,603	612,440
Goods and services tax received		(7,630)	1,001,394
Other revenue		231,131	647,317
		<u>23,361,850</u>	<u>22,778,147</u>
Payments			
Employee costs		(8,356,764)	(7,823,736)
Materials and contracts		(6,859,926)	(7,393,913)
Utility charges		(460,267)	(538,323)
Finance costs		(203,899)	(338,318)
Insurance paid		(278,514)	(263,930)
Goods and services tax paid		0	(1,088,675)
Other expenditure		(751,679)	(922,651)
		<u>(16,911,049)</u>	<u>(18,369,546)</u>
Net cash provided by operating activities		6,450,801	4,408,601
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	8(a)	(1,550,391)	(1,006,120)
Payments for construction of infrastructure	9(a)	(3,486,649)	(2,875,627)
Capital grants, subsidies and contributions		451,738	28,967
Proceeds for financial assets at amortised cost		(4,457,006)	(7,407,872)
Proceeds from sale of property, plant & equipment		171,597	134,683
Net cash (used in) investing activities		(8,870,711)	(11,125,969)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	25(a)	(4,377,136)	(2,727,097)
Payments for principal portion of lease liabilities	25(c)	(46,128)	(35,053)
Proceeds from new borrowings	25(a)	4,151,004	0
Net cash (used in) financing activities		(272,260)	(2,762,150)
Net (decrease) in cash held		(2,692,170)	(9,479,518)
Cash at beginning of year		6,479,946	15,959,464
Cash and cash equivalents at the end of the year		3,787,776	6,479,946

This statement is to be read in conjunction with the accompanying notes.

**TOWN OF CLAREMONT
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	23	16,349,901	14,103,309	15,757,976
Rates excluding general rates	23	90,000	2,636,432	60,274
Grants, subsidies and contributions		660,496	272,645	658,372
Fees and charges		3,864,459	3,884,165	4,021,875
Interest revenue		1,112,603	868,172	612,440
Other revenue		231,131	517,470	647,317
Profit on asset disposals		121,490	29,919	95,903
Share of net profit of associates accounted for using the equity method	21(e)	49,235	0	67,310
		<u>22,479,315</u>	<u>22,312,112</u>	<u>21,921,467</u>
Expenditure from operating activities				
Employee costs		(8,088,710)	(8,447,148)	(7,922,515)
Materials and contracts		(8,010,323)	(7,955,391)	(6,722,793)
Utility charges		(460,267)	(552,399)	(538,323)
Depreciation		(3,960,149)	(4,034,247)	(3,573,345)
Finance costs		(203,899)	(226,940)	(338,318)
Insurance		(278,514)	(276,366)	(263,930)
Other expenditure		(757,297)	(1,296,747)	(970,037)
Loss on asset disposals		0	(10,037)	0
		<u>(21,759,159)</u>	<u>(22,799,275)</u>	<u>(20,329,261)</u>
Non cash amounts excluded from operating activities	24(a)	4,334,865	4,014,365	3,527,911
Amount attributable to operating activities		<u>5,055,021</u>	<u>3,527,202</u>	<u>5,120,117</u>
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		349,332	462,000	250,586
Proceeds from disposal of assets		171,597	148,000	134,683
		<u>520,929</u>	<u>610,000</u>	<u>385,269</u>
Outflows from investing activities				
Right of use assets received - non cash	11(a)	5,622	0	0
Purchase of property, plant and equipment	8(a)	(1,550,391)	(2,449,895)	(1,006,120)
Purchase and construction of infrastructure	9(a)	(3,486,649)	(3,906,592)	(2,991,627)
Payments for intangible assets	11	0	(253,925)	
		<u>(5,031,418)</u>	<u>(6,610,412)</u>	<u>(3,997,747)</u>
Amount attributable to investing activities		<u>(4,510,489)</u>	<u>(6,000,412)</u>	<u>(3,612,478)</u>
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from borrowings	25(a)	4,151,004	0	0
Transfers from reserve accounts	26	587,965	1,228,723	2,539,178
		<u>4,738,969</u>	<u>1,228,723</u>	<u>2,539,178</u>
Outflows from financing activities				
Repayment of borrowings	25(a)	(4,377,136)	(255,646)	(2,727,097)
Payments for principal portion of lease liabilities	25(c)	(46,128)	(51,990)	(35,053)
Transfers to reserve accounts	26	(963,526)	(807,167)	(886,624)
		<u>(5,386,790)</u>	<u>(1,114,803)</u>	<u>(3,648,774)</u>
Amount attributable to financing activities		<u>(647,821)</u>	<u>113,920</u>	<u>(1,109,596)</u>
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	24(b)	2,739,868	2,359,290	2,341,825
Amount attributable to operating activities		5,055,021	3,527,202	5,120,117
Amount attributable to investing activities		(4,510,489)	(6,000,412)	(3,612,478)
Amount attributable to financing activities		(647,821)	113,920	(1,109,596)
Surplus or deficit after imposition of general rates	24(b)	<u>2,636,579</u>	<u>0</u>	<u>2,739,868</u>

This statement is to be read in conjunction with the accompanying notes.

**TOWN OF CLAREMONT
FOR THE YEAR ENDED 30 JUNE 2024
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**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

1. BASIS OF PREPARATION

The financial report of the Town of Claremont which is a Class 3 local government comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the *Local Government Act 1995*, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied except for disclosure requirements of:

- AASB 7 Financial Instruments Disclosures
- AASB 16 Leases paragraph 58
- AASB 101 Presentation of Financial Statements paragraph 61
- AASB 107 Statement of Cash Flows paragraphs 43 and 45
- AASB 116 Property, Plant and Equipment paragraph 79
- AASB 137 Provisions, Contingent Liabilities and Contingent Assets paragraph 85
- AASB 140 Investment Property paragraph 75(f)
- AASB 1052 Disaggregated Disclosures paragraph 11
- AASB 1054 Australian Additional Disclosures paragraph 16

The *Local Government (Financial Management) Regulations 1996* provide that:
- land and buildings classified as property, plant and equipment; or
- infrastructure; or
- vested improvements that the local government controls ;
and measured at reportable value, are only required to be revalued every five years. Revaluing these non-financial assets every five years is a departure from *AASB 116 Property, Plant and Equipment*, which would have required the Town to assess at each reporting date whether the carrying amount of the above mentioned non-financial assets materially differs from their fair value and, if so, revalue the class of non-financial assets.
Use with 5-yearly revaluations. Do not use if revaluations comply with AASB 116.

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

Critical accounting estimates and judgements

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

As with all estimates, the use of different assumptions could lead to material changes in the amounts reported in the financial report.

The following are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and further information on their nature and impact can be found in the relevant note:

- Fair value measurement of assets carried at reportable value including:
 - Property, plant and equipment - note 8
 - Infrastructure - note 9
 - Expected credit losses on financial assets - note 5
 - Estimated useful life of intangible assets - note 11
 - Measurement of employee benefits - note 15

Fair value heirarchy information can be found in note 22

The local government reporting entity

All funds through which the Town controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 26 of the financial report.

Initial application of accounting standards

During the current year, the following new or revised Australian Accounting Standards and Interpretations were applied for the first time.

- *AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates*

This standard resulted in terminology changes relating to material accounting policies (formerly referred to as significant accounting policies).

New accounting standards for application in future years

The following new accounting standards will have application to local government in future years:

- *AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

- *AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current*
- *AASB 2021-7c Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]*

- *AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback*
- *AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants*

These amendments are not expected to have any material impact on the financial report on initial application.

- *AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*

These amendment may result in changes to the fair value of non-financial assets. The impact is yet to be quantified.

- *AASB 2023-1 Amendments to Australian Accounting Standards - Supplier Finance Arrangements*

These amendments may result in additional disclosures in the case of applicable finance arrangements.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

Recognition of revenue is dependant on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows:

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Timing of revenue recognition
Grants, subsidies and contributions	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management.	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Fees and charges - sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	At point of sale
Other revenue - private works	Contracted private works	Single point in time	Monthly in arrears	None	At point of service

Revenue Recognition

Revenue recognised during the year under each basis of recognition by nature of goods or services is provided in the table below:

For the year ended 30 June 2024

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
Rates	\$ 0	\$ 0	\$ 16,439,901	\$ 0	\$ 16,439,901
Grants, subsidies and contributions	660,496	0	0	0	660,496
Fees and charges	856,571	0	357,751	2,650,137	3,864,459
Interest revenue	170,858	0	0	941,745	1,112,603
Other revenue	193,682	0	0	37,449	231,131
Capital grants, subsidies and contributions	0	349,332	0	0	349,332
Total	1,881,607	349,332	16,797,652	3,629,331	22,657,922

For the year ended 30 June 2023

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
Rates	\$ 0	\$ 0	\$ 15,818,250	\$ 0	\$ 15,818,250
Grants, subsidies and contributions	658,372	0	0	0	658,372
Fees and charges	814,866	0	273,516	2,933,493	4,021,875
Interest revenue	446,179	0	166,261	0	612,440
Other revenue	257,348	0	0	389,969	647,317
Capital grants, subsidies and contributions	0	250,586	0	0	250,586
Total	2,176,765	250,586	16,258,027	3,323,462	22,008,840

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Note	2024 Actual \$	2023 Actual \$
Interest revenue		
Interest on reserve account	638,354	195,532
Trade and other receivables overdue interest	170,858	166,261
Other interest revenue	303,391	250,647
	1,112,603	612,440
The 2024 original budget estimate in relation to: Trade and other receivables overdue interest was \$199,000.		
Fees and charges relating to rates receivable		
Charges on instalment plan	70,829	70,956
The 2024 original budget estimate in relation to: Charges on instalment plan was \$54.00		
(b) Expenses		
Auditors remuneration		
- Audit of the Annual Financial Report	57,090	60,000
- Other services – grant acquittals	4,550	8,890
	61,640	68,890
Employee Costs		
Employee benefit costs	8,088,710	7,922,515
	8,088,710	7,922,515
Finance costs		
Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss	135,306	338,318
	135,306	338,318
Other expenditure		
Impairment losses on rates and statutory receivables	692	15,056
Write down of inventories to net realisable value	0	20,294
Elected Members expenses	248,576	259,311
Donations, contributions and subsidies	511,309	526,133
Sundry expenses	(3,280)	149,243
	757,297	970,037

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

3. CASH AND CASH EQUIVALENTS

Note	2024	2023
	\$	\$
Cash at bank and on hand	3,787,776	4,441,166
Term deposits	0	2,038,780
Total cash and cash equivalents	3,787,776	6,479,946
Held as		
- Unrestricted cash and cash equivalents	3,787,776	4,065,152
- Restricted cash and cash equivalents	17 0	2,414,794
	3,787,776	6,479,946

MATERIAL ACCOUNTING POLICIES

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours notice with no loss of interest.

Restricted financial assets

Restricted financial asset balances are not available for general use by the local government due to externally imposed restrictions. Restrictions are specified in an agreement, contract or legislation. This applies to reserve accounts, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement and for which no liability has been recognised.

4. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

Note	2024	2023
	\$	\$
Financial assets at amortised cost	13,871,772	9,414,766
	13,871,772	9,414,766
Other financial assets at amortised cost		
Term deposits	13,871,772	9,414,766
	13,871,772	9,414,766
Held as		
- Unrestricted other financial assets at amortised cost	1,564,245	0
- Restricted other financial assets at amortised cost	17 12,307,527	9,414,766
	13,871,772	9,414,766

MATERIAL ACCOUNTING POLICIES

Other financial assets at amortised cost

The Town classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 22 (i)) due to the observable market rates).

Interest received is presented under cashflows from operating activities in the Statement of Cash Flows where it is earned from financial assets that are held for cash management purposes.

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

5. TRADE AND OTHER RECEIVABLES

Note	2024	2023
	\$	\$
Current		
Rates and statutory receivables	421,233	387,480
Trade receivables	125,031	1,210,464
Other receivables	105,517	20,961
GST receivable	94,911	87,281
Receivables for employee related provisions	65,170	74,604
Allowance for credit losses of trade receivables	(692)	(15,056)
Allowance for credit losses of other receivables	(190,602)	0
Fines receivables	476,181	267,213
Underground power and pensioner/senior rebate receivables	39,514	71,120
	1,136,263	2,104,067
Non-current		
Rates and statutory receivables	345,022	368,103
Receivables for employee related provisions	14,900	13,920
	359,922	382,023

Disclosure of opening and closing balances related to contracts with customers

Information about receivables from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:

Note	30 June 2024 Actual	30 June 2023 Actual	1 July 2022 Actual
	\$	\$	\$
Contract assets	7 127,282	127,282	111,439
Allowance for credit losses of trade receivables	5 (692)	(15,056)	0
Total trade and other receivables from contracts with customers	126,590	112,226	111,439

MATERIAL ACCOUNTING POLICIES

Rates and statutory receivables

Rates and statutory receivables are non-contractual receivables arising from statutory requirements and include amounts due from ratepayers for unpaid rates and service charges and other statutory charges or fines.

Rates and statutory receivables are recognised when the taxable event has occurred and can be measured reliably.

Trade receivables

Trade receivables are amounts receivable from contractual arrangements with customers for goods sold, services performed or grants or contributions with sufficiently specific performance obligations or for the construction of recognisable non financial assets as part of the ordinary course of business.

Other receivables

Other receivables are amounts receivable from contractual arrangements with third parties other than contracts with customers and amounts received as grants for the construction of recognisable non financial assets.

Measurement

Trade and other receivables are recognised initially at the amount of the transaction price, unless they contain a significant financing component, and are to be recognised at fair value.

Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days except rates receivables which are expected to be collected within 12 months are classified as current assets. All other receivables such as, deferred pensioner rates receivable after the end of the reporting period are classified as non-current assets.

Trade and other receivables are held with the objective to collect the contractual cashflows and therefore the Town measures them subsequently at amortised cost using the effective interest rate method.

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

6. INVENTORIES

Current

Note	2024	2023
	\$	\$
Aquatic Centre Pool Shop	9,931	13,335
Aquatic Centre Café	852	1,743
	10,783	15,078

The following movements in inventories occurred during the year:

Balance at beginning of year	15,078	35,372
Inventories expensed during the year	(154,861)	(162,608)
Write down of inventories to net realisable value	0	(20,294)
2(b)	150,566	162,608
Balance at end of year	10,783	15,078

MATERIAL ACCOUNTING POLICIES

General

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

7. OTHER ASSETS

Other assets - current

Prepayments
Contract assets

	2024	2023
	\$	\$
Prepayments	146,026	71,345
Contract assets	127,282	127,282
	273,308	198,627

MATERIAL ACCOUNTING POLICIES

Other current assets

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

Contract assets

Contract assets primarily relate to the Town's right to consideration for work completed but not billed at the end of the period.

Impairment of assets associated with contracts with customers are detailed at Note 2(b).

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

Movement in the balances of each class of property, plant and equipment between the beginning and the end of the current financial year.

	Assets not subject to operating lease			Total Property					Plant and equipment				Total property, plant and equipment
	Land	Buildings - non-specialised	Buildings - specialised	Land	Buildings - non-specialised	Buildings - specialised	Buildings - Work in progress	Total Property	Furniture and equipment	Plant and equipment	Electronic equipment	Furniture and equipment- Work in progress	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2022	95,295,000	950,000	24,093,246	95,295,000	950,000	24,093,246	25,643	120,363,889	111,439	889,248	490,106	0	121,854,682
Additions	0	0	459,427	0	0	459,427	4,716	464,143	0	161,041	380,936	0	1,006,120
Disposals	0	0	0	0	0	0	0	0	0	(163,865)	0	0	(163,865)
Depreciation	0	(23,748)	(639,061)	0	(23,748)	(639,061)	0	(662,809)	(38,688)	(244,195)	(226,982)	0	(1,172,674)
Transfers	0	0	25,643	0	0	25,643	(25,643)	0	0	0	0	0	0
Balance at 30 June 2023	95,295,000	926,252	23,939,255	95,295,000	926,252	23,939,255	4,716	120,165,223	72,751	642,229	644,060	0	121,524,263
Comprises:													
Gross balance amount at 30 June 2023	95,295,000	950,000	24,578,316	95,295,000	950,000	24,578,316	4,716	120,828,032	391,817	1,734,440	1,659,243	0	124,613,532
Accumulated depreciation at 30 June 2023	0	(23,748)	(639,061)	0	(23,748)	(639,061)	0	(662,809)	(319,066)	(1,092,211)	(1,015,183)	0	(3,089,269)
Balance at 30 June 2023	95,295,000	926,252	23,939,255	95,295,000	926,252	23,939,255	4,716	120,165,223	72,751	642,229	644,060	0	121,524,263
Additions	0	0	4,559	0	0	4,559	1,172,242	1,176,801	29,716	297,703	31,353	14,818	1,550,391
Disposals	0	0	0	0	0	0	0	0	0	(50,107)	0	0	(50,107)
Derecognition of assets*	0	0	0	0	0	0	0	0	0	0	(605,026)	0	(605,026)
Depreciation	0	(22,232)	(619,706)	0	(22,232)	(619,706)	0	(641,938)	(10,301)	(259,659)	186,497	0	(725,401)
Transfers	0	0	4,716	0	0	4,716	(4,716)	0	0	8,830	(8,830)	0	0
Balance at 30 June 2024	95,295,000	904,020	23,328,824	95,295,000	904,020	23,328,824	1,172,242	120,700,086	92,166	638,996	248,054	14,818	121,694,120
Comprises:													
Gross balance amount at 30 June 2024	95,295,000	950,000	24,587,592	95,295,000	950,000	24,587,592	1,172,242	122,004,834	421,533	1,828,742	1,074,606	14,818	125,344,533
Accumulated depreciation at 30 June 2024	0	(45,980)	(1,258,768)	0	(45,980)	(1,258,768)	0	(1,304,748)	(329,367)	(1,189,746)	(826,552)	0	(3,650,413)
Balance at 30 June 2024	95,295,000	904,020	23,328,824	95,295,000	904,020	23,328,824	1,172,242	120,700,086	92,166	638,996	248,054	14,818	121,694,120

* Write-off software as a service (SaaS)

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Amount Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value - as determined at the last valuation date					
Land and buildings					
Land	2/3	Market approach using recent observable or estimated data for similar properties	Independent Valuation	June 2022	While the unit rates based on square metres could be supported from market evidence (level 2) other inputs such as zoning, restrictions, accessibility (level 3) required extensive professional judgement and impacted significantly on the final determination.
Buildings - non-specialised	2	Market approach using recent observable or estimated data for similar properties	Independent Valuation	June 2022	Market or estimated price per square metre
Buildings - specialised	3	Market approach using recent observable or estimated data for similar properties	Independent Valuation	June 2022	This required estimating the replacement cost for each building by componentising the buildings into significant parts with different useful lives and taking into account a range of factors. Other inputs such as residual value, useful life, pattern of consumption and asset condition required extensive professional judgment and impacted significantly on the final determination.

