MINUTES

ORDINARY MEETING

OF COUNCIL

18 DECEMBER 2018

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SHIRE OF GINGIN

MINUTES OF THE ORDINARY MEETING OF THE SHIRE OF GINGIN HELD IN THE COUNCIL CHAMBER ON TUESDAY, 18 DECEMBER 2018 AT 3.04 PM

DISCLAIMER

Members of the Public are advised that decisions arising from this Council Meeting can be subject to alteration.

Applicants and other interested parties should refrain from taking any action until such time as written advice is received confirming Council's decision with respect to any particular issue.

ORDER OF BUSINESS

1. DECLARATION OF OPENING

The Shire President declared the meeting open at 3.04pm and welcomed those in attendance.

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2. RECORD OF ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE

2.1 ATTENDANCE

Councillors – I B Collard (Shire President), J Elgin (Deputy Shire President), J Court, C W Fewster, F Johnson, J C Lobb, J E Morton, F J Peczka and J K Rule

Staff – A Cook (Chief Executive Officer), Z Edwards (Acting Executive Manager Corporate and Community Services), K Lowes (Executive Manager Corporate and Community Services), A Butcher (Executive Manager Operations-Construction), R Rasool (Executive Manager Assets), J Bayliss (Acting Manager Statutory Planning) and L Burt (Governance/Minute Officer)

Gallery – There were two members of the public present in the Gallery.

2.2 APOLOGIES

Nil

2.3 LEAVE OF ABSENCE

Nil

3. DISCLOSURES OF INTEREST

Nil

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4. PUBLIC QUESTION TIME

4.1 RESPONSES TO PUBLIC QUESTIONS PREVIOUSLY TAKEN ON NOTICE

Nil

4.2 PUBLIC QUESTIONS

Nil

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5. PETITIONS, DEPUTATIONS AND PRESENTATIONS

5.1 PETITIONS

Nil

5.2 DEPUTATIONS

Nil

5.3 PRESENTATIONS

Nil

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6. APPLICATIONS FOR LEAVE OF ABSENCE

Nil

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7. CONFIRMATION OF MINUTES

OFFICER RECOMMENDATION

That the Minutes of the Ordinary Council meeting held on 18 November 2018 be confirmed.

COUNCIL RESOLUTION/OFFICER RECOMMENDATION

MOVED: Councillor Elgin SECONDED: Councillor Johnson

That the Minutes of the Ordinary Council meeting held on 18 November 2018 be confirmed.

CARRIED UNANIMOUSLY

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8. ANNOUNCEMENTS BY THE PRESIDING MEMBER

Nil

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9. UNRESOLVED BUSINESS FROM PREVIOUS MEETINGS

Nil

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10. QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

Nil

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11. REPORTS

11.1. OFFICE OF THE CEO

11.1.1 REVIEW OF LOCAL GOVERNMENT ACT 1995 - SHIRE OF GINGIN SUBMISSION

File:	COR/13
Author:	Lee-Anne Burt – Governance Officer
Reporting Officer:	Aaron Cook – Chief Executive Officer
Report Date:	18 December 2018
Refer:	N/A
Appendices:	1. Draft Shire of Gingin Submission

DISCLOSURES OF INTEREST

Nil

PURPOSE

To consider the draft submission compiled on behalf of the Shire of Gingin with respect to Phase Two of the ongoing review of the *Local Government Act 1995*.

BACKGROUND

As Council will be aware, a comprehensive review of the *Local Government Act 1995* (the Act) is currently being undertaken by State Government in consultation with the local government sector and the broader community.

Phase one of the review, which covered priority reforms such as universal training for candidates and Council members, Council member code of conduct, improvements to Chief Executive Officer (CEO) recruitment and performance review and a simplified gift framework was commenced in 2017 and the drafting of a Bill covering these areas is now underway. This Bill, if successful, will result in amending the Act in the short term.

It is intended that the current Phase Two will result in a new Local Government Act. A wide-ranging programme of community consultation including numerous workshops with current Elected Members, local government officers and the community, has been conducted by both the Department of Local Government, Sport and Cultural Industries (the Department) and the Western Australian Local Government Association (WALGA). The Shire of Gingin was represented at workshops held in Gingin (staff) and Moora (Councillors).

The Department has provided a further opportunity for local governments and individuals to provide comment on the various reform topics via a survey process, which will close on 31 March 2019.

This is the first significant reform of local government contemplated in more than 20 years, and the new Act which results from the process will determine the environment within which the industry will operate for many years to come. It is therefore considered important for the Shire of Gingin to put forward its position in relation to the suggested reforms.

COMMENT

The reform process has been focussed on the following themes and topics:

Agile	Smart	Inclusive
Beneficial enterprises	Administrative efficiencies – local laws	Community engagement – IPR
Financial management	Council meetings	Complaints management
Rates, fees and charges	Interventions	Elections

Discussion papers have been compiled by the Department for each topic, setting out various suggestions for reform. The survey aims to provide respondents with the opportunity to indicate their level of support for each of the suggestions, and to put forward alternatives or make further comment if required.

