

## Relevant Information for Council

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**FILE:** S118279.015 **DATE:** 9 May 2025

**TO:** Lord Mayor and Councillors

**FROM:** Kim Woodbury, Chief Operating Officer

**THROUGH:** Monica Barone PSM, Chief Executive Officer

**SUBJECT:** Information Relevant To Item 6.9 – Adoption – Investment Property Policy

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### For Noting

This memo is for the information of the Lord Mayor and Councillors.

### Purpose

To provide additional information on the Investment Property Policy and review of inclusion of community / public benefits as a criteria in assessment of investment opportunities.

### Background

The Investment Property Policy applies to the City's Investment Property holdings only, comprising those properties owned by the City that constitute 'Investment Property' under Australian Accounting Standard AASB140.

The primary purpose / objectives of properties held within the City's Investment Property portfolio is to:

- ensure a stable source of recurrent income and returns in the long term to enable the City to discharge its statutory functions;
- safeguard and enhance existing property revenue levels and achieve an optimal diversified total investment portfolio taking into account cash investments and Local Government regulatory restrictions on investment;
- optimise income from those assets and long term capital growth;
- grow property revenue to support long term financial stability; and

- further diversify and strengthen its revenue base.

The City's broader Property Portfolio includes a significant number of properties held for community or other specific strategic purposes to deliver public benefits. The acquisition and management of these properties is outside the scope of AASB140 and the Investment Property Policy as the primary purpose / objectives of these properties is to deliver public benefits. It is considered appropriate that property purchased or managed for community or strategic purposes is excluded from the scope of the Investment Property Policy.

Returns generated from the Investment Property Portfolio make a significant contribution to the City's annual revenue and contribute to the delivery of public benefits through the broader property portfolio.

The Criteria and Environmental and Social Responsibility sections set out in the draft Investment Property Policy guide leasing, acquisition and divestment decisions to:

- maximise revenue generated from these properties to deliver public benefits through the broader property portfolio; and
- avoid transactions associated with socially and / or environmentally harmful activities.

### **Memo from Kim Woodbury, Chief Operating Officer**

Prepared by: Marcia Morley, Executive Manager Project Development and Delivery

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Approved

*P. M. Barone*

**MONICA BARONE PSM**

Chief Executive Officer