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs. The valuation techniques applied to property subject to lease was the same as that applied to property not subject to lease.

(ii) Cost

Furniture and equipment	Not applicable	Cost	Not Applicable	Not applicable
Plant and equipment	Not applicable	Cost	Not Applicable	Not applicable
Electronic equipment	Not applicable	Cost	Not Applicable	Not applicable

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

9. INFRASTRUCTURE

(a) Movements in Balances

Movement in the balances of each class of infrastructure between the beginning and the end of the current financial year.

	Infrastructure - roads	Infrastructure - paths	Infrastructure - drainage	Infrastructure - parks and reserves	Infrastructure - car parks	Infrastructure - street furniture	Infrastructure - streetlights	Infrastructure - artefacts	Infrastructure - public art collection	Infrastructure - leasehold improvements	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2022	18,756,115	14,207,235	4,531,558	4,325,035	1,881,601	791,992	297,760	1,298,000	422,689	28,630	46,540,615
Additions	943,556	757,420	568,769	258,547	318,160	0	0	0	134,995	10,180	2,991,627
Revaluation increments / (decrements) transferred to revaluation surplus	31,462,914	2,156,022	3,200,711	956,282	255,668	3,487,604	610,811	(160,500)	384,347	0	42,353,859
Depreciation	(1,118,710)	(485,829)	(52,437)	(524,698)	(94,225)	(50,880)	(20,016)	0	(11,861)	(15,867)	(2,374,523)
Transfers	0	0	0	0	0	(3,014)	3,014	0	0	0	0
Balance at 30 June 2023	50,043,875	16,634,848	8,248,601	5,015,166	2,361,204	4,225,702	891,569	1,137,500	930,170	22,943	89,511,578
Comprises:											
Gross balance at 30 June 2023	66,191,302	20,589,610	12,595,630	8,684,673	3,055,030	5,324,277	2,377,883	1,137,500	1,257,000	39,549	121,252,454
Accumulated depreciation at 30 June 2023	(16,147,427)	(3,954,762)	(4,347,029)	(3,669,507)	(693,826)	(1,098,575)	(1,486,314)	0	(326,830)	(16,606)	(31,740,876)
Balance at 30 June 2023	50,043,875	16,634,848	8,248,601	5,015,166	2,361,204	4,225,702	891,569	1,137,500	930,170	22,943	89,511,578
Additions	1,486,632	582,376	469,984	839,559	0	0	0	0	108,098	0	3,486,649
Depreciation	(1,785,384)	(443,844)	(132,537)	(372,915)	(101,126)	(145,978)	(112,962)	0	(61,459)	(22,943)	(3,179,148)
Balance at 30 June 2024	49,745,123	16,773,380	8,586,048	5,481,810	2,260,078	4,079,724	778,607	1,137,500	976,809	0	89,819,079
Comprises:											
Gross balance at 30 June 2024	67,677,934	21,171,986	13,065,614	9,524,232	3,055,030	5,324,277	2,377,883	1,137,500	1,365,098	39,549	124,739,103
Accumulated depreciation at 30 June 2024	(17,932,811)	(4,398,606)	(4,479,566)	(4,042,422)	(794,952)	(1,244,553)	(1,599,276)	0	(388,289)	(39,549)	(34,920,024)
Balance at 30 June 2024	49,745,123	16,773,380	8,586,048	5,481,810	2,260,078	4,079,724	778,607	1,137,500	976,809	0	89,819,079

TOWN OF CLAREMONT
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2024

9. INFRASTRUCTURE (Continued)

(b) Carrying Amount Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value - as determined at the last valuation date					
Infrastructure - roads	3	Cost approach using depreciated replacement cost	Management Valuation	June 2023	Construction costs and current condition (level 2), residual values and remaining useful life assessments (level 3) inputs
Infrastructure - paths	3	Cost approach using depreciated replacement cost	Management Valuation	June 2023	Construction costs and current condition (level 2), residual values and remaining useful life assessments (level 3) inputs
Infrastructure - drainage	3	Cost approach using depreciated replacement cost	Management Valuation	June 2023	Construction costs and current condition (level 2), residual values and remaining useful life assessments (level 3) inputs
Infrastructure - parks and reserves	3	Cost approach using depreciated replacement cost	Management Valuation	June 2023	Construction costs and current condition (level 2), residual values and remaining useful life assessments (level 3) inputs
Infrastructure - car parks	3	Cost approach using depreciated replacement cost	Management Valuation	June 2023	Construction costs and current condition (level 2), residual values and remaining useful life assessments (level 3) inputs
Infrastructure - street furniture	3	Cost approach using depreciated replacement cost	Management Valuation	June 2023	Construction costs and current condition (level 2), residual values and remaining useful life assessments (level 3) inputs
Infrastructure - streetlights	3	Cost approach using depreciated replacement cost	Management Valuation	June 2023	Construction costs and current condition (level 2), residual values and remaining useful life assessments (level 3) inputs
Infrastructure - artefacts	3	Market approach using recent observable market data for similar assets	Management Valuation	June 2023	Market price per item
Infrastructure - public art collection	3	Cost approach using depreciated replacement cost	Management Valuation	June 2023	Construction costs and current condition (level 2), residual values and remaining useful life assessments (level 3) inputs
Infrastructure - leasehold improvements	3	Cost approach using depreciated replacement cost	Management Valuation	June 2023	Construction costs and current condition (level 2), residual values and remaining useful life assessments (level 3) inputs

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used to determine the fair value of infrastructure using level 3 inputs.

**TOWN OF CLAREMONT
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2024**

10. FIXED ASSETS

(a) Depreciation

Depreciation rates

Typical estimated useful lives for the different asset classes for the current and prior years are included in the table below:

Asset Class	Useful life
Land - freehold land	Unlimited
Buildings - non specialised	40 - 80 years
Buildings - specialised	40 - 80 years
Furniture and equipment	10 years
Plant and equipment	3 - 10 years
Electronic equipment	3 - 10 years
Infrastructure - roads	15 - 90 years
Infrastructure - paths	30 - 50 years
Infrastructure - drainage	90 -100 years
Infrastructure - parks and reserves	10 - 40 years
Infrastructure - car parks	25 - 50 years
Infrastructure - street furniture	10 -20 years
Infrastructure - streetlights	20 - 30 years
Infrastructure - artefacts	Unlimited
Infrastructure - public art collection	40 - 50 years
Infrastructure - leasehold improvements	40 - 80 years

TOWN OF CLAREMONT
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2024

10. FIXED ASSETS (Continued)

MATERIAL ACCOUNTING POLICIES

Initial recognition

An item of property, plant and equipment or infrastructure that qualifies for recognition as an asset is measured at its cost.

Upon initial recognition, cost is determined as the amount paid (or other consideration given) to acquire the assets, plus costs incidental to the acquisition. The cost of non-current assets constructed by the Town includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition.

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with *Local Government (Financial Management) Regulation 17A(5)*. These assets are expensed immediately.

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

Individual assets that are land, buildings and infrastructure acquired between scheduled revaluation dates of the asset class in accordance with the Town's revaluation policy, are recognised at cost and disclosed as being at reportable value.

Measurement after recognition

Plant and equipment including furniture and equipment and right-of-use assets (other than vested improvements) are measured using the cost model as required under *Local Government (Financial Management) Regulation 17A(2)*. Assets held under the cost model are carried at cost less accumulated depreciation and any impairment losses being their reportable value.

Reportable Value

In accordance with *Local Government (Financial Management) Regulation 17A(2)*, the carrying amount of non-financial assets that are *land and buildings classified as property, plant and equipment*, investment properties, infrastructure or vested improvements that the local government controls.

Reportable value is for the purpose of *Local Government (Financial Management) Regulation 17A(4)* is the fair value of the asset at its last valuation date minus (to the extent applicable) the accumulated depreciation and any accumulated impairment losses in respect of the non-financial asset subsequent to its last valuation date.

Revaluation

Land and buildings classified as property, plant and equipment, *infrastructure or vested improvements that the local government controls* and measured at reportable value, are only required to be revalued every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on land vested in the Town.

Whilst the regulatory framework only requires a revaluation to occur every five years, it also provides for the Town to revalue earlier if it chooses to do so.

For land, buildings and infrastructure, increases in the carrying amount arising on revaluation of asset classes are credited to a revaluation surplus in equity.

Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

Depreciation

The depreciable amount of all property, plant and equipment and infrastructure, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Depreciation on revaluation

When an item of property, plant and equipment and infrastructure is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:

- (i) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset.
- (ii) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Impairment

In accordance with *Local Government (Financial Management) Regulations 17A(4C)*, the Town is not required to comply with *AASB 136 Impairment of Assets* to determine the recoverable amount of its non-financial assets that are land or buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls in circumstances where there has been an impairment indication of a general decrease in asset values.

In other circumstances where it has been assessed that one or more of these non-financial assets are impaired, the asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposal

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income in the period in which they arise.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

11. LEASES

(a) Right-of-Use Assets

Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year.

Note	Right-of-use assets - electronic equipment	Right-of-use assets - land and buildings	Right-of-use assets - plant and equipment	Right-of-use assets Total
	\$	\$	\$	\$
Balance at 1 July 2022	113,804	43,075	3,974	160,853
Additions	10,939	(13,693)	(539)	(3,293)
Revaluation (loss) / reversals transferred to profit or loss	0	(11,587)	0	(11,587)
Depreciation	(31,446)	6,732	(1,434)	(26,148)
Balance at 30 June 2023	93,297	24,527	2,001	119,825
Gross balance amount at 30 June 2023	135,999	48,715	4,803	189,517
Accumulated depreciation at 30 June 2023	(42,702)	(24,188)	(2,802)	(69,692)
Balance at 30 June 2023	93,297	24,527	2,001	119,825
Additions	(5,622)	0	0	(5,622)
Depreciation	(37,648)	(16,351)	(1,601)	(55,600)
Balance at 30 June 2024	50,027	8,176	400	58,603
Gross balance amount at 30 June 2024	130,377	48,715	4,803	183,895
Accumulated depreciation at 30 June 2024	(80,350)	(40,539)	(4,403)	(125,292)
Balance at 30 June 2024	50,027	8,176	400	58,603

The following amounts were recognised in the statement of comprehensive income during the period in respect of leases where the Town is the lessee:

	2024 Actual	2023 Actual
	\$	\$
Depreciation on right-of-use assets	(55,600)	(26,148)
Finance charge on lease liabilities	(17,434)	(51,529)
Short-term lease payments recognised as expense	0	(15,921)
Income from sub leasing right-of-use assets	0	20,000
Total amount recognised in the statement of comprehensive income	(73,034)	(73,598)
Total cash outflow from leases	(63,562)	(86,582)
(b) Lease Liabilities		
Current	50,024	45,087
Non-current	27,013	78,078
	77,037	123,165

MATERIAL ACCOUNTING POLICIES

Leases

At inception of a contract, the Town assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified for a period of time in exchange for consideration.

At the commencement date, a right-of-use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Town uses its incremental borrowing rate.

All contracts that are classified as short-term leases (i.e. a lease with a term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Details of individual lease liabilities required by regulations are provided at Note 25(c).

Right-of-use assets - measurement

Right-of-use assets are measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not recognised in the Statement of Financial Position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.

Refer to Note 10 under revaluation for details on the material accounting policies applying to vested improvements.

Right-of-use assets - depreciation

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shorter. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Town anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

11. LEASES (Continued)

(c) Lessor - Property, Plant and Equipment Subject to Lease

The table below represents a maturity analysis of the undiscounted lease payments to be received after the reporting date.

	2024 Actual	2023 Actual
	\$	\$
Less than 1 year	518,414	518,414
1 to 2 years	106,611	518,414
2 to 3 years	106,611	106,611
3 to 4 years	98,611	106,611
4 to 5 years	59,209	98,611
> 5 years	59,209	59,209
	948,665	1,407,870

Amounts recognised in profit or loss for Property, Plant and Equipment Subject to Lease

Rental income	507,486	481,967
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These leases are classified as operating leases as they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. In additions, they are not considered investment property as they are leased for use in the supply of services to the community.

Lease payments are for some contracts include CPI increases, but there are no other variable lease payments that depend on an index or rate. Although the Town typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases.

Expectations about the future residual values are reflected in the fair value of the properties.

MATERIAL ACCOUNTING POLICIES

The Town as Lessor

Upon entering into each contract as a lessor, the Town assesses if the lease is a finance or operating lease.

The contract is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases not within this definition are classified as operating leases. Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease.

Initial direct costs incurred in entering into an operating lease (eg legal cost, cost to setup) are included in the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

When a contract is determined to include lease and non-lease components, the Town applies AASB 15 *Revenue from Contracts with Customers* to allocate the consideration under the contract to each component.

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

12. TRADE AND OTHER PAYABLES

Current

Sundry creditors
Prepaid rates
Payroll liabilities
Bonds and deposits held
Accrued interest
Other prepayments

2024	2023
\$	\$
1,256,603	676,818
203,388	140,033
135,770	329,943
1,288,240	1,303,706
55,692	2,244
27,401	29,415
2,967,094	2,482,159

MATERIAL ACCOUNTING POLICIES

Financial liabilities

Financial liabilities are initially recognised at fair value when the Town becomes a party to the contractual provisions of the instrument.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and any consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Town prior to the end of the financial year that are unpaid and arise when the Town becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Prepaid rates

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Town recognises income for the prepaid rates that have not been refunded.

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

13. OTHER LIABILITIES

	2024	2023
	\$	\$
Capital grant/contributions liabilities	192,406	90,000
	<u>192,406</u>	<u>90,000</u>
Reconciliation of changes in capital grant/contribution liabilities		
Opening balance	90,000	195,619
Additions	102,406	4,989
Revenue from capital grant/contributions held as a liability at the start of the period	0	(110,608)
	<u>192,406</u>	<u>90,000</u>

Performance obligations in relation to capital grant/contribution liabilities are satisfied as project milestones are met or completion of construction or acquisition of the asset.

MATERIAL ACCOUNTING POLICIES

Capital grant/contribution liabilities

Capital grant/contribution liabilities represent the Town's obligations to construct recognisable non-financial assets to identified specifications to be controlled by the Town which are yet to be satisfied. Capital grant/contribution liabilities are recognised as income when the obligations in the contract are satisfied.

Fair values for non-current capital grant/contribution liabilities, not expected to be extinguished within 12 months, are based on discounted cash flows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 22(i)) due to the unobservable inputs, including own credit risk.

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

14. BORROWINGS

	Note	2024			2023		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Bank loans		459,727	4,729,434	5,189,161	4,377,136	1,038,157	5,415,293
Total secured borrowings	25(a)	459,727	4,729,434	5,189,161	4,377,136	1,038,157	5,415,293

MATERIAL ACCOUNTING POLICIES

Borrowing costs

The Town has elected to recognise borrowing costs as an expense when incurred regardless of how the borrowings are applied.

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature.

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 22(i)) due to the unobservable inputs, including own credit risk.

Risk

Details of individual borrowings required by regulations are provided at Note 25(a).

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

15. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

	2024	2023
	\$	\$
Current provisions		
Employee benefit provisions		
Annual leave	600,847	602,027
Long service leave	485,156	488,275
Personal leave	83,736	70,595
	<u>1,169,739</u>	<u>1,160,897</u>
Total current employee related provisions	<u>1,169,739</u>	<u>1,160,897</u>
Non-current provisions		
Employee benefit provisions		
Long service leave	184,904	267,627
	<u>184,904</u>	<u>267,627</u>
Total non-current employee related provisions	<u>184,904</u>	<u>267,627</u>
Total employee related provisions	<u>1,354,643</u>	<u>1,428,524</u>

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave and associated on costs for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

Annual leave liabilities are classified as current, as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

MATERIAL ACCOUNTING POLICIES

Employee benefits

The Town’s obligations for employees’ annual leave, long service leave and other employee leave entitlements are recognised as employee related provisions in the Statement of Financial Position.