The CEO has prepared a set of draft responses on behalf of the Shire of Gingin, which is provided as **Appendix 1** for Council's review and endorsement. The selected option or options for multiple choice questions has been highlighted in grey. Other responses are indicated with a "X" where appropriate.

STATUTORY ENVIRONMENT

Local Government Act 1995

POLICY IMPLICATIONS

Nil

BUDGET IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Shire of Gingin Strategic Community Plan 2017-2027

Focus Area	*Governance*
Objective	*5 – To demonstrate effective leadership, governance and advocacy on behalf of community.*
Outcome	*5.1 Values* *Our Organisational/Business Values are demonstrated in all that we do.*
Key Service Areas	*N/A*
Priorities	*N/A*

VOTING REQUIREMENTS – SIMPLE MAJORITY

COUNCIL RESOLUTION/OFFICER RECOMMENDATION

MOVED: Councillor Johnson SECONDED: Councillor Elgin

That Council endorse the submission with respect to the Local Government Act Review provided as Appendix 1.

CARRIED UNANIMOUSLY

APPENDIX 1

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What do you think?

Below is a consolidated list of all the questions contained in the Act review surveys.

The first 11 questions are demographic questions.

You can lodge a written submission via email at actreview@dlgsc.wa.gov.au.

The public submission period closes on 31 March 2019.

Unless marked as confidential, your submission (including survey responses) will be made public and published in full on the Department's website. Submissions that contain defamatory or offensive material will not be published.

Demographic questions

1. Have you read the discussion paper associated with this survey?
    a. Yes
    b. No
2. Who are you completing this submission on behalf of?
    a. Yourself
    b. An organisation, including a Local Government, peak body or business
3. What is the name of that organisation? Shire of Gingin
4. What is your name? Mr Aaron Cook CEO
5. What best describes your relationship to Local Government?
    a. Resident / ratepayer
    b. Staff member or CEO
    c. Council member, including Mayor or President
    d. Peak body
    e. State Government agency
    f. Supplier or commercial partner
    g. Community organisation
6. What best describes your gender?
    a. Male
    b. Female
    c. Other
    d. Not applicable / the submission is from an organisation
7. What is your age?
    a. 0 – 18
    b. 19 – 35
    c. 36 – 45
    d. 46 – 55
    e. 56 – 65
    f. 66 – 75
    g. 76+
    h. Not applicable
8. Which Local Government do you interact with most? Shire of Gingin
9. Would you like to be updated on the progress of the Local Government Act 1995 review and further opportunities to have your say?
    a. Yes
    b. No
10. Do you wish for your response to this survey to be confidential?
    a. Yes
    b. No
11. What is your email address? ceo@gingin.wa.gov.au

Beneficial Enterprises

1. The local government sector has been requesting that it be given additional powers to form independent corporations. These entities could be used to manage part of a local government's existing business activity or pursue new commercial opportunities. To what extent do you support the following statement?

   "A local government should be able to create a company known as a beneficial enterprise."

   a. Very unsupportive
   b. Unsupportive
   c. Neutral
   d. Supportive
   e. Very supportive

2. To what extent do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
"There should be no limitations on a Local Government to create a beneficial enterprise."		X			
"Only local governments deemed to be a low risk should be allowed to create a beneficial enterprise."		X			
"Only local governments that meet a threshold for financial health should be allowed to be create a beneficial enterprise."		X			
"Local governments should only be permitted to invest in a company up to a specific percentage of their annual expenditure."				X	
"Only local governments that are in band 1 & 2 of the Salaries and Allowance Tribunal banding should be allowed to create a beneficial enterprise."		X			

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
"Local government beneficial enterprises should be able to compete with private businesses."			X		
"Beneficial enterprises should have to employ staff under the same pay rates and conditions as employees of local governments."			X		
"Local governments should have to tell their community how much they are investing in a beneficial enterprise."				X	
"Communities should be able to decide if their local governments can establish a beneficial enterprise."			X		

3. Which of the following functions should a local government beneficial enterprise be permitted to undertake?

	Agree	Disagree
There should be no restrictions	X	
Local governments should not be permitted to form a company		X
Statutory approvals for example building and planning	X	
Leisure centres	X	
Human resources	X	
Information technology	X	
Airports	X	
Waste management	X	
Parking	X	
Road maintenance	X	

	Agree	Disagree
Retail (shops and service stations)	X	
Age or child care facilities	X	
Land development	X	
Caravan parks	X	
Other (please specify)		

4. To what extent do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
"The local government should be required to guarantee any debt of a local government beneficial enterprise."				X	
"The local government should be able to lend money to a local government beneficial enterprise."				X	
"The Western Australian Treasury Corporation should be able to lend money to a local government beneficial enterprise"				X	
"Commercial lenders should be able to lend money to a local government beneficial enterprise"			X		

5. To what extent do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
"The local government must receive approval from the Minister prior to creating a local government beneficial enterprise."				X	
"The local government must receive approval from the Treasurer prior to creating a local government beneficial enterprise."		X			
"The Office of the Auditor General should be responsible for auditing local government beneficial enterprises."		X			
"A local government beneficial enterprise should be required to hold public meetings."		X			

6. Do you have any comments or feedback on the ability of a local government to form a beneficial enterprise? Additional information can also be provided to the review team via email at actreview@dlgsc.wa.gov.au.