Short-term employee benefits

Provision is made for the Town’s obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Town’s obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

Long-term employee benefits provisions are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Town’s obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Town does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

16. REVALUATION SURPLUS

	2024 Opening Balance	2024 Change in Accounting Policy	Total Movement on Revaluation	2024 Closing Balance	2023 Opening Balance	Total Movement on Revaluation	2023 Closing Balance
	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	83,953,368	0	0	83,953,368	83,953,368	0	83,953,368
Revaluation surplus - Buildings - non-specialised	125,139	0	0	125,139	125,139	0	125,139
Revaluation surplus - Buildings - specialised	2,949,804	0	0	2,949,804	2,949,804	0	2,949,804
Revaluation surplus - Furniture and equipment	59,622	0	0	59,622	59,622	0	59,622
Revaluation surplus - Plant and equipment	607,596	0	0	607,596	607,596	0	607,596
Revaluation surplus - Electronic equipment	290,432	0	0	290,432	290,432	0	290,432
Revaluation surplus - Land vested in and under control	617,710	0	0	617,710	617,710	0	617,710
Revaluation surplus - Infrastructure - roads	34,185,232	0	0	34,185,232	2,722,318	31,462,914	34,185,232
Revaluation surplus - Infrastructure - paths	9,126,105	0	0	9,126,105	6,970,083	2,156,022	9,126,105
Revaluation surplus - Infrastructure - drainage	4,155,797	0	0	4,155,797	955,086	3,200,711	4,155,797
Revaluation surplus - Infrastructure - parks and reserves	2,342,936	0	0	2,342,936	1,386,654	956,282	2,342,936
Revaluation surplus - Infrastructure - car parks	970,158	0	0	970,158	714,490	255,668	970,158
Revaluation surplus - Infrastructure - street furniture	4,040,686	0	0	4,040,686	553,082	3,487,604	4,040,686
Revaluation surplus - Infrastructure - streetlights	617,082	0	0	617,082	6,271	610,811	617,082
Revaluation surplus - Infrastructure - artefacts	393,500	0	0	393,500	554,000	(160,500)	393,500
Revaluation surplus - Infrastructure - public art collection	391,951	0	0	391,951	7,604	384,347	391,951
Revaluation surplus - Infrastructure - leasehold improvements	61,779	0	0	61,779	61,779	0	61,779
	144,888,897	0	0	144,888,897	102,535,038	42,353,859	144,888,897
Revaluation surplus - Share from investments in associates	0	0	4,176	4,176	0	0	0
	144,888,897	0	4,176	144,893,073	102,535,038	42,353,859	144,888,897

The movement in the revaluation surplus for infrastructure roads relates to an impairment loss as a result of a flood event. Refer to Note 9(a).

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

17. RESTRICTIONS OVER FINANCIAL ASSETS

The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:

	Note	2024 Actual \$	2023 Actual \$
- Cash and cash equivalents	3	0	2,414,794
- Financial assets at amortised cost	4	12,307,527	9,414,766
		<u>12,307,527</u>	<u>11,829,560</u>

The restricted financial assets are a result of the following specific purposes to which the assets may be used:

Restricted reserve accounts	26	12,115,121	11,739,560
Capital grant liabilities	13	192,406	90,000
Total restricted financial assets		<u>12,307,527</u>	<u>11,829,560</u>

**18. UNDRAWN BORROWING FACILITIES AND CREDIT
STANDBY ARRANGEMENTS**

Bank overdraft limit		0	0
Bank overdraft at balance date		0	0
Credit card limit		150,000	150,000
Credit card balance at balance date		(18,148)	(1,077)
Total amount of credit unused		<u>131,852</u>	<u>148,923</u>

Loan facilities

Loan facilities - current		459,727	4,377,136
Loan facilities - non-current		4,729,434	1,038,157
Total facilities in use at balance date		<u>5,189,161</u>	<u>5,415,293</u>

Unused loan facilities at balance date		0	0
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**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

19. CAPITAL COMMITMENTS

	2024	2023
	\$	\$
Contracted for:		
- capital expenditure projects	79,331	0
	79,331	0
Payable:		
- not later than one year	79,331	0

The major capital commitments are as per below:
 1. Bay View Community Centre Upgrade (\$58,849)
 2. Claremont Aquatic Centre Paving (\$20,482)

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

20. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

Fees, expenses and allowances to be paid or reimbursed to elected council members.

Note	2024 Actual	2024 Budget	2023 Actual
	\$	\$	\$
Mayor's annual allowance	38,450	38,450	37,881
Mayor's meeting attendance fees	26,370	17,030	25,976
Mayor's ICT expenses	0	500	0
Mayor's annual allowance for ICT expenses	3,500	3,500	3,500
	<u>68,320</u>	<u>59,480</u>	<u>67,357</u>
Deputy Mayor's annual allowance	9,659	9,613	9,470
Deputy Mayor's meeting attendance fees	17,030	17,030	16,776
Deputy Mayor's annual allowance for ICT expenses	3,500	3,500	3,500
	<u>30,189</u>	<u>30,143</u>	<u>29,746</u>
All other council member's meeting attendance fees	124,482	134,050	134,208
All other council member's annual allowance for ICT expenses	25,585	25,500	28,000
	<u>150,067</u>	<u>159,550</u>	<u>162,208</u>
20(b)	<u>248,576</u>	<u>249,173</u>	<u>259,311</u>

(b) Key Management Personnel (KMP) Compensation

The total of compensation paid to KMP of the Town during the year are as follows:

Short-term employee benefits	869,907	842,389
Post-employment benefits	110,419	104,466
Employee - other long-term benefits	14,339	19,616
Council member costs	248,576	259,311
20(a)	<u>1,243,241</u>	<u>1,225,782</u>

Short-term employee benefits

These amounts include all salary and fringe benefits awarded to KMP except for details in respect to fees and benefits paid to council members which may be separately found in the table above.

Post-employment benefits

These amounts are the current-year's cost of the Town's superannuation contributions made during the year.

Other long-term benefits

These amounts represent annual leave and long service leave entitlements accruing during the year.

Council member costs

These amounts represent payments of member fees, expenses, allowances and reimbursements during the year.

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

20. RELATED PARTY TRANSACTIONS

Transactions with related parties

Transactions between related parties and the Town are on normal commercial terms and conditions, no more favourable than those available to other parties, unless otherwise stated.

No outstanding balances or provisions for doubtful debts or guarantees exist in relation to related parties at year end.

In addition to KMP compensation above the following transactions occurred with related parties:

	2024 Actual	2023 Actual
	\$	\$
Sale of goods and services	4,705	1,326
Reimbursement - key management personnel	4,935	1,181

Related Parties

The Town's main related parties are as follows:

i. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Town, directly or indirectly, including any council member, are considered key management personnel and are detailed in Notes 20(a) and 20(b).

ii. Other Related Parties

An associate person of KMP was employed by the Town under normal employment terms and conditions. Any entity that is controlled by or over which KMP, or close family members of KMP, have authority and responsibility for planning, directing and controlling the activity of the entity, directly or indirectly are considered related parties in relation to the Town.

iii. Entities subject to significant influence by the Town

An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

21. INVESTMENT IN ASSOCIATES

(a) Investment in associates

Set out in the table below are the associates of the Town. All associates are measured using the equity method. Western Australia is the principal place of business for all associates.

Name of entity	% of ownership interest		2024	2023
	2024	2023	Actual	Actual
Western Metropolitan Regional Council (WMRC) Refer note 19 (b)	21.34%	21.34%	\$ 753,271	\$ 699,860
Total equity-accounted investments			753,271	699,860

(b) Share of Investment

The Town together with the Town of Cottesloe, the Town of Mosman Park, the Shire of Peppermint Grove and the City of Subiaco have an interest in the Western Metropolitan Regional Council (WMRC) waste transfer station. The Council was formed to provide efficient treatment and/or disposal of waste. A waste transfer station was constructed from funds provided from constituent Councils. The voting power held by the Town is 20% and the Town's 21.34% share of the net assets are included as follows:

	Note	2024 Actual	2023 Actual
Summarised statement of comprehensive income			
Revenue		\$ 9,160,607	\$ 7,639,295
Interest revenue		64,357	47,360
Finance cost		(3,994)	(598)
Depreciation		(396,601)	(242,361)
Profit/(loss) from continuing operations		230,718	315,412
Profit/(loss) from discontinued operations			
Profit/(loss) for the period		230,718	315,412
Other comprehensive income		19,567	
Total comprehensive income for the period		250,285	315,412
Summarised statement of financial position			
Cash and cash equivalents		1,266,551	1,179,365
Other current assets		841,106	492,639
Total current assets		2,107,657	1,672,004
Non-current assets		2,485,404	2,638,682
Total assets		4,593,061	4,310,686
Current financial liabilities		988,516	1,016,356
Other current liabilities			
Total current liabilities		988,516	1,016,356
Non-current financial liabilities		74,692	14,763
Other non-current liabilities			
Total non-current liabilities		74,692	14,763
Total liabilities		1,063,208	1,031,119
Net assets		3,529,853	3,279,567
Reconciliation to carrying amounts			
Opening net assets 1 July		3,279,567	2,964,155
Changes in members contributions		0	0
Profit/(Loss) for the period		230,718	315,412
Other comprehensive income		19,567	0
Closing net assets 30 June		3,529,852	3,279,567
Carrying amount at 1 July		699,860	632,550
- Share of associates net profit/(loss) for the period	21(e)	49,235	67,310
- Share of associates other comprehensive income arising during the period		4,176	0
Carrying amount at 30 June (Refer to Note 21(a))		753,271	699,860

MATERIAL ACCOUNTING POLICIES

Investments in associates

An associate is an entity over which the Town has significant influence, that is it has the power to participate in the financial and operating policy decisions of the investee but not control or joint control of those policies.

Investments in associates are accounted for using the equity method. The equity method of accounting, is whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Town's share of net assets of the associate. In addition, the Town's share of the profit or loss of the associate is included in the Town's profit or loss.

(e) Share of associates net profit/(loss) for the period

Investment in Western Metropolitan Regional Council (WMRC) Refer note 19 (b)

	2024 Actual	2023 Actual
	\$	\$
	49,235	67,310
	49,235	67,310

TOWN OF CLAREMONT
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FOR THE YEAR ENDED 30 JUNE 2024

22. OTHER MATERIAL ACCOUNTING POLICIES

a) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

b) Current and non-current classification

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Town's operational cycle. In the case of liabilities where the Town does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the Town's intentions to release for sale.

c) Rounding off figures

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar. Amounts are presented in Australian Dollars.

d) Comparative figures

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the Town applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements that has a material effect on the statement of financial position, an additional (third) Statement of Financial Position as at the beginning of the preceding period in addition to the minimum comparative financial report is presented.

e) Budget comparative figures

Unless otherwise stated, the budget comparative figures shown in this annual financial report relate to the original budget estimate for the relevant item of disclosure.

f) Superannuation

The Town contributes to a number of Superannuation Funds on behalf of employees. All funds to which the Town contributes are defined contribution plans.

g) Fair value of assets and liabilities

Fair value is the price that the Town would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

h) Interest revenue

Interest revenue is calculated by applying the effective interest rate to the gross carrying amount of a financial asset measured at amortised cost except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

i) Fair value hierarchy

AASB 13 *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Town selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Town are consistent with one or more of the following valuation approaches:

Market approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach

Valuation techniques that reflect the current replacement cost of the service capacity of an asset.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Town gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

j) Impairment of assets

In accordance with Australian Accounting Standards the Town's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount except for non-financial assets that are:

- land and buildings classified as property, plant and equipment;
- infrastructure; or
- vested improvements that the local government controls, in circumstances where there has been an impairment indication of a general decrease in asset values.

These non-financial assets are assessed in accordance with the regulatory framework detailed in Note 10.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. AASB 116 *Property, Plant and Equipment*) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

TOWN OF CLAREMONT
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23. RATING INFORMATION

(a) General Rates

RATE TYPE		2023/24	2023/24	2023/24	2023/24	2023/24	2023/24	2023/24	2023/24	2022/23	
Rate Description	Basis of valuation	Rate in \$	Number of Properties	Actual Rateable Value*	Actual Rate Revenue	Actual Interim Rates	Actual Total Revenue	Budget Rate Revenue	Budget Interim Rate	Budget Total Revenue	Actual Total Revenue
General rates	Gross rental valuation	0.058281	3,456	152,500,550	8,887,885	24,302	8,912,187	8,914,435	180,000	9,094,435	13,875,736
Commercial rates	Gross rental valuation	0.071741	268	68,417,418	4,908,334	0	4,908,334	5,008,874	0	5,008,874	
Total general rates			3,724	220,917,968	13,796,219	24,302	13,820,521	13,923,309	180,000	14,103,309	13,875,736
Minimum payment											
General rates	Gross rental valuation	1,421	1,763	34,148,900	2,505,223	0	2,505,223	2,520,854	0	2,520,854	1,882,240
Commercial rates	Gross rental valuation	1,421	17	248,989	24,157	0	24,157	25,578	0	25,578	
Total minimum payments			1,780	34,397,889	2,529,380	0	2,529,380	2,546,432	0	2,546,432	1,882,240
Total general rates and minimum payments			5,504	255,315,857	16,325,599	24,302	16,349,901	16,469,741	180,000	16,649,741	15,757,976
Specified Area Rates											
BID Program - Promotion of CBD	Gross rental valuation	0.0018312	108	49,147,886	90,000	0	90,000	90,000	0	90,000	60,274
Total Rates							16,439,901			16,739,741	15,818,250
Rate instalment interest							109,716			150,000	131,360
Rate overdue interest							61,142			49,000	34,901

The rate revenue was recognised from the rate record as soon as practicable after the Town resolved to impose rates in the financial year as well as when the rate record was amended to ensure the information in the record was current and correct.

*Rateable Value at time of raising of rate.

**TOWN OF CLAREMONT
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24. DETERMINATION OF SURPLUS OR DEFICIT

Note	2023/24 (30 June 2024 Carried Forward) \$	2023/24 Budget (30 June 2024 Carried Forward) \$	2022/23 (30 June 2023 Carried Forward) \$
(a) Non-cash amounts excluded from operating activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to operating activities			
	(121,490)	(29,919)	(95,903)
	(49,235)	0	(67,310)
	0	10,037	0
8(a)	0	0	0
	3,960,149	4,034,247	3,573,345
Non-cash movements in non-current assets and liabilities:			
	23,081	0	(27,349)
	605,026	0	0
	(82,723)	0	133,093
	57	0	12,035
	4,334,865	4,014,365	3,527,911
(b) Surplus or deficit after imposition of general rates			
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
Adjustments to net current assets			
26	(12,115,121)	(10,991,791)	(11,739,560)
14	459,727	477,461	4,377,136
11(b)	50,024	43,981	45,087
	0	687,093	0
	(11,605,370)	(9,783,256)	(7,317,337)
Net current assets used in the Statement of Financial Activity			
	19,079,902	13,402,678	18,212,484
	(4,838,990)	(3,619,422)	(8,155,279)
	(11,605,370)	(9,783,256)	(7,317,337)
	2,635,542	0	2,739,868

TOWN OF CLAREMONT
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2024

25. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual						Budget				
		Principal at 1 July 2022	New Loans During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	New Loans During 2023-24	Principal Repayments During 2023-24	Principal at 30 June 2024	Principal at 1 July 2023	New Loans During 2023-24	Principal Repayments During 2023-24	Principal at 30 June 2024
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Loan 1: Aquatic Centre Refurbishment		577,422	0	(53,139)	524,283	0	(56,561)	467,722	524,283	0	(56,561)	467,722
Loan 2: 333 Stirling Highway		4,480,645	0	(218,267)	4,262,378	0	(4,262,378)	0	4,262,377	0	(140,888)	4,121,489
Loan 2c: 333 Stirling Highway		0	0	0	0	4,151,004	0	4,151,004	0	0	0	0
Loan 3: Claremont Community Hub		684,323	0	(55,691)	628,632	0	(58,197)	570,435	628,632	0	(58,197)	570,435
Loan 5: Underground Power		2,400,000	0	(2,400,000)	0	0	0	0	0	0	0	0
Total		8,142,390	0	(2,727,097)	5,415,293	4,151,004	(4,377,136)	5,189,161	5,415,292	0	(255,646)	5,159,646

Borrowing Finance Cost Payments

Purpose	Loan Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2024	Budget for year ending 30 June 2024	Actual for year ending 30 June 2023
Loan 1: Aquatic Centre Refurbishment	1	*	6.34%	14/12/2030	(32,357)	(32,357)	(138,734)
Loan 2: 333 Stirling Highway	2	*	2.73%	30/12/2023	(58,181)	(165,490)	(60,378)
Loan 2c: 333 Stirling Highway	2c	*	4.17%	13/03/2027	0	0	0
Loan 3: Claremont Community Hub	3	*	4.45%	26/06/2032	(27,334)	(27,334)	(47,973)
Loan 4b: Claremont No.1	4b	*	6.34%	14/06/2030	0	0	(39,704)
Total					(117,872)	(225,181)	(286,789)
Total Finance Cost Payments					(117,872)	(225,181)	(286,789)

* WA Treasury Corporation

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

25. BORROWING AND LEASE LIABILITIES (Continued)

(b) New Borrowings - 2023/24

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
					2024 Actual	2024 Budget	2024 Actual	2024 Budget		
Loan 2c: 333 Stirling Highway (refinancing existing loan)	*	Fixed	3	4.17%	\$ 4,151,004	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
					\$ 4,151,004	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

* WA Treasury Corporation

(c) Lease Liabilities

Purpose	Note	Actual						Budget				
		Principal at 1 July 2022	New Leases During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	New Leases During 2023-24	Principal Repayments During 2023-24	Principal at 30 June 2024	Principal at 1 July 2023	New Leases During 2023-24	Principal Repayments During 2023-24	Principal at 30 June 2024
EL227 - Personal computing		\$ 53,245	\$ 0	\$ (14,219)	\$ 39,026	\$ 0	\$ (19,599)	\$ 19,427	\$ 50,438	\$ 0	\$ (28,532)	\$ 21,906
EL228 - Printer/copiers		24,648	0	(4,878)	19,770	0	(6,677)	13,093	27,190	0	(9,975)	17,215
BLD54 - Car bays		26,805	0	(7,210)	19,595	0	(8,816)	10,779	23,586	0	(11,693)	11,893
BLD55 - Museum storage		1,925	0	(1,925)	0	0	0	0	0	0	0	0
PE459 - Coffee Machine		3,715	0	(1,564)	2,151	0	(1,702)	449	2,239	0	(1,790)	449
EL225 - Wide Area Network rental**		0	47,880	(5,257)	42,623	0	(9,334)	33,289	0	0	0	0
Total Lease Liabilities	11(b)	110,338	47,880	(35,053)	123,165	0	(46,128)	77,037	103,453	0	(51,990)	51,463

Lease Finance Cost Payments

Purpose	Lease Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2024	Budget for year ending 30 June 2024	Actual for year ending 30 June 2023	Lease Term
EL227 - Personal computing	EL227	Dell	2.71%	31/03/2025	\$ (9,939)	\$ (1,001)	\$ (19,260)	3 years
EL228 - Printer/copiers	EL228	Kyocera	2.05%	31/01/2026	(4,193)	(441)	(7,866)	4 years
BLD54 - Car bays	BLD54	Charter Hall	1.69%	30/06/2025	(3,184)	(307)	(10,202)	10 years
BLD55 - Museum storage	BLD55	Defreites & Ryan	2.08%	30/09/2022	0	0	(1)	1 year
PE459 - Coffee Machine	PE459	Gesha Coffee Co	0.71%	30/09/2024	(118)	(10)	(508)	3 years
EL225 - Wide Area Network rental**	EL225	TPG	3.00%	19/04/2026	0	0	(13,692)	Not applicable
Total Finance Cost Payments					(17,434)	(1,759)	(51,529)	

**TOWN OF CLAREMONT
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	2024 Actual Opening Balance	2024 Actual Transfer to	2024 Actual Transfer (from)	2024 Actual Closing Balance	2024 Budget Opening Balance	2024 Budget Transfer to	2024 Budget Transfer (from)	2024 Budget Closing Balance	2023 Actual Opening Balance	2023 Actual Transfer to	2023 Actual Transfer (from)	2023 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
26. RESERVE ACCOUNTS												
Restricted by legislation/agreement												
(a) NEP Developer Contributions	475,244	4,507	0	479,751	467,398	18,696	0	486,094	457,627	17,617	0	475,244
(b) Cash in lieu of Parking	580,544	5,505	0	586,049	572,060	22,882	0	594,942	559,024	21,520	0	580,544
(c) Claremont Town Centre - Specified Area Rate	214,115	15,674	(30,000)	199,789	184,790	7,392	0	192,182	272,880	1,235	(60,000)	214,115
	1,269,903	25,686	(30,000)	1,265,589	1,224,248	48,970	0	1,273,218	1,289,531	40,372	(60,000)	1,269,903
Restricted by council												
(d) Pool Upgrade	687,265	255,045	0	942,310	593,609	23,744	(555,000)	62,353	683,990	3,275	0	687,265
(e) Plant Replacement	167,647	11,269	0	178,916	171,396	6,856	0	178,252	167,208	439	0	167,647
(f) Irrigation and Drainage	598,680	40,264	0	638,944	510,380	20,415	0	530,795	598,062	618	0	598,680
(g) Public Art	189,922	39,580	(30,000)	199,502	191,491	7,660	(30,000)	169,151	167,821	22,101	0	189,922
(h) Parking	1,205,890	11,435	0	1,217,325	1,225,477	49,019	0	1,274,496	1,203,709	2,181	0	1,205,890
(i) Building	449,814	37,158	0	486,972	462,612	18,504	0	481,116	567,874	1,940	(120,000)	449,814
(j) Future Fund	5,160,143	264,335	(380,000)	5,044,478	5,007,545	351,852	(200,000)	5,159,397	7,078,863	440,458	(2,359,178)	5,160,143
(k) Claremont Joint Venture	1,030,562	32,946	0	1,063,508	1,012,691	40,508	0	1,053,199	990,779	39,783	0	1,030,562
(l) Heritage Grant	93,041	5,514	(17,541)	81,014	90,587	3,623	(4,000)	90,210	92,708	333	0	93,041
(m) Employee Entitlement	653,636	38,084	0	691,720	660,666	26,427	0	687,093	551,569	102,067	0	653,636
(n) WESROC Contributions	233,057	202,210	(130,424)	304,843	262,645	209,589	(439,723)	32,511	0	233,057	0	233,057
	10,469,657	937,840	(557,965)	10,849,532	10,189,099	758,197	(1,228,723)	9,718,573	12,102,583	846,252	(2,479,178)	10,469,657
	11,739,560	963,526	(587,965)	12,115,121	11,413,347	807,167	(1,228,723)	10,991,791	13,392,114	886,624	(2,539,178)	11,739,560

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserve accounts.

In accordance with council resolutions or adopted budget in relation to each reserve account, the purpose for which the reserves are set aside and their anticipated date of use are as follows:

Name of reserve account	Purpose of the reserve account
Restricted by legislation/agreement	
(a) NEP Developer Contributions	To accumulate funds to cover the Town's contribution to NEP Development arising from ownership of Lot 11578 Claremont Crescent.
(b) Cash in lieu of Parking	To provide for the purchase of land for car parking in accordance with Clause 33(2).
(c) Claremont Town Centre - Specified Area Rate	To fund promotion and publicity for Claremont CBD.
Restricted by council	
(d) Pool Upgrade	To fund major maintenance of the Claremont Pool.
(e) Plant Replacement	To provide for the replacement of major items of heavy plant.
(f) Irrigation and Drainage	To provide funds for the replacement, renewal and upgrade of irrigation and drainage.
(g) Public Art	To assist with the programmed purchase and development of Public Art assets throughout the Town.
(h) Parking	To provide for the purchase, upgrade or renewal of parking infrastructure.
(i) Building	To provide for building renewal in accordance with the Town's Asset Management Plans.
(j) Future Fund	To provide for the future planning and undertaking of capital and infrastructure works in the Town.
(k) Claremont Joint Venture	To provide for traffic modifications/roads works within the Town Centre zone and the surrounding roads.
(l) Heritage Grant	To assist with funding the Town's heritage grant maintenance program.
(m) Employee Entitlement	To fund annual and long service leave requirements.
(n) WESROC Contributions	To fund the Western Suburbs Regional Organisation of Councils projects and initiatives and hold funds contributed by each council member.

6.2 LG CYBER SECURITY UPLIFT PROJECT

File Number:	INT/09/00002
Author:	Bree Websdale (Director Governance and People), Keirin Leveridge (Manager ICT)
Authoriser:	Liz Ledger (Chief Executive Officer)
Attachments:	1. CONFIDENTIAL REDACTED - Town of Claremont- Engagement Letter - CSU Services _ signed Town of Claremont [6.2.1 - 8 pages]

PURPOSE

To note the Town's participation in the Department of Local Government, Sport and Cultural Industries (DLGSC) and the Office of Digital Government (DGOV)'s 'Local Government Cyber Security Uplift Pilot Project' (the Project).

BACKGROUND

The Department of Local Government, Sport and Cultural Industries (DLGSC) received \$946,000 in funding in the State budget to explore ways to boost local governments capacity to address cyber security threats.

The DLGSC is partnering with the Office of Digital Government (DGOV) in the Department of Premier and Cabinet (DPC) to deliver a 2-year pilot program to assist Class 3 and 4 local governments. Class 3 and 4 local governments were invited to participate in the Project.

DISCUSSION

The Town nominated to be involved and has been accepted, into the Project. The Town provided a copy of audit findings and management letters from the Auditor General. This was used to undertake an initial scan of capability maturity to determine if the Town's systems were compatible with the Microsoft Essential 8 to commence work as a pilot site.

The Town has signed an engagement letter (**Attachment A**). The Project is scheduled to run from 23 October 2024 to 30 June 2026.

The objectives of the Project include:

- Baseline the Town's cyber environment utilising the Vulnerability Scanning Service;
- Measuring the Town's cyber security maturity against the WA Cyber Security Policy;
- Understanding the Town's current cyber security position against any actions or progression against existing OAG Audit findings; and
- Developing a roadmap that enables the Town to systematically reduce cyber security risks.

The DGOV Cyber Security Unit and the Town have agreed on a delivery of services that enables the Project to operate confidentially. This ensures that confidential matters in relation to cyber security risks, technical vulnerabilities and operational matters to cyber uplift are streamlined.

Key milestones against an agreed roadmap from the Project will be reported to the Town and DLGSC as part of the Project's governance processes.

The Project has progressed through undertaking the baseline assessment of the Town's cyber security position against the WA Cyber Security Policy. This has primarily been an information-gathering exercise to understand some of the processes that support cybersecurity.

Additional benefits of the Project include:

- Staff capacity and skills or knowledge will be boosted through in-person training and support.
- New online training and information resources will be developed and provided to the Town.

PAST RESOLUTIONS

Nil

FINANCIAL AND STAFF IMPLICATIONS

There will be significant cost savings from participating in the Project.

The Town had budgeted to appoint a consultant to undertake a vulnerability assessment in 24/25, but this has been undertaken through the Project at no cost to the Town.

The Town is responsible for providing sufficient staff time to fulfil the requirements of the Project. This can be accommodated without additional staff resources.

POLICY AND STATUTORY IMPLICATIONS

WA Cyber Security Policy

COMMUNICATION AND CONSULTATION

Nil

STRATEGIC COMMUNITY PLAN**Leadership and Governance**

We are an open and accountable local government; a leader in community service standards.

- Demonstrate a high standard of governance, accountability, management and strategic planning.
- Continually assess our performance and implement initiatives that drive continuous improvement.

URGENCY

Nil

VOTING REQUIREMENTS

Simple Majority decision of Committee (*More than half the Committee Members present are required to vote in favour*).

OFFICER RECOMMENDATION

That the Audit and Risk Committee note the Town's participation in the Department of Local Government, Sport and Cultural Industries (DLGSC) and the Office of Digital Government (DGov)'s 'Local Government Cyber Security Uplift Pilot Project'.

6.3 REVIEW OF COUNCIL POLICIES

File Number:	COM/00032
Author:	Emma Heys (Manager Governance and Records), Bree Websdale (Director Governance and People)
Authoriser:	Liz Ledger (Chief Executive Officer)
Attachments:	<ol style="list-style-type: none">1. Proposed LG548 Panels of Pre Qualified Suppliers (1) [6.3.1 - 2 pages]2. L G 512 Corporate Purchasing Cards Current [6.3.2 - 1 page]3. LG512 Corporate Purchasing Cards Amended (3) [6.3.3 - 2 pages]4. L G 509 Purchasing Current [6.3.4 - 6 pages]5. LG509 Purchasing Amended (1) [6.3.5 - 6 pages]

PURPOSE

For the Audit and Risk Committee to consider and recommend for adoption by Council:

1. New Council Policy – Panels of Pre-Qualified Suppliers (LG548);
2. Amendments to LG512 Corporate Purchasing Cards; and
3. Amendments to LG509 Purchasing Policy.

BACKGROUND

Section 2.7 of the *Local Government Act 1995* (Act) provides:

(1) The council —

(a) governs the local government's affairs; and

(b) is responsible for the performance of the local government's functions.

(2) Without limiting subsection (1), the council is to —

(a) oversee the allocation of the local government's finances and resources; and

(b) determine the local government's policies.

Council is responsible for determining the strategic direction of the Town. This is assisted by the adoption of Council policies reflecting this direction and guiding the Town's decision-making processes.

Council policies should:

- Be separate from administrative work procedures (which need to evolve to ensure continuous improvement).
- Should not duplicate sections of an Act or Regulations.

The Audit and Risk Management Committee is a formally appointed committee of Council and is responsible to that body. The Committee was established to provide an independent oversight of the financial systems of the Town on behalf of Council.

The Committee is responsible for advising Council on all matters relating to:

- External audits;
- Internal statutory reviews and audits;
- Compliance with legal and statutory requirements; and
- Risk management.

The Committee is asked to review and provide a recommendation to Council with regards to three policies that relate to statutory requirements and risk management.

DISCUSSION

Panels of Pre-Qualified Suppliers

Regulation 24AC of the *Local Government (Functions and General) 1996* (the Regulations) requires that a local government must have a written policy prior to establishing a panel of pre-qualified suppliers, which makes provision for certain matters relating to those panels.

The Regulations provide the ability for local governments to create panels of pre-qualified suppliers in which to efficiently procure similar or repetitive goods and or services. In terms of these provisions, local governments are required to adopt a policy detailing how a panel is proposed to operate, the method by which each panel supplier will be invited to quote, how panel suppliers will be communicated with and the Town’s record management obligations in regard to requests for quotations and the purchasing process.

The Policy has been developed as the detail previously included in LG509 relating to the use of pre-qualified supplier panels did not contain all the elements required under Part 4, Division 3 of the Regulations. To satisfy the Regulations, the new Policy provides clarity and further details on the use of panels for procurement.

A copy of the new Panels of Pre-Qualified Suppliers Policy is included at **Attachment A**.

Corporate Purchasing Cards

This Policy has been amended to provide clarity in the use of the Corporate Purchasing Cards (Cards). The CEO retains discretion to authorise Cards. In practice, these are provided to the manager of each business unit for small and incidental purchases to ensure efficiency in purchasing within their business unit. All purchases must be pre-approved by the manager. The proposed amendments provide for another team member within that business unit to use the Card with a manager’s authorisation.

Prior to receiving a Card, all staff are provided with training on use of the Card, and access to the Town’s Purchasing Policy. The Town will implement a requirement for cardholders to sign an acknowledgement of their obligations as card holders prior to receiving the Card.

The current corporate purchasing cards policy is included at **Attachment B**, with the proposed amended Corporate Purchasing Cards Policy included at **Attachment C**.

Purchasing Policy

This Policy has been reviewed, and the purchasing thresholds are recommended to be amended as follows:

Purchase Value Threshold /Contract Value (excluding GST)	Recommended Amended Purchasing Activity	Current Purchasing Policy
Under \$3,000	No formal activity required. Value for money principles followed.	This was previously \$1,000 - \$5,000 2 oral or written quotations
Over \$3,000 and up to \$10,000	Obtain at least two (2) oral or written quotations from suppliers. The market must be tested	This was previously \$5,000- \$15,000 Two (2) oral or written quotations
Over \$10,000 and up to \$50,000	Obtain at least two (2) written quotations from suppliers following issue of a brief outlining	This was previously \$15,000 to \$50,000 Three (3) written quotations

	the specified requirement.	
Over \$50,000 and up to \$100,000	Obtain at least three (3) written quotations from suppliers following issue of a brief outlining the specified requirement.	This was previously over \$50,000 and up to \$250,000 Formal RFQ process
Over \$100,000 and up to \$250,000	A formal RFQ process must be followed in accordance with the Act and the Regulations. At least three (3) written quotations must be obtained.	New threshold
Over \$250,000	A formal RFT process must be followed in accordance with the Act and the Regulations subject to the exceptions in Regulation 11(2) and as set out within this policy.	Unchanged

The Policy has a new section “Defining the purchasing value” which will assist officers to apply value for money principles ensuring the appropriate purchasing threshold is applied to each purchasing activity.

The purchasing exemptions have also been expanded to include:

- Services from an Australian Disability Enterprise.
- Services or goods from a business registered on the Aboriginal Business Directory of WA.

The current purchasing policy is included at **Attachment D**, with the proposed amended Purchasing Policy included at **Attachment E**.

PAST RESOLUTIONS

Council Meeting 23 November 2023, Resolution 164/23

That Council

1. *Endorse the proposed changes to the Policies presented in Attachment 1.*
2. *Adopts the updated Policies as presented in Attachment 2.*
3. *Revokes Council Policy LG506 Expenditure Variations – Operating Budget.*
4. *Endorses the policy manual to be reviewed at three yearly intervals.*

CARRIED

Ordinary Council Meeting 16 February 2021, Resolution 020/21

That Council:

1. *Adopt the policies (LG 533 – Complaints Management, LG 534 – Risk Management, LG 535- Legislative Compliance, LG536 – Public Interest Disclosure and LG537 – Fraud Prevention) as presented in Attachments 1, 2, 3, 4 and 5 for inclusion in the Policy Manual.*
2. *Adopt the policies (LG509- Purchasing, LG512-Corporate Purchasing Cards and LG530-Bank Accounts) as presented in Attachments 7, 9 and 11 for inclusion in the Policy Manual.*

CARRIED

Ordinary Council Meeting 18 December 2018, Resolution 228/18

That Council:

- 1. Endorse the proposed changes to the Town Policy Manual, as presented in Attachment 1 and Attachment 2.*
- 2. Adopt the updated Town of Claremont Policy Manual, as presented in Attachment 3.*

CARRIED

FINANCIAL AND STAFF IMPLICATIONS

No financial or staff implications.

POLICY AND STATUTORY IMPLICATIONS

Local Government Act 1995

Local Government (Administration) Regulations 1996

Local Government (Functions and General) Regulations 1996

Local Government (Financial Management) Regulations 1996

COMMUNICATION AND CONSULTATION

The Chief Executive Officer and Executive Team have been consulted in the review of Council policies.

STRATEGIC COMMUNITY PLAN

Leadership and Governance

We are an open and accountable local government; a leader in community service standards.

- Demonstrate a high standard of governance, accountability, management and strategic planning.
- Manage our finances responsibly and improve financial sustainability.
- Continually assess our performance and implement initiatives that drive continuous improvement.

URGENCY

Nil

VOTING REQUIREMENTS

Simple Majority decision of Committee (*More than half the Committee Members present are required to vote in favour*).

OFFICER RECOMMENDATION

That the Audit and Risk Committee consider and recommend for adoption by Council:

- 1. New Council Policy – Panels of Pre-Qualified Suppliers (LG548);**
- 2. Amendments to LG512 Corporate Purchasing Cards; and**
- 3. Amendments to LG509 Purchasing Policy.**

COUNCIL POLICY LG548 PANELS OF PRE-QUALIFIED SUPPLIERS

KEY FOCUS AREA LEADERSHIP AND GOVERNANCE

Purpose

The purpose of this Policy is to outline when the Town may undertake to establish and manage a Panel of Pre-Qualified Suppliers, including how goods and services will be procured from a Panel.

Definitions

Panel means a panel of pre-qualified suppliers established in accordance with Part 4 Division 3 of the Regulations.

Panel Purchases means goods or services procured (or to be procured) by the Town from Panel Suppliers under a Panel arrangement.

Panel Supplier means a supplier accepted as a pre-qualified supplier on a Panel.

Regulations means the *Local Government (Functions and General) Regulations 1996*.

Policy

If the Town determines it is beneficial for a Panel of Pre-Qualified Suppliers (Panel) to be created, it will do so in accordance with Part 4, Division 3 *the Local Government (Functions and General) Regulations 1996* (the Regulations).

Panels may be established for the regular supply of particular goods or services, or for a range of categories of goods or services that are similar.

In accordance with the Regulations, a Panel may be created where most of the below listed factors can be quantifiably established:

- the Town has determined that a range of similar goods and/or services are required to be purchased on a continuing and regular basis;
- there are numerous potential suppliers in the market sector that achieve value for money principles;
- the purchasing activity under the intended Panel is assessed as being of a low to medium risk;
- the intended Panel will streamline and improve the purchasing process; and
- the Town has the capacity to establish, manage the risks and achieve the benefits expected of the intended Panel.

Allocation of Work

To satisfy r.24AD(5) of the Regulations, when establishing a Panel, the information to be included in each Request to join a Panel will include as to whether the Town intends to:

- obtain quotations from each pre-qualified supplier on the Panel with respect to all discreet purchases; and/or
- purchase goods and services exclusively from any pre-qualified supplier appointed to that Panel, and under what circumstances; and/or
- develop a ranking system for selection to the Panel, with work awarded in accordance with the Regulations.

In considering the distribution of work among Panel Suppliers, the request documents will also prescribe whether:

- each Panel Supplier will have the opportunity to bid for each item of work under the Panel, with pre-determined evaluation criteria forming part of the invitation to quote to assess the supplier's suitability for particular items of work. Contracts under the pre-qualified panel will be awarded on the basis of value for money in every instance;
- work will be awarded on a ranked basis, which is to be stipulated in the detailed information set out under Regulation 24AD(5)(f) when establishing the Panel. The Town will invite the highest ranked Panel Supplier, to give written notice as to whether to accept the offer for the work to be undertaken. Should the offer be declined, an invitation to the next ranked Panel Supplier is to be made and so forth until a Panel Supplier accepts a Contract. Should the list of Panel Suppliers invited be exhausted with no Panel Supplier accepting the offer to provide goods/services under the Panel, the Town may then invite suppliers that are not pre-qualified under the Panel, in accordance with the Purchasing Thresholds stated in Policy P605. When a ranking system is established; and/or
- an alternate method of distribution of work may be chosen. The Town will disclose this approach in the request documents when establishing the Panel. In every instance, a contract must not be formed with a Panel Supplier for an item of work beyond 12 months, or which includes options to extend the contract.

Records Management

All purchasing activity, communications and transactions must be evidenced and retained as local government records in accordance with the *State Records Act 2000* and the Town’s Record Keeping Plan.

Document Control Box			
Legislation:	Local Government Act 1995 Local Government (Functions and General) Regulations 1996 State Records Act 2000 (WA)		
Organisational:	LG509 Purchasing LG518 Records Management LG526 Asset Management LG534 Risk Management Internal Purchasing Work Procedures		
Version #	Decision:	OCM Date:	Resolution Number:
1.	Adopted		
2.			

COUNCIL POLICY LG512 CORPORATE PURCHASING CARDS

KEY FOCUS AREA LEADERSHIP AND GOVERNANCE

Purpose

The purpose of this policy is to provide guidance on the issue and control of the use of the corporate purchasing cards to employees of the Town of Claremont (**the Town**).

Policy

In respect to the issue and use of corporate purchasing cards:

- Council has authorised the responsibility of the issue of corporate purchasing cards to the Chief Executive Officer (**CEO**).
- The CEO can authorise the issue of cards to Directors and other officers as required.
- Purchasing limits in respect to these corporate purchasing cards will be determined by the CEO. A monthly card limit and an individual transaction limit will be determined for each card holder.
- Corporate purchasing cards are to be used only for business related expenditure.
- Custodians of corporate purchasing cards are entirely responsible for the use of that card, including authorised delegates. No other officer may use the card.
- Cardholders cannot incur and certify their own expenditure when arranging payment of the monthly invoice to the card supplier.
- Cardholders must not obtain personal benefit from the use of the cards, including receipt of frequent flyer points or other reward schemes.
- The use of corporate purchasing cards does not negate the requirement to comply with the Town’s purchasing policy.
- The CEO is to establish procedures for the use of corporate purchasing cards to ensure adequate control is exercised over their use and that expenditure incurred on such cards is included in the monthly schedule of accounts for payment to be reviewed by Council.

Document Control Box			
Legislation:	<i>Local Government Act 1995 s. 6.5(a) and s 2.7(2)(a) Local Government (Financial Management) Regulations 1996 s11(1)(a)</i>		
Organisational:	Corporate Purchasing Cards Procedure		
Version #	Decision:	OCM Date:	Resolution Number:
1.	Adopted	19 February 2013	28/13
2.	Reviewed	10 December 2013	360/13
3.	Reviewed	9 December 2014	203/14
4.	Reviewed	15 December 2015	226/15
5.	Reviewed	13 December 2016	206/16
6.	Reviewed	10 December 2018	228/18
7.	Modified	16 February 2021	020/21

COUNCIL POLICY LG512 CORPORATE PURCHASING CARDS

KEY FOCUS AREA LEADERSHIP AND GOVERNANCE

Purpose

The purpose of this policy is to provide guidance on the issue and control of the use of the corporate purchasing cards to employees of the Town of Claremont (**the Town**).

Policy

In respect to the issue and use of corporate purchasing cards:

- Council has authorised the responsibility of the issue of corporate purchasing cards to the Chief Executive Officer (**CEO**).
- The CEO can authorise the issue of cards to Directors and other officers as required.
- The Director of Corporate Services is authorised by the CEO to issue cards to other officers as required.
- Purchasing limits in respect to these corporate purchasing cards will be determined by the CEO. A monthly card limit and an individual transaction limit will be determined for each card holder.
- Corporate purchasing cards are to be used only for business related expenditure and to purchase within the adopted budget
- Custodians of corporate purchasing cards are entirely responsible for the use of that card. They may authorise other Town employees to use the card for business related expenditure
- Cardholders cannot incur and certify their own expenditure when arranging payment of the monthly invoice to the card supplier.
- Cardholders must not obtain personal benefit from the use of the cards, including receipt of frequent flyer points or other reward schemes.
- The use of corporate purchasing cards does not negate the requirement to comply with the Town’s purchasing policy.

The CEO is to approve procedures for the use of corporate purchasing cards to ensure adequate control is exercised over their use and that expenditure incurred on such cards is included in the monthly schedule of accounts for payment to be reviewed by Council.

Document Control Box			
Legislation:	<i>Local Government Act 1995 s. 6.5(a) and s 2.7(2)(a) Local Government (Financial Management) Regulations 1996 s11(1)(a)</i>		
Organisational:			
Version #	Decision:	OCM Date:	Resolution Number:
1.	Adopted	19 February 2013	28/13
2.	Reviewed	10 December 2013	360/13
3.	Reviewed	9 December 2014	203/14
4.	Reviewed	15 December 2015	226/15



5.	Reviewed	13 December 2016	206/16
6.	Reviewed	10 December 2018	228/18
7.	Modified	16 February 2021	020/21
8.	Modified		

COUNCIL POLICY LG509**PURCHASING**

KEY FOCUS AREA LEADERSHIP AND GOVERNANCE

Purpose

The purpose of this policy is to demonstrate Council's commitment to ensuring that all purchasing activities of the Town:

1. Achieve best value for money.
2. Are compliant with all relevant legislation and regulatory obligations.
3. Mitigate probity risk, by establishing consistent and demonstrated processes that promote transparency and fairness.

Definitions

Act means the *Local Government Act 1995*.

Purchase Value Threshold means the actual or expected value of a contract over the full contract period, including any options.

Pre-qualified panel of suppliers includes a supplier approved through the WALGA preferred supply program or State Government CUA.

Regulations means the *Local Government (Functions and General) Regulations 1996*.

RFT means Request for Tender.

RFQ means Request for Quotation.

WALGA means Western Australian Local Government Association.

Policy

The Town is committed to delivering best practice in purchasing activities that aligns with the principles of transparency, probity and good governance. The following principles must be observed through all stages of purchasing:

- All purchasing practices shall comply with all relevant legislation.
- All Town's Policies and the Code of Conduct must be followed.
- Purchasing is to be carried out to deliver the most advantageous outcome for the Town.
- Purchasing is to be carried out in accordance with approved budget provisions.
- All processes, evaluations and decisions shall be transparent, free from bias, merit based and fully documented in accordance with applicable policies, practices and procedures, and audit requirements.
- All employees of the Town must act in an honest and professional manner at all times which supports the standing of the Town. Full accountability shall be taken by employees for all purchasing decisions.
- Any actual or perceived conflicts of interest are to be identified, disclosed and appropriately managed.
- With respect to RFQ and RFTs all employees are expected to demonstrate due diligence in seeking quotations. The number of quotations obtained, the contract conditions and level of evaluation required should be determined by having regard to the type and nature of the purchase and the associated risk, and not purely the purchase value as set out in the purchasing threshold table.

- Employees must only undertake purchasing activities within their authorised limit.
- With respect to RFQ and RFTs all employees are expected to demonstrate due diligence in seeking quotations. The number of quotations obtained, the contract conditions and level of evaluation required should be determined by having regard to the type and nature of the purchase and the associated risk, and not purely the purchase value as set out in the purchasing threshold table below.

Purchasing Thresholds and Practices

The table below prescribes the minimum purchasing process that must be followed:

Purchase Value Threshold /Contract Value (excluding GST)/	Purchasing Requirements
\$1,000 to \$5,000	Obtain at least two (2) oral or written quotation.
Over \$5,000 and up to \$15,000	Obtain at least two (2) oral or written quotations from suppliers following issue of a brief outlining the specified requirement.
Over \$15,000 and up to \$50,000	Obtain at least three (3) written quotations from suppliers following issue of a brief outlining the specified requirement.
Over \$50,000 and up to \$250,000	A formal RFQ process must be followed in accordance with the Act and the Regulations. At least three (3) written quotations must be obtained. RFQ from a pre-qualified suppliers are not required to be invited using a RFQ, however at least three (3) written quotes are still required to be obtained.
Over \$250,000	A formal RFT process must be followed in accordance with the Act and the Regulations subject to the exceptions in Regulation 11(2) and as set out within this policy.

Purchasing exemptions under \$250,000

The following exemptions where the Town is not required to undertake a competitive purchasing process and where the total value of the purchase does not exceed \$250,000 include:

- Emergency Purchases.
- Purchases where there is a sole source of supply.
- Services of WALGA and LGIS.
- Services of government entities including, but not limited to Federal, State, Local government entities, and Government Trading Enterprises (GTE's).
- Newspaper advertising (or online equivalent).
- Advance / Prior Payment of Services (for example: accommodation, travel services, entertainment, conferences, seminars, Memberships, Subscriptions, training courses).
- Annual Services / Software maintenance / Support Fees.
- Fuels and Oils.
- Provision of utility services.
- Reimbursements.
- Purchases for maintenance of equipment from Original Equipment Manufacturer (OEMs) and where warranty provisions may be void.
- Purchases of urgent or unique nature or where exceptional circumstances arise and it is considered in the best interest of the Town, an exemption may be granted by the CEO. When exercised Council is to be advised.

Emergency Purchases

An emergency purchase is defined as an unanticipated and unbudgeted purchase which is required in response to an emergency situation as provided for in the Act. An emergency purchase does not relate to purchases not planned due to time constraints.

Sole Source of Supply

Where the purchasing requirement is over the value of \$5,000 and of such a unique nature that it can only be supplied from one supplier, the purchase is permitted without the requirement to obtain quotes, undertake a tender or quotation process. This is only permitted in circumstances where the Town is satisfied and can provide evidence that there is only one source of supply for those goods, services or works. The Town must use its best endeavours to determine if the sole source of supply is genuine by exploring if there are any alternative sources of supply. Once determined, the justification for the Sole Source of Supply must be endorsed by the relevant Director, prior to a contract being entered into.

Panels of Pre-qualified Suppliers

The Town may consider creating a Panel of Pre-qualified Suppliers ("Panel") when a range of similar goods and services are required to be purchased on a continuing and regular basis and it is advantageous to use multiple suppliers. Should the Town determine that a Panel is beneficial to be created, it must do so in accordance with Part 4, Division 3 of the Regulations.

Expressions of Interest

Expressions of Interest (**EOI**) may be considered in situations where the project is of a significant value or contains significant complexity of project delivery that may solicit responses from a considerable range of industry providers. In these cases, the Town may conduct an EOI process, preliminary to any request for Tender process, where the procurement requirement is:

- Unable to be sufficiently scoped or specified;
- Open to multiple options for how the purchasing requirement may be obtained, specified, created or delivered;
- Subject to a creative element; or
- To establish a procurement methodology that allows for an assessment of a significant number of tenderers leading to a shortlisting process based on non-price assessment criteria.

EOI processes are to be conducted in line with Part 4, Division 2 of the Regulations.

Purchasing Principles

Value for Money

‘Value for Money’ is determined when the consideration of price, risk, timeliness, environmental, social and qualitative factors are assessed to determine the most advantageous outcome to be achieved for the Town.

The Town will apply value for money principles when assessing purchasing decisions and acknowledges the lowest price may not always be the most advantageous. Other factors including qualitative and risk criteria will also be given consideration into the decision.

An assessment of the best value for money outcome for any purchasing process should consider:

- All relevant Total Costs of Ownership (‘TCO’) and benefits including transactional costs associated with acquisition, delivery, distribution, as well as other costs such as but not limited to holding costs, consumables, deployment, maintenance and disposal.
- The technical merits of the goods or services being offered.
- Financial viability and capacity to supply without risk of default.
- A strong element of competition in the allocation of orders or the awarding of contracts.
- The safety requirements associated with both the product design and specification offered by suppliers and the evaluation of risk when considering purchasing goods and services from suppliers.

Sustainable Procurement and Corporate Social Responsibility

Where appropriate, the Town shall endeavour to provide an advantage to suppliers demonstrating that they minimise environmental and negative social impacts and embrace sustainable business practices and Corporate Social Responsibility. These considerations must be balanced against value for money outcomes.

Anti-Avoidance

The Town or its employees shall not, at any stage, seek to enter into two or more contracts or create multiple purchase order transactions of a similar nature for the purpose of "splitting" the value of the purchase or contract in order to reduce the value of the consideration of the purchase below a particular purchasing threshold.

Local Economic Benefit

Under the State Government’s Buy Local Policy, Government Agencies and Local Governments, including the Town, are encouraged to maximise participation of local and small businesses in the supply of goods, services and works. As much as practicable, the Town will:

- Where appropriate, consider buying practices, procedures and specifications that do not unfairly disadvantage local businesses.
- Consider indirect benefits that have flow on benefits for local suppliers (i.e. servicing and support).
- Ensure that procurement plans address local business capability and local content.
- Explore the capability of local businesses to meet requirements and ensure that Requests for Quotation and Tenders are designed to accommodate the capabilities of local businesses.
- Avoid bias in the design and specifications for Requests for Quotation and Tenders – all Requests must be structured to encourage local businesses to bid.
- Provide adequate and consistent information to potential suppliers.

Document Control Box			
Legislation:	Local Government Act 1995 Local Government (Functions and General) Regulations 1996 State Records Act 2000 (WA)		
Organisational:	Internal Procurement Work Procedures		
Version #	Decision:	OCM Date:	Resolution Number:
1.	Adopted	26 October 1999	862/99
2.	Reviewed	16 December 2003	536/03
3.	Reviewed	17 July 2007	202/07
4.	Modified	5 October 2010	210/10
5.	Modified	6 March 2012	23/12
6.	Reviewed	10 December 2013	360/13
7.	Reviewed	9 December 2014	203/14
8.	Reviewed	15 December 2015	226/15
9.	Modified	2 August 2016	121/16
10.	Reviewed	13 December 2016	206/16
11.	Modified	18 December 2018	228/18
12.	Reviewed	16 February 2021	020/21



COUNCIL POLICY LG509

PURCHASING

KEY FOCUS AREA LEADERSHIP AND GOVERNANCE

Purpose

The purpose of this policy is to demonstrate Council's commitment to ensuring that all Purchasing activities of the Town:

1. Achieve best value for money.
2. Are compliant with all relevant legislation and regulatory obligations.
3. Mitigate probity risk by establishing consistent and demonstrated processes that promote transparency and fairness.

Definitions

Act means the *Local Government Act 1995*.

Purchase Value Threshold means the actual or expected value of a contract over the full contract period, including any options.

Regulations means the *Local Government (Functions and General) Regulations 1996*.

RFT means Request for Tender.

RFQ means Request for Quotation.

WALGA means Western Australian Local Government Association.

Policy

The Town is committed to delivering best practice in purchasing activities that align with the principles of transparency, probity and good governance. The following principles must be observed through all stages of the purchasing activity:

- All purchasing practices shall comply with all relevant legislation, including the Town's Policies and Codes of Conduct.
- Purchasing is to be carried out to deliver on Value for Money principles.
- Purchasing is to be carried out in accordance with approved budget provisions and within financial authority limits.
- All processes, evaluations and decisions shall be transparent, free from bias, merit based and fully documented. Any actual or perceived conflicts of interest are to be identified, disclosed and appropriately managed.
- All employees of the Town must act in an honest and professional manner at all times which supports the standing of the Town. Full accountability shall be taken by employees for all purchasing decisions.
- With respect to RFQ and RFTs all employees are expected to demonstrate due diligence in seeking quotations. The number of quotations obtained, the contract conditions and level of evaluation required should be determined by having regard to the type and nature of the purchase and the associated risk, and not purely the purchase value as set out in the purchasing threshold table.

Value for Money

Value for money is an overarching principle, which underpins purchasing practices through the achievement of a desired outcome at the best possible price.

Value for money is determined when the consideration of price, risk, timeliness, environmental, social and qualitative factors are assessed to determine the most advantageous outcome to be achieved for the Town.

The Town will apply value for money principles when assessing purchasing decisions and acknowledges the lowest price may not always be the most advantageous. Other factors including qualitative and risk criteria will also be given consideration into the decision.

Anti-Avoidance

The Town or its employees shall not, at any stage, seek to enter into two or more contracts or create multiple purchase order transactions of a similar nature for the purpose of "splitting" the value of the purchase or contract in order to reduce the value of the consideration of the purchase below a particular purchasing threshold.

Local Economic Benefit

Under the State Government's Buy Local Policy, Government Agencies and Local Governments, including the Town, are encouraged to maximise participation of local and small businesses in the supply of goods, services and works. As much as practicable, the Town will:

- Where appropriate, consider buying practices, procedures and specifications that do not unfairly disadvantage local businesses.
- Consider indirect benefits that have flow on benefits for local suppliers (i.e. servicing and support).
- Explore the capability of local businesses to meet requirements and ensure that procurement plans, and Requests for Quotation and Tenders are designed to accommodate the capabilities of local businesses.
- Avoid bias in the design and specifications for Requests for Quotation and Tenders – all Requests must provide adequate and consistent information to potential suppliers and be structured to encourage local businesses to bid.

Sustainable Procurement and Corporate Social Responsibility

Where appropriate, the Town shall endeavour to provide an advantage to suppliers demonstrating minimal environmental and negative social impacts, and who embrace sustainable business practices and Corporate Social Responsibility. These considerations must be balanced against value for money outcomes.

Purchasing Thresholds and Practices

The table below prescribes Purchasing Value Thresholds and Purchasing Activities that must be followed:

Purchase Value Threshold /Contract Value (excluding GST)	Purchasing Activity
Under \$3,000	No formal activity required. Value for money principles followed.
Over \$3,000 and up to \$10,000	Obtain at least two (2) oral or written quotations from suppliers. The market must be tested.
Over \$10,000 and up to \$50,000	Obtain at least two (2) written quotations from suppliers following issue of a brief outlining the specified requirement.
Over \$50,000 and up to \$100,000	Obtain at least three (3) written quotations from suppliers following issue of a brief outlining the specified requirement.
Over \$100,000 and up to \$250,000	A formal RFQ process must be followed in accordance with the Act and the Regulations At least three (3) written quotations must be obtained.
Over \$250,000	A formal RFT process must be followed in accordance with the Act and the Regulations subject to the exceptions in Regulation 11(2) and as set out within this policy.

Defining the Purchasing Value

The Town will apply the following principles to assess and determine Purchasing Value to ensure appropriate purchasing practice and threshold management for all purchasing activities:

- Exclude Goods and Services Tax (GST);
- Use the actual or expected value of a contract over the full contract period including the value of all contract extension options;
- Determine the appropriate length of a contract based on the nature of goods and services provided, historical purchasing activity, an assessment of expecting future purchasing requirements, and market conditions.
- All relevant Total Costs of Ownership ('TCO') and benefits including transactional costs associated with acquisition, delivery, distribution, as well as other costs such as but not limited to holding costs, consumables, deployment, maintenance and disposal.

Purchasing activities for the same goods and services should be, where possible, aggregated into a single purchasing activity to achieve the best value for money and efficiencies for the Town.

The calculated estimated purchasing value will determine the applicable threshold and purchasing practice.

Purchasing exemptions under \$250,000

In circumstances where it is inappropriate or not reasonably practicable to adhere to the requirements of this Policy, and where the total value of a purchase does not exceed \$250,000, a waiver of the requirements may be sought for the following exemptions:

- Emergency purchases.
- Purchase of stock that is to be on sold (for example: Aquatic Centre shop, swim wear, goggles, refreshments).
- Services of WALGA and LGIS (for example: subscriptions, insurance, seminars and conferences).
- Services of government entities including, but not limited to Federal, State, Local government entities, and Government Trading Enterprises (GTE's).
- Services from an Australian Disability Enterprise.
- Services or goods from a business registered on the Aboriginal Business Directory of WA
- Newspaper advertising (or online equivalent).
- Advance / Prior Payment of Services (for example: accommodation, travel services, entertainment).
- Memberships, Subscriptions and/or Training Courses that are of a unique nature.
- Annual Services / Software maintenance / Support Fees.
- Fuels and Oils.
- Provision of utility services.
- Reimbursements.
- Purchases for maintenance of equipment from Original Equipment Manufacturer (OEMs) and where warranty provisions may be void.
- Purchases of urgent or unique nature or where exceptional circumstances arise and it is considered in the best interest of the Town, an exemption may be granted by the CEO. When exercised Council is to be advised.

Sole Source of Supply

Where the purchasing requirement is over the value of \$5,000 and of such a unique nature that it can only be supplied from one supplier, the purchase is permitted without the requirement to obtain quotes, undertake a tender or quotation process.

This is only permitted in circumstances where the CEO is satisfied and can provide evidence that there is only one source of supply for those goods, services or works.

The Town must use its best endeavours to determine if the sole source of supply is genuine by exploring if there are any alternative to the service or good. Once determined, the justification must be endorsed by the relevant Director and CEO, prior to a contract being entered into.

WALGA Preferred Suppliers Program and CUE

WALGA Preferred Supplier Panels (PSP) are specific groupings of suppliers that have been pre-qualified and appointed by WALGA to supply a category of goods or services to local governments. Pre-qualification follows a public procurement process by WALGA that is deemed compliant with the relevant legislation and best practice purchasing requirements.

A Common User Agreements (CUA) are contracts for goods and services commonly procured by the State Government.

Under the Regulations, tender exemptions exist for the purchase of goods and services of any value from a PSP or CUA, without having to publicly invite tenders.

Procurement of goods and services through a PSP or CUA are subject to the following requirements:

- For purchases up to \$250,000, the Purchasing Thresholds and Activity contained within the above table are to be complied with.
- Where the value of the goods or services is, or is to be expected to be more than \$250,000, a minimum of three quotes must be obtained.

Expressions of Interest

Expressions of Interest (**EOI**) may be considered in situations where the project is of a significant value or contains significant complexity that it may solicit responses from a considerable range of industry providers. In these cases, the Town may conduct an EOI process, preliminary to any request for Tender process, where the procurement requirement is:

- Unable to be sufficiently scoped or specified;
- Open to multiple options for how the purchasing requirement may be obtained, specified, created or delivered;
- Subject to a creative element; or
- To establish a procurement methodology that allows for an assessment of a significant number of tenderers leading to a shortlisting process based on non-price assessment criteria.

EOI processes are to be conducted in line with Part 4, Division 2 of the Regulations.

Contract Renewals, Extensions and Variations

Where a contract has been entered into as the result of a publicly invited tender process, then Regulation 21A applies.

For any other contract, the contract must not be varied unless:

- The variation is necessary in order for the goods or services to be supplied and does not change the scope of the contract; or
- The variation is a renewal or extension of the term of the contract where the extension or renewal options were included in the original contract.

Upon expiry of the original contract, and after any options for renewal or extension included in the original contract have been exercised, the Town will review the ongoing requirements and commence a new competitive purchasing activity in accordance with this Policy.

Document Control Box			
Legislation:	Local Government Act 1995 Local Government (Functions and General) Regulations 1996 State Records Act 2000 (WA)		
Organisational:	Internal Procurement Work Procedures		
Version #	Decision:	OCM Date:	Resolution Number:
1.	Adopted	26 October 1999	862/99
2.	Reviewed	16 December 2003	536/03
3.	Reviewed	17 July 2007	202/07
4.	Modified	5 October 2010	210/10
5.	Modified	6 March 2012	23/12
6.	Reviewed	10 December 2013	360/13
7.	Reviewed	9 December 2014	203/14
8.	Reviewed	15 December 2015	226/15
9.	Modified	2 August 2016	121/16
10.	Reviewed	13 December 2016	206/16
11.	Modified	18 December 2018	228/18
12.	Reviewed	16 February 2021	020/21
13.	Modified	6 December 2024	

6.4 REVIEW OF TERMS OF REFERENCE - AUDIT, RISK AND IMPROVEMENT COMMITTEE

File Number:	GOV/00054
Author:	Emma Heys (Manager Governance and Records)
Authoriser:	Liz Ledger (Chief Executive Officer)
Attachments:	1. Audit and Risk Management Committee [6.4.1 - 3 pages] 2. ARIC Terms of Reference [6.4.2 - 3 pages]

PURPOSE

For the Audit and Risk Committee to consider amendments to the Terms of Reference, and to appoint an Independent Deputy Presiding Member, in accordance with the Local Government Act reforms.

BACKGROUND

The *Local Government Amendment Bill 2024* (the Bill) was passed through Parliament on 27 November and received assent on 7 December 2024.

The Bill amends the *Local Government Act 1995* (the Act) to provide for the various reforms, including “*changing audit committees to have an improved focus as 'Audit, Risk and Improvement Committees' that are independently chaired, with greater clarity on how council committees should operate.*”

This reform reflects modern governance practices in State Government authorities and agencies as well as private corporations.

DISCUSSION

Through the amendments to the Act, audit committees are to be renamed Audit, Risk and Improvement Committees (ARICs).

The new ARIC structures are to be comprised of the following roles, with a total of 3 or more members:

- Independent Presiding Member - chairs the meeting;
- Independent Deputy Presiding Member – optional role, however is required if the Independent Presiding Member is unavailable or unable to chair the meeting; and
- Other members – which may be current members of Council.

The amendments will require an ARIC to have an independent Presiding Member. The Town already meets this requirement. Further, a local government can choose to appoint an independent Deputy Presiding Member to chair the meeting if the Presiding Member is unavailable. If a local government choose not to appointment an independent Deputy Presiding Member, the Council will need to appoint an independent proxy to chair the meeting as only an independent member can chair the meeting.

Currently the Town has not appointed a Deputy Presiding Member and to ensure compliance with the Act as amended, Council will need to resolve on the appointment of either an independent Deputy Presiding Member or an independent proxy.

Other amendments to the Terms of Reference include:

- updating the committee membership requirements;
- removing the requirement to appoint a Presiding Member at the first meeting following an election;
- adding the requirement for the Independent Deputy Presiding Member to chair the meeting in the Presiding Member’s absence;
- the requirement for an employee of the Town to act as administrator for the ARIC. This role includes preparing agenda, minutes and providing administrative support.
- removing the provision to have the meeting generally close to the public. New section 5.23 of the Act will require committee of Council to generally be open to members of the public:

s.5.23 Meetings generally open to the public

(1) The following are to be open to members of the public -

- (a) all council meetings;*
- (b) all meetings of a committee.*

The current Audit and Risk Committee Terms of Reference is included at **Attachment A**. The proposed new Audit, Risk and Improvement Committee Terms of Reference is included at **Attachment B**.

PAST RESOLUTIONS

Ordinary Meeting of Council 29 August 2023, Resolution 107/23

That Council adopt the revised Terms of Reference for each of the following Committees:

- a. Audit and Risk Management Committee as shown in Attachment 2;*
- b. Claremont Museum Advisory Committee as shown in Attachment 4;*
- c. Claremont Town Centre Advisory Committee as shown in Attachment 6;*
- d. Complaints Committee as shown in Attachment 8;*
- e. Foreshore Advisory Committee as shown in Attachment 10; and*
- f. Lake Claremont Advisory Committee as shown in Attachment 12.*

CARRIED

Ordinary Council Meeting 7 September 2021, Resolution 111/21

That Council adopt each of the Terms of Reference for the following Committees:

- a. Claremont Museum Advisory Committee as shown in Attachment 3;*
- b. Lake Claremont Advisory Committee as shown in Attachment 5 subject to the addition of the following provision:*
 - An additional City of Nedlands Council Member will be appointed as a Deputy Member of the Committee. The Deputy Member may perform the functions of the City of Nedlands Council Member when the member is unable to do so by reason of illness, absence or other cause;*
- c. Foreshore Advisory Committee as shown in Attachment 7;*
- d. Audit and Risk Management Committee as shown in Attachment 9.*

CARRIED

FINANCIAL AND STAFF IMPLICATIONS

Any financial implications can be satisfied within the current 24/25 budget.

POLICY AND STATUTORY IMPLICATIONS

Local Government Act 1995

Local Government (Administration) Regulations 1996

Local Government (Audit) Regulations 1996

COMMUNICATION AND CONSULTATION

Nil

STRATEGIC COMMUNITY PLAN

Leadership and Governance *We are an open and accountable local government; a leader in community service standards.*

- Demonstrate a high standard of governance, accountability, management and strategic planning.
- Continually assess our performance and implement initiatives that drive continuous improvement.

URGENCY

As the Amendment Bill has now received assent, it is recommended to adopt the amended Terms of Reference and appoint an independent Deputy Presiding Member as soon as possible.

VOTING REQUIREMENTS

Simple Majority decision of Committee (*More than half the Committee Members present are required to vote in favour*).

OFFICER RECOMMENDATION

That the Committee Audit and Risk Committee to consider and recommend amendments to the Terms of Reference, and the appointment of an Independent Deputy Presiding Member, in accordance with the Local Government Act.

	<p>Audit and Risk Management Committee</p> <p>Terms of Reference</p>
<p>Key Focus Area Leadership and Governance</p>	<p>Relevant Council Delegation Nil</p>

Objectives of the Committee

1. The Audit & Risk Management Committee (**Committee**) is a formally appointed committee of Council and is responsible to that body.
2. The Committee was established to provide an independent oversight of the financial systems of the Town on behalf of Council.

Areas of Responsibility

3. The Committee’s functions are as outlined in Regulation 16 of the *Local Government (Audit) Regulations 1996 (Audit Regulations)*.
4. The Committee is responsible for advising Council on all matters relating to:
 - a. External audits;
 - b. Internal statutory reviews and audits;
 - c. Compliance with legal and statutory requirements; and
 - d. Risk management.

Committee Membership

5. The Committee is to be comprised of four (4) elected members, of which one is to be the Mayor, and up to two (2) community representatives.
6. Community Representatives appointed to the Committee shall either be:
 - a. A member of CPA Australia or the Institute of Chartered Accountants (Australia); or
 - b. Have business or financial management/reporting knowledge and experience and be conversant with financial and other reporting requirements.
7. Following each biennial local government election, Council will appoint members to the Advisory Committee as outlined above.
8. Membership to the Committee will be for a period of two years with the nomination year coinciding with biennial local government elections.
9. In the event of a vacancy due to the resignation of a Committee member, Council may resolve to fill the vacancy by appointing a replacement.

10. Members of the Committee are bound by the Town's Code of Conduct for Council Members, Committee Members and Candidates.
11. At the first meeting following each biennial local government election, the members of the Committee will elect a Presiding Member from amongst themselves in accordance with section 5.12(1) of the Act.
12. If the Presiding Member is absent from a Committee Meeting, the Committee Members are to choose one of themselves to preside at the meeting in accordance with section 5.14 of the Act.
13. The Presiding Member's responsibilities are:
 - a. To provide leadership and facilitate the achievement of the Committee's objectives;
 - b. To ensure that appropriate conduct is observed at Committee meetings in line with the Town's Meeting Procedures Local Law 2018; and
 - c. To promote full participation and open debate at meetings so that relevant matters are discussed, and effective recommendations are made to Council.
14. The Chief Executive Officer (**CEO**) and employees are not members of the Committee however the CEO or their nominee shall attend all meetings to provide advice and guidance to the Committee.
15. The CEO will appoint an Administrator to the Committee who will be an employee of the Town. The Administrator's responsibility is:
 - a. To serve as a secretariat to the Committee by preparing agendas and minutes, and ensuring timely distribution to all members;
 - b. To ensure that meetings are effectively organised and recorded; and
 - c. To provide administrative support for the purposes of the Committee.

Meetings

16. The Committee shall formally meet at least quarterly. Meetings will be convened by the Presiding Member in consultation with the CEO.
17. Any informal meetings called by the Presiding Member are not considered as formal meetings of the Committee.
18. All meetings of the Committee are to be conducted in accordance with the Act, its associated Regulations and the *Town of Claremont Meeting Procedures Local Law 2018*.
19. Quorum for a meeting of the Committee shall be at least 50% of the number of Committee Members (whether any positions are vacant or not) of the Committee in accordance with section 5.19 of the Act.
20. Meetings of the Committee are generally closed to the public. Attendance is permitted through invitation or prior approval by the Committee.

Reporting


21. All decisions made at a meeting of the Committee are to be considered at the next ordinary council meeting or, if that is not practicable:
 - a. At the first ordinary council meeting after that meeting; or
 - b. At a special meeting called for that purpose.

Delegated Powers

- 22. The Committee has no delegated powers and no authority to implement its recommendations without resolution of Council.

- 23. The Committee does not have executive powers or authority to implement actions in areas over which the CEO has legislative responsibility and does not have any delegated financial responsibility. The Committee does not have any management functions and cannot involve itself in management processes or procedures.

Document Control Box					
Business Unit:	Governance				
Organisational:					
Review Frequency:	Biannual	Next Due:	2025	Records Ref:	D-17-25121
Version #	Decision Reference:	Date:		Reference:	
1.	Adopted	17 October 2017		150/17	
2.	Reviewed	15 October 2019		142/19	
3.	Reviewed	15 June 2021		073/21	
4.	Reviewed	29 August 2023		107/23	

	<p>Audit, Risk and Improvement Committee</p> <p>Terms of Reference</p>
<p>Key Focus Area Leadership and Governance</p>	<p>Relevant Council Delegation Nil</p>

Objectives of the Committee

1. The Audit, Risk and Improvement Committee (**ARIC**) is a formally appointed committee of Council and is responsible to that body.
2. The ARIC was established to provide an independent oversight of the financial systems of the Town on behalf of Council.

Areas of Responsibility

3. The ARIC’s functions are as outlined in Regulation 16 of the *Local Government (Audit) Regulations 1996 (Audit Regulations)*.
4. The ARIC is responsible for advising Council on all matters relating to:
 - a. External audits;
 - b. Internal statutory reviews and audits;
 - c. Compliance with legal and statutory requirements; and
 - d. Risk management.

Committee Membership

5. The ARIC is to be comprised of:
 - a. an Independent Presiding Member
 - b. an Independent Deputy Presiding Member
 - c. three (3) Elected Members, of which one is to be the Mayor.
6. Independent Members appointed to the ARIC shall either be:
 - a. A member of CPA Australia or the Institute of Chartered Accountants (Australia); or
 - b. Have business or financial management/reporting knowledge and experience and be conversant with financial and other reporting requirements.
7. Following each biennial local government election, Council will appoint members to the ARIC as outlined above.
8. Membership to the ARIC will be for a period of two years with the nomination year coinciding with biennial local government elections.

9. In the event of a vacancy due to the resignation of a ARIC member, Council may resolve to fill the vacancy by appointing a replacement.
10. Members of the ARIC are bound by the Town's Code of Conduct for Council Members, Committee Members and Candidates.
11. If the Presiding Member is absent from a ARIC Meeting, the Independent Deputy Presiding Member is to preside at the meeting in accordance with section 5.14 of the Act.
12. The Independent Presiding Member's responsibilities are:
 - a. To provide leadership and facilitate the achievement of the ARIC's objectives;
 - b. To ensure that appropriate conduct is observed at ARIC meetings in line with the Town's Meeting Procedures Local Law 2018; and
 - c. To promote full participation and open debate at ARIC meetings so that relevant matters are discussed, and effective recommendations are made to Council.
13. The Chief Executive Officer (**CEO**) and employees are not members of the ARIC however the CEO or their nominee shall attend all meetings to provide advice and guidance to the ARIC.
14. The CEO will appoint an Administrator to the ARIC who will be an employee of the Town. The Administrator's responsibility is:
 - a. To serve as a secretariat to the ARIC by preparing agendas and minutes, and ensuring timely distribution to all members;
 - b. To ensure that meetings are effectively organised and recorded; and
 - c. To provide administrative support for the purposes of the ARIC.

Meetings

15. The ARIC shall formally meet at least quarterly. Meetings will be convened by the Presiding Member in consultation with the CEO.
16. Any informal meetings called by the Presiding Member are not considered as formal meetings of the ARIC.
17. All meetings of the ARIC are to be conducted in accordance with the Act, its associated Regulations and the *Town of Claremont Meeting Procedures Local Law 2018*.
18. Quorum for a meeting of the ARIC shall be at least 50% of the number of ARIC Members (whether any positions are vacant or not) in accordance with section 5.19 of the Act.

Reporting

19. All recommendations of the ARIC are to be considered at the next Ordinary Council Meeting or, if that is not practicable:
 - a. At the first Ordinary Council Meeting after that meeting; or
 - b. At a special meeting called for that purpose.

Delegated Powers

20. The ARIC has no delegated powers and no authority to implement its recommendations without resolution of Council.

21. The ARIC does not have executive powers or authority to implement actions in areas over which the CEO has legislative responsibility and does not have any delegated financial responsibility. The ARIC does not have any management functions and cannot involve itself in management processes or procedures.

Document Control Box					
Business Unit:	Governance				
Organisational:					
Review Frequency:	Biannual	Next Due:	2025	Records Ref:	D-17-25121
Version #	Decision Reference:	Date:		Reference:	
1.	Adopted	17 October 2017		150/17	
2.	Reviewed	15 October 2019		142/19	
3.	Reviewed	15 June 2021		073/21	
4.	Reviewed	29 August 2023		107/23	
5.	Amended	6 December 2024			

6.5 COUNCIL RESOLUTION TRACKING

File Number: GOV/00054
Author: Bianca Evans (Legal and Governance Officer), Emma Heys (Manager Governance and Records)
Authoriser: Liz Ledger (Chief Executive Officer)
Attachments: 1. Outstanding Council Resolutions Report [6.5.1 - 4 pages]
 2. Completed Council Resolutions Report [6.5.2 - 8 pages]

PURPOSE

To update the Audit and Risk Management Committee (**Committee**) on the status of Council Resolutions.

BACKGROUND

Since 2021, the Register of Council Resolutions (the Register) has been tabled at each Audit and Risk Committee meeting.

The Register provides the Committee with an update on each Council Resolution and the action/implementation status of each Resolution.

The Register is managed as follows:

- After a Council Meeting, Council decisions are assigned to the report author to update whether the associated action is in progress or completed.
- The Register is reviewed and updated at the fortnightly Executive Team meeting.
- It is each Director’s responsibility to ensure that members of their Directorate have actioned the workflow stemming from Council’s Resolution and to report this information to the Executive team.

Going forward, the Register will be presented to the Committee in two parts:

1. Outstanding items report – detailing all outstanding actions.
2. Completed items report – detailing actions completed since the previous quarter’s report.

DISCUSSION

At its meeting on 14 August 2024, the Committee was presented with a report on Council Resolutions made between 26 March 2024 to 25 June 2024 and their status. Since then, four (4) Ordinary Council Meetings and one (1) Special Council Meeting have been held:

Meeting Date	Number of Resolutions
30 July 2024	10
6 August 2024	1
27 August 2024	14
24 September 2024	18
29 October 2024	9

The Resolutions from the 26 November 2024 Ordinary Council Meeting have not been included in this report due to their proximity to the creation of the Agenda for this meeting.

Attachment 1 is a report detailing the Council Resolutions that are in progress and their status.

Attachment 2 is a report detailing all Council Resolutions that have been completed since the 30 July 2024 Ordinary Council Meeting.

PAST RESOLUTIONS

Audit and Risk Management Committee Meeting 14 August 2024, Recommendation 24/16

That the Audit and Risk Management Committee notes the contents of this report.

CARRIED

FINANCIAL AND STAFF IMPLICATIONS

Nil

POLICY AND STATUTORY IMPLICATIONS

Local Government Act 1995

COMMUNICATION AND CONSULTATION

The Register is reviewed fortnightly by the Executive team.

The Governance team presents an updated copy of the Register to the Committee at each meeting.

STRATEGIC COMMUNITY PLAN

Leadership and Governance

We are an open and accountable local government; a leader in community service standards.

- Demonstrate a high standard of governance, accountability, management and strategic planning.
- Continually assess our performance and implement initiatives that drive continuous improvement.

URGENCY

Nil

VOTING REQUIREMENTS

Simple Majority decision of Committee (*More than half the Committee Members present are required to vote in favour*).

OFFICER RECOMMENDATION

That the Audit and Risk Management Committee notes the contents of this report.

Action Register



Search Criteria

Showing Completed Items: No

Applied Filters

Meeting Types: Confidential Ordinary Council Meeting, Ordinary Council Meeting

Generated By: Bianca Evans

Generated On: 02/12/2024 at 1:22pm

Meeting Date	Document	Item No.	Item	Status	Action Required	Action Taken
25/07/2023	Ordinary Council Meeting	17.1.1	Acquisition of 288 Stirling Highway Claremont	In progress	COUNCIL RESOLUTION 096/23 That Council: 1. Notes the feedback on the Business Plan for 288 Stirling Highway and the extensive consultation which will inform the Masterplan and future development for this site; and Authorises the obtaining of a loan on the terms set out in this report for the purchase and acquisition of 288 Stirling Highway, Claremont.	In progress
28/05/2024	Ordinary Council Meeting	17 1.1	Strategic Project Update - Land	In progress	RESOLUTION 074/24 That Council: Authorise the Chief Executive Officer to continue discussions with the Department of Planning, Lands and Heritage and Department of Communities on the potential to facilitate a land exchange between 288 Stirling Highway Claremont and Lot 11578 Shenton Road Claremont.	In progress
25/06/2024	Ordinary Council Meeting - 25 June 2024	15.1	Cr Kelly - Traffic Impact Study following Occupancy of 1 Airlie Street, Claremont (The Grove)	In progress	COUNCIL RESOLUTION 99/24 MOTION That following occupancy of 1 Airlie Street, known as The Grove, the Town of Claremont undertake a comprehensive traffic study assessing the vehicular movement impacts and recommending any traffic management improvements. The area of the study to include Airlie Street, Bindaring Parade, Osborne Parade, Anstey Street and Richardson Avenue.	In progress
25/06/2024	Ordinary Council Meeting - 25 June 2024	17 1.4	Lease for Golf Course and Cafe	In progress	COUNCIL RESOLUTION 104/24 That Council: 1. Consents to the proposal submitted by Golf Oracle Pty Ltd to extend the building at 30 Lapsley Road, Claremont, subject to Ministerial approval and approval under the MRS. 2. Authorises the Chief Executive Officer to vary the Lease with Golf Oracle Pty Ltd for 30 Lapsley Road, Claremont on the terms set out in this report.	Point 1 Complete Point 2 Pending Golf Oracle
30/07/2024	Ordinary Council Meeting - 30 July 2024	17 1.1	Municipal Work Depot Site - John XXIII Ave, Mount Claremont	In progress	COUNCIL RESOLUTION 114/24 That Council accept the transfer of Crown Reserve 29320, Mount Claremont (or a portion of) to the Town. Alternatively, Council authorise the Chief Executive Officer to: 1. Accept a management order over Crown Reserve 29320, Mount Claremont (or a portion). 2. Negotiate an in principle agreement for use of Crown Reserve 29320 (or a portion) as a Municipal Works Depot.	In progress
27/08/2024	Ordinary Council Meeting - 27 August 2024	13 2.1	Lot 2 (43) College Road, Claremont - Proposed Grouped Dwelling	In progress	COUNCIL RESOLUTION 125/24 THAT Council grant Development Approval for a proposed Grouped Dwelling at Lot 2 (43) College Road, Claremont subject to the following conditions and advice notes: 1. All development shall occur in accordance with the approved drawings (Development Application DA2023.00097) as amended by these conditions. 2. Prior to making application for a Building Permit, the owner/applicant is to liaise with the adjoining neighbour to obtain written agreement on the construction finish and colour of the boundary wall/retaining wall. Where	In Progress

Meeting Date	Document	Item No.	Item	Status	Action Required	Action Taken
					<p>written agreement cannot be reached, the construction finish and colour of the boundary wall/retaining wall is to be to the satisfaction of the Town of Claremont. Details are to be provided with the application for a Building Permit.</p> <p>3. Prior to the issue of a Building Permit, a Construction Management Plan is to be prepared and submitted to the specification and satisfaction of the Town of Claremont addressing:</p> <ul style="list-style-type: none"> i. access to the site; ii. protection of street trees; iii. delivery and storage of materials; and iv. the parking of tradespersons. <p>The approved Construction Management Plan is to be thereafter implemented for the duration of construction to the satisfaction of the Town of Claremont.</p> <p>4. Prior to occupation or use of the development, the redundant crossover(s) are to be removed, and the verge, kerb and footpath reinstated to the satisfaction of the Town of Claremont.</p> <p>5. All stormwater discharge shall be contained and disposed of on site and vehicle access designed in such a manner as to prevent storm water entering the property or discharging externally from the property, to the satisfaction of the Town of Claremont.</p> <p>6. The external materials and colour finishes of the development are to be to a standard such that it complies with the requirements of Clauses 76 and 77 of the Town of Claremont Local Planning Scheme No. 3, to the satisfaction of the Town of Claremont.</p> <p>7. Prior to application for a Building Permit, a plan is to be submitted and approved by the Town of Claremont identifying Tree Protection Zone(s) around the tree(s) to be retained on the College Road verge fronting the development site in accordance with AS4970-2009. The fixed barrier is to remain in place for the duration of construction to the satisfaction of the Town of Claremont</p> <p>Advice Notes:</p> <p>Note 1: If the development the subject of this approval is not substantially commenced within a period of 2 years, the approval will lapse and be of no further effect.</p> <p>Note 2: Where an approval has so lapsed, no development must be carried out without the further approval of the local government having first been sought and obtained.</p> <p>Note 3: If an applicant or owner is aggrieved by this determination there is right of review by the State Administrative Tribunal in accordance with the <i>Planning and Development Act 2005</i> Part 14. An application must be made within 28 Days of the determination.</p> <p>Note 4: This is a Development Approval only and a Building Permit must be obtained from the Local Government prior to the commencement of any building works. Permits for non-residential development must be certified prior to submission.</p> <p>Note 5: Where new or modified crossovers are proposed as part of this development, applicants are required to submit a Crossover Application Form with or prior to application for a Building Permit. Refer to the Town of Claremont website (Infrastructure) for standards and specifications, and to download the Crossover Application Form.</p> <p>Note 6: The applicant/owner is advised that no goods or supplies are to block footpaths or verges during construction unless approved by the Town of Claremont.</p> <p>Note 7: The use of skip bins outside the property boundaries will only be permitted where approved in a Work Zone Permit.</p> <p>Note 8: The applicant/owner is advised to liaise with the adjoining landowners where trees, vegetation, dividing fences or other structures may be affected due to work on or near the property boundaries.</p> <p>Note 10: The applicant/owner is advised of the following requirements from the Town's Health Services. Should any advice be unclear, please contact the Town's Health Services on 9285 4300:</p>	

Meeting Date	Document	Item No.	Item	Status	Action Required	Action Taken
					<p>a. All plant and machinery (such as air conditioners and pool pumps) must be suitably located and/or sound proofed to comply with the requirements of the <i>Environmental Protection (Noise) Regulations 1997</i>.</p> <p>b. Under the <i>Environmental Protection (Noise) Regulations 1997</i>, no construction work is to be permitted or suffered to be carried out:</p> <p style="padding-left: 40px;">i. Before 7.00am or after 7.00pm Monday to Saturday inclusive; or</p> <p>On a Sunday or on a public holiday.</p>	
29/10/2024	Ordinary Council Meeting - 29 October 2024	13 2.1	Preparation of New Local Planning Scheme - Local Planning Scheme No. 4	In progress	<p>COUNCIL RESOLUTION 157/24 That Council:</p> <ol style="list-style-type: none"> 1. Notes the Town of Claremont’s Local Planning Strategy is pending final approval by the Western Australian Planning Commission and that a further report of review of Local Planning Scheme No. 3 is not necessary. 2. Resolves to prepare a new local planning scheme in accordance with clause 19(1) of the <i>Planning and Development (Local Planning Schemes) Regulations 2015</i> and section 72(1) of the <i>Planning and Development Act 2005</i>. 3. Resolves to publish a notice in accordance with clause 20(1)(a) and notify the relevant authorities in accordance with clause 20(1)(b) of the <i>Planning and Development (Local Planning Schemes) Regulations 2015</i>. 	Item 1 - Complete. Item 2 – In Progress Item 3 – In Progress
29/10/2024	Ordinary Council Meeting - 29 October 2024	15.1	Elected Members’ Motions of which Previous Notice has been Given - Nil	Not yet started	<p>COUNCIL RESOLUTION 158/24 Motion That Council request a future report from the CEO, investigating the application of differential rating upon vacant land across the district, for Council’s consideration prior to the commencement of the 25/26 budgeting workshop.</p>	In progress

Action Register



Search Criteria

Showing Completed Items: Yes

Include Items Completed From: 02/11/2024

Applied Filters

Start Meeting Date: 26th Jun 2024

End Meeting Date: 24th Nov 2024

Action Statuses: Completed

Meeting Types: Ordinary Council Meeting, Special Council Meeting

Generated By: Bianca Evans

Generated On: 02/12/2024 at 3:00pm

Meeting Date	Document	Item No.	Item	Status	Action Required								
30/07/2024	Ordinary Council Meeting - 30 July 2024	13.1.1	2024-25 Annual Budget	Completed	<p>COUNCIL RESOLUTION 109/24 That Council:</p> <ol style="list-style-type: none"> 1. Adopts the 2024-2025 Budget (as shown in Attachment 1) for the Town of Claremont with includes the following: <ol style="list-style-type: none"> a. Statement of Comprehensive income by Nature and Type. b. Rate Setting Statement. c. Statement of Cash Flows. d. Statement of Financial Activity e. Notes to and forming Part of the Budget. 2. Imposes the following differential general rates and minimum payments on the Gross Rental Valuations: <table border="1" style="margin-left: 20px;"> <tbody> <tr> <td>General</td> <td>0.058281 cents in the dollar of gross rental value</td> </tr> <tr> <td>Commercial</td> <td>0.071741 cents in the dollar of gross rental value</td> </tr> <tr> <td>Minimum (Residential & Commercial)</td> <td>\$1,421 per assessment</td> </tr> <tr> <td>Specified Area Rate:</td> <td>0.0018312 cents in the dollar of gross rental value to levy \$120,000. To be levied on all commercial properties bounded by Stirling Highway, Stirling Road, Guger Street and Leura Avenue.</td> </tr> </tbody> </table> 3. Adopts the following due dates, fees and charges and interest rates for payment of rates: <ol style="list-style-type: none"> a. One payment. Payment in full by 16 September 2024. b. Four instalments. This option incurs an administrative fee of \$56 and interest charges at 5.5% per annum. <ul style="list-style-type: none"> - Instalment 1 – 16 September 2024. - Instalment 2 – 22 November 2024 - Instalment 3 – 14 January 2025 - Instalment 4 – 17 April 2025 c. Payment by an instalment plan as approved by the Town will incur an administration fee of \$56 and interest charges at 5.5% per annum. d. An administration fee and interest charges are not applied to approved payment plans for those suffering Financial Hardship as per policy LG532. 1. Adopts the Schedule of Fee and Charges for 2024-2025 as shown in Attachment 2. 2. Set the value of \$20,000 to be used in the Statement of Financial Activity for reporting material variances for the 2024-2025 fiscal year. 3. Adopts in accordance with the Determination for Local Government Elected Members pursuant to Salaries and Allowances Act 1975 (s7B), the annual allowances for: <ol style="list-style-type: none"> a. Mayor to be set at \$39,999. b. Deputy Mayor to be set at \$9,997. c. ICT expenses for each Elected Members to be set at \$3,500, collectively \$31,500. 4. Adopts in accordance with the Determination for Local Government Elected Members pursuant to Salaries and Allowances Act 1975 (s7B), the annual attendee fees for: <ol style="list-style-type: none"> a. Mayor to be set at \$27,425 b. Elected Members to be set at \$17,711. 	General	0.058281 cents in the dollar of gross rental value	Commercial	0.071741 cents in the dollar of gross rental value	Minimum (Residential & Commercial)	\$1,421 per assessment	Specified Area Rate:	0.0018312 cents in the dollar of gross rental value to levy \$120,000. To be levied on all commercial properties bounded by Stirling Highway, Stirling Road, Guger Street and Leura Avenue.
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Meeting Date	Document	Item No.	Item	Status	Action Required
30/07/2024	Ordinary Council Meeting - 30 July 2024	13 2.1	22 (Lot 50) St Quentin Avenue, Claremont - State Administrative Tribunal Section 31 Reconsideration - Mixed Use Development	Completed	<p>COUNCIL RESOLUTION 112/24 OFFICER RECOMMENDATION THAT Council recommend to the Western Australian Planning Commission that the Application for 22 (Lot 50) St Quentin Avenue, Claremont should be reconsidered based on the Town Centre Precinct Structure Plan which is now certain and imminent and should be given due regard. If the WAPC does not accept that position, then Council recommends refusal for the following reasons:</p> <ol style="list-style-type: none"> I. The height and plot ratio proposed is inconsistent with the Town Centre Precinct Structure Plan. II. The proposed development will have an undesirable impact on the built form outcomes for the town centre. <p>If the WAPC does not accept that position, and decides to grant Development Approval as sought in the section 31 reconsideration request for Mixed-Use Development at Lot 50 (22) St Quentin Avenue, Claremont, it recommends the following conditions and advice notes modifying Development Approval SDAU-005-20:</p> <ul style="list-style-type: none"> • <u>Condition 2.</u> The development is to be undertaken in accordance with the approved plans (date stamped XXX), and documents attached to this approval, subject to modifications required by any condition of this approval, final details of which are to be submitted at working drawings stage, to the satisfaction of the Western Australian Planning Commission. • <u>Condition 3.</u> Prior to the issue of a Building Permit, the applicant shall make payment to the Town of Claremont for the sum of \$370,500 as cash-in-lieu of the assessed non-residential car parking bays shortfall which has not been provided on site, in accordance with the Town of Claremont's Payment in Lieu of Parking Plan. • <u>Condition 8.</u> 'Residential Buildings' and 'Unhosted short-term rental accommodation' (and any other defined alternative term of this nature) are limited to apartments on levels 3, 4 and 5 of the development. Strata bylaws are to state that these accommodation types are only permitted on levels 3, 4 and 5. Prior to commencement of other accommodation uses, a Management Plan shall be submitted to, and approved by, the Western Australian Planning Commission on advice of the Town of Claremont. The plan is to detail the specific units, parking access and management, method of booking, management of noise/other disturbances, complaints management, guest protocols and code of conduct. • <u>Condition 13.</u> This condition to be deleted. • <u>Condition 14.</u> Prior to occupation of the development, a Community Benefits Management Plan shall be developed for the pedestrian link to the library (alfresco area), the Library Forecourt, Church Lane and Claremont Town Square, addressing the following matters: <ol style="list-style-type: none"> I) The hours of public accessibility. II) The manner that these benefits are made available to the public and Claremont community in perpetuity for the life of the development. III) Ongoing maintenance and public liability; and IV) Any other matter deemed relevant. <p>The Plan shall be submitted to the Western Australian Planning Commission for approval, be implemented and adhered to all and be distributed to nearby landowners and occupiers for information purposes, to the satisfaction of the Western Australian Planning Commission on advice from the Town of Claremont.</p> <ul style="list-style-type: none"> • <u>Condition 16.</u> Prior to occupation of the development, an easement in accordance with Sections 195 and 196 of the <i>Land Administration Act 1997</i> for the benefit of the Town of Claremont are to be placed on the Certificate(s) of Title for the Claremont Town Square, Church Lane, pedestrian link to the library (alfresco area) and Library Forecourt (Easement area) as shown on plan and a deed of easement to specify management and maintenance of the Easement area by the Strata Company as agreed with the Town of Claremont. Notice of

Meeting Date	Document	Item No.	Item	Status	Action Required										
					<p>this easement (s) is to be included on the diagram or plan of survey (deposited plan). The easement is to state as follows:</p> <ul style="list-style-type: none"> I) Enduring public access is permitted across the easement area. II) Temporary and permanent obstructions that support the function of the easement area are permitted subject to the written agreement of the Town of Claremont. III) Easement applies to ground surface level only, not exceeding a height of 3.0m from the ground level. <ul style="list-style-type: none"> • Condition 29. The development is designed and constructed to achieve 5 Star Green Star design rating or equivalent standard against the Green Star Design and As-Built tool by the Green Building Council of Australia or a demonstrated equivalent. All recommendations contained within the Sustainable Design Strategy date-stamped 7 July2021, prepared for this development by Stantec, are to be implemented in full. Prior to the submission of the relevant building permit application(s), the applicant is to submit an updated sustainability report confirming the final green star strategy that will guide the construction stage and further demonstrate an equivalent sustainable design rating is to be achieved. <ul style="list-style-type: none"> Advice Notes amended from Development Approval: <ul style="list-style-type: none"> o Note E: With regard to condition 16, the proposed pocket park (Library Forecourt) is to align with the development plans and relate to an area of approximately 160m², which is to be detailed at working drawing stage. The pedestrian link to the library located between the Library Forecourt and proposed building is proposed to be retained within the development site and access addressed as a community benefit. o Note J: With regard to condition 29, where relevant, elements of the Sustainability Report should be clearly reflected in documentation and plans submitted with the building permit application. The applicable assessment standard is the Green Star Design & As-Built v1.2 tool. 										
06/08/2024	Special Council Meeting	8.1.1	2024-25 Annual Budget	Completes	<p>COUNCIL RESOLUTION 116/24</p> <p>1. Resolves to change Council Resolution 109/24 from the Ordinary Council Meeting on 30 July 2024 by:</p> <p>a. Deleting point 2 of the Council Resolution “Imposes the following differential general rates and minimum payments on the Gross Rental Valuations:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;"><i>General</i></td> <td><i>0.058281 cents in the dollar of gross rental value</i></td> </tr> <tr> <td><i>Commercial</i></td> <td><i>0.071741 cents in the dollar of gross rental value</i></td> </tr> <tr> <td><i>Minimum (Residential & Commercial)</i></td> <td><i>\$1,421 per assessment</i></td> </tr> <tr> <td><i>Specified Area Rate:</i></td> <td><i>0.0018312 cents in the dollar of gross rental value to levy \$120,000. To be levied on all commercial properties bounded by Stirling Highway, Stirling Road, Gugeri Street and Leura Avenue.”</i></td> </tr> </table> <p>and replacing this with a new point 2 “Imposes the following differential general rates and minimum payments on the Gross Rental Valuations:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;"><i>General</i></td> <td><i>0.061486 cents in the dollar of gross rental value</i></td> </tr> </table>	<i>General</i>	<i>0.058281 cents in the dollar of gross rental value</i>	<i>Commercial</i>	<i>0.071741 cents in the dollar of gross rental value</i>	<i>Minimum (Residential & Commercial)</i>	<i>\$1,421 per assessment</i>	<i>Specified Area Rate:</i>	<i>0.0018312 cents in the dollar of gross rental value to levy \$120,000. To be levied on all commercial properties bounded by Stirling Highway, Stirling Road, Gugeri Street and Leura Avenue.”</i>	<i>General</i>	<i>0.061486 cents in the dollar of gross rental value</i>
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<i>Commercial</i>	<i>0.075687 cents in the dollar of gross rental value</i>										
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27/08/2024	Ordinary Council Meeting -	13.1.1	Long Term Financial Plan 2024/2025 to 2034/2035	Completed	<p>MOTION</p> <p>COUNCIL RESOLUTION 121/24</p> <p>That the item be referred back to the Administration.</p> <p>Reason: To provided greater explanation on the assumptions that have been used in the development of the spreadsheet. To enhance the document so that it is more readable for community members.</p>						
27/08/2024	Ordinary Council Meeting	13.1.2	Monthly Statement of Financial Activity for the Period Ended 30 June 2024	Completed	<p>COUNCIL RESOLUTION 122/24</p> <p>That Council:</p> <ol style="list-style-type: none"> 1. Notes the Statement of Financial Activity covering the period 1 July 2023 to 30 June 2024. 2. Resolves to "Set the value of \$20,000 and 20% to be used in the Statement of Financial Activity for reporting material variances for the 2024-2025 fiscal year" 						
27/08/2024	Ordinary Council Meeting	13.1.3	Monthly Statement of Financial Activity for the Period Ended 31 July 2024	Complete	<p>COUNCIL RESOLUTION 123/24</p> <p>That Council:</p> <ol style="list-style-type: none"> 1. Notes the Statement of Financial Activity covering the period 1 July 2024 to 31 July 2024. 						

Meeting Date	Document	Item No.	Item	Status	Action Required
27/08/2024	Ordinary Council Meeting	13.1.4	List of Payments 1 to 31 July 2024	Complete	COUNCIL RESOLUTION 124/24 That Council notes all payments made by the Chief Executive Officer under Delegation DA 2.1.5 for July 2024 totalling \$2,143,047.39 as detailed in Attachment 1 comprising: <ul style="list-style-type: none"> \$ 2,032,583.51 Municipal Funds electronic funds transfers (EFT) \$ 110,463.88 Municipal Funds direct debits \$ - Municipal Fund vouchers \$ - Trust Fund EFT \$ - Trust Fund vouchers (none)
27/08/2024	Ordinary Council Meeting	13.2.2	Dedication of Land as Road - Kyle Way	Completed	COUNCIL RESOLUTION 126/24 That Council resolves to commence the process to request the Minister for Lands to dedicate Reserve 51625 as a road pursuant to section 56 of the <i>Land Administration Act 1997</i> .
27/08/2024	Ordinary Council Meeting - 27 August 2024	17.1.2	Anzac Cottage - 16 Saunders Street, Swanbourne	Completed	COUNCIL RESOLUTION 128/24 That Council authorises the Chief Executive Officer to proceed with Option 3 as outlined in this report.
27/08/2024	Ordinary Council Meeting	17.1.3	Request for Rates Payment Plan	Completed	COUNCIL RESOLUTION 129/24 That Council approve the proposed financial hardship payment plan application for Unit 1 43 Davies Road, Claremont.
24/09/2024	Ordinary Council Meeting	13.1.1	Long Term Financial Plan 2024/2025 to 2034/2035	Completed	AMENDED OFFICER RECOMMENDATION WAS PUT COUNCIL RESOLUTION 136/24 That Council: <ol style="list-style-type: none"> 1. Adopts the Long Term Financial Plan for the period 2024/2025 to 2034/2035, as per Attachment 1 with amendments made to the financial forecasting that removes the sale of 331 Stirling Highway and therefore any flow on implications.
24/09/2024	Ordinary Council Meeting	13.1.2	Strategic Risk	Completed	COUNCIL RESOLUTION 137/24 That Council adopt the: <ol style="list-style-type: none"> 1. Updated Town of Claremont Risk Management Framework; 2. Town of Claremont Strategic Risk Register; and Town of Claremont Risk Appetite Matrix.
24/09/2024	Ordinary Council Meeting	13.1.3	Local Government Elections Advocacy Positions	Completed	COUNCIL RESOLUTION 138/24 That Council recommends that WALGA adopt the following advocacy positions: <ol style="list-style-type: none"> 1. In relation to "Participation", the sector continues to support voluntary voting at Local Government elections. 2. In relation to "Term of Office", the sector supports four-year terms with a two year spill. 3. In relation to "Voting Method", the sector supports First Past the Post (FPTP) as the preferred voting method for general elections. If Optional Preferential Voting (OPV) remains as the primary method of voting, the sector supports the removal of the 'proportional' part of the voting method for general elections. 4. In relation to "Internal Elections", the sector supports First Past the Post (FPTP) as the preferred voting method for all internal elections. 5. In relation to "Voting Accessibility", the sector supports the option to hold general elections through

Meeting Date	Document	Item No.	Item	Status	Action Required
					(a) Electronic voting and (b) Postal voting and (c) In-Person voting. 6. In relation to “Method of Election of Mayor”, the sector support that all classes of local governments can decide, by absolute majority, the method for electing their Mayor or President.
24/09/2024	Ordinary Council Meeting	13.1.4	Western Central Local Emergency Management Arrangements	Complete	COUNCIL RESOLUTION 139/24 That Council adopts the Western Central Local Emergency Management Arrangements provided at Attachment 1, in accordance with Part 3, Division 2 of the <i>Emergency Management Act 2005</i> .
24/09/2024	Ordinary Council Meeting	13.1.5	Monthly Statement of Financial Activity for the Period Ended 31 August 2024	Completed	COUNCIL RESOLUTION 140/24 That Council: 1. Notes the Statement of Financial Activity covering the period 1 July 2024 to 31 August 2024.
24/09/2024	Ordinary Council Meeting	13.1.6	List of Payments 1 to 31 August 2024	Completed	COUNCIL RESOLUTION 141/24 That Council notes all payments made by the Chief Executive Officer under Delegation DA 2.1.5 for August 2024 totalling \$1,582,318.82 as detailed in Attachment 1 comprising: \$ 1,512,538.86 Municipal Funds electronic funds transfers (EFT) \$ 58,903.53 Municipal Funds direct debits \$ 10,876.43 Municipal Fund vouchers (39681 & 39682) \$ - Trust Fund EFT \$ - Trust Fund vouchers (none)
24/09/2024	Ordinary Council Meeting	13.2.1	Council Policy EN302 Road Verges	Completed	AMENDED OFFICER RECOMMENDATION WAS PUT COUNCIL RESOLUTION 143/24 That Council endorses the review of Policy EN302 Road Verges as shown in Attachment 2 as amended.
24/09/2024	Ordinary Council Meeting	17.2.1	RFT 03-2024 Cleaning of Council Buildings	Completed	Item 17.2.1 was moved ahead of Item 17.1.1 for consideration. COUNCIL RESOLUTION 145/24 That Council accepts, subject to the execution of relevant contract documentation, the submission by BrightMark Group for the Cleaning of Council Buildings for the Town of Claremont for a period of two (2) years, with a possible one (1) year extension up to a maximum period of three (3) years, in accordance with RFT 03-2024.
24/09/2024	Ordinary Council Meeting	17.1.1	327 Stirling Highway Claremont	Completed	COUNCIL RESOLUTION 146/24 That Council authorises the CEO to advertise by way of public tender and presented all submissions to Council for approval.
24/09/2024	Confidential Ordinary Council Meeting - 24 September 2024	17.1.2	Annual Performance Review of the Chief Executive Officer	Completed	COUNCIL RESOLUTION 147/24 That Council: 1. Acknowledges that the CEO has met or exceeded the agreed 2023-24 Key Performance Indicators. 2. Accepts the CEO Performance Review Working Committee’s recommendations: a. In Relation to the CEO’s remuneration package:

Meeting Date	Document	Item No.	Item	Status	Action Required
					b. For the CEO 2024-2025 Key Performance Indicators (as shown in Attachment 3).
29/10/2024	Ordinary Council Meeting	13 1.1	Ordinary Council Meeting Dates for 2025	Completed	<p>AMENDED OFFICER RECOMMENDATION WAS PUT COUNCIL RESOLUTION 151/24 That Council</p> <p>1. Approves the Ordinary Council Meeting dates for the 2025 calendar year as amended.</p>
29/10/2024	Ordinary Council Meeting	13 1.2	Review of Town of Claremont Parking Local Law 2016	Completed	<p>COUNCIL RESOLUTION 152/24</p> <p>That Council commence a review of the Parking Local Law 2016 in accordance with s 3.16 of the <i>Local Government Act 1995</i>.</p>
29/10/2024	Ordinary Council Meeting	13 1.4	List of Payments 1 to 30 September 2024	Completed	<p>COUNCIL RESOLUTION 155/24</p> <p>That Council notes all payments made by the Chief Executive Officer under Delegation DA 2.1.5 for September 2024 totalling \$2,825,809.53 as detailed in Attachment 1 comprising:</p> <ul style="list-style-type: none"> \$ 2,500,634.22 Municipal Funds electronic funds transfers (EFT) \$ 325,175.31 Municipal Funds direct debits \$ - Municipal Fund vouchers \$ - Trust Fund EFT \$ - Trust Fund vouchers (none)
29/10/2024	Ordinary Council Meeting - 29 October 2024	13 1.3	Claremont Museum Advisory Committee Review	Completed	<p>AMENDED OFFICER RECOMMENDATION WAS PUT COUNCIL RESOLUTION 154/24 That Council</p> <p>c. Disbands the Claremont Museum Advisory Committee.</p> <p>d. Requests the CEO to write to the present committee members and thank them for their time and contribution to the success of the Claremont Museum.</p> <p>That the CEO set up a working group for the Claremont Museum.</p>
29/10/2024	Ordinary Council Meeting	13 1.5	Monthly Statement of Financial Activity for the period ended 30 September 2024	Completed	<p>COUNCIL RESOLUTION 156/24</p> <p>That Council:</p> <p>1. Notes the Statement of Financial Activity covering the period 1 July 2024 to 30 September 2024.</p>

7 OTHER BUSINESS

8 NEW BUSINESS OF AN URGENT NATURE APPROVED BY THE PRESIDING PERSON OR BY DECISION OF MEETING

9 FUTURE MEETINGS OF COMMITTEE

To be advised

10 DECLARATION OF CLOSURE OF MEETING