Financial Management

1. To what extent do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
"Local government purchasing rules should be consistent with the State Government."		X			
"Different procurement rules should apply to different local governments."				X	
"Local governments with few staff or small operating budgets should have fewer procurement rules to comply with."			X		

2. What criteria should be used to set the threshold for when a local government must publicly advertise a tender? (select all options that should apply)
   a. None. Procurement rules should be consistent across local government
   b. A percentage of a local government's average operating expenditure
   c. Salaries and Allowances Tribunal bands
   d. An independent risk assessment
   e. Other (please specify)
      Local Governments change across the state even within their band. For example the issues that face Woodanilling is very different fo Goomalling and, as such, some differences should be allowed to be implemented through Council Policy as this might greatly improve the local economy or create local employment etc.
3. Should the regulations set a threshold that a CEO is permitted to spend without needing approval from council?
   a. Yes
   b. No
   c. Unsure
4. Should the amount that a CEO is permitted to spend without needing additional approval from Council be scaled according to the local government's size or capacity?
   a. Yes
   b. No
   c. Unsure

5. To what extent do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
"Local governments should be permitted to invest surplus revenue."				X	
"Local government should have fewer restrictions on their ability to invest surplus revenue."				X	
"Different local governments should have different investment powers and rules."				X	
"Certain types of investments should require independent approval."				X	

6. Should local governments be required to give public notice in any of the following situations? (please select all options that should apply)
   a. Where a local government wishes to borrow money outside amounts listed in the annual budget – Yes and if the funds are then not needed or has funding left over then this should be advertised as per the two points below.
   b. Where a local government has exercised its power to borrow for a purpose but no longer wishes to use the funds for that purpose – No under normal circumstances.
   c. Where a local government has exercised its power to borrow for a purpose and has funding left over – No under normal circumstances.
   d. Public notice is not required in any of these situations
   e. Unsure
7. Should local governments be permitted to secure loans using assets that they own freehold?
   a. Yes
   b. No
   c. Unsure
8. Should local government be permitted to participate in Building Upgrade Finance programs?
   a. Yes
   b. No
   c. Unsure
9. What types of upgrades should be eligible for the program?
   a. Environmental upgrades

b. Commercial upgrades
c. Both environmental and commercial
d. Neither
e. Other (please specify)

10. Do you have any additional comments on the topic of financial management? Additional information can also be provided to the review team via email at actreview@dlgsc.wa.gov.au.

Rates, Fees and Charges

1. To what degree are you concerned about rates?
    a. Not at all
    b. A little
    c. A moderate amount
    d. A lot
    e. A great deal
2. Do you support the following statements?

	Yes	No	Unsure
"Local governments should be required to prepare a Rates and Revenue Strategy each financial year."		X	
"The value of the property should continue to be used to partially determine the value of the rates payable."	X		
"Local governments should be required to advertise all of their proposed rates and consider any submissions made, prior to adopting their budget."		X	
"Under the *Local Government Act 1995*, local governments may not advertise their rates prior to 1 May. Local governments should be permitted to advertise their rates at any time leading up to the adoption of their budget."			X
"All types of rateable property should pay the same rate in the dollar, regardless of how the land is used."	X		

3. Should the legislation set the rating categories that can be used by local governments?
    a. Yes
    b. No
    c. Unsure
4. If rating categories are set in legislation, what would be appropriate categories?

	Yes	No	Unsure
Residential	X		
Rural residential	X		

Commercial	X		
Industrial	X		
Vacant		X	
Mining	X		
Mining - exploration and prospecting (separate from general mining)		X	
Farming	X		
Not-for-profit organisation or charity	X		

Other (please specify)

If the basis of how the land valuation is determined then the rating categories need to also be assessed and possibly limited. One of the major keys that affects Local Governments across the State is the loss of income from Not for Profit Organisations when in fact many of these are generating serious income and creating requirements on the Local Government. In these instances they should be factoring in paying rates as part of their business model. "Not for Profit" does not mean it's not a business.

The clarity around this and being able to charge charitable organisations like churches even 50% rates would make a significant increase to rates for many local governments.

5. If rating categories were set in legislation, should local governments be permitted to introduce sub-categories within the set categories based on factors such as the type of mining being undertaken, the intensity of the land use or the type of commercial activity?
   a. Yes
   b. No
   c. Unsure
6. What powers should local governments have to recover payment of rates on exploration and prospecting leases? Full normal rights.
7. To what extent do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

"Local governments should be permitted to rate properties differently based on their location."			X		
"Local governments should be permitted to rate long term vacant properties differently to land that is being used."					X
"Local governments should be permitted to rate holiday houses, timeshare properties or AirBNB properties differently."				X	
"A lower rate in the dollar should apply to land used for exploration and prospecting compared to land used for mining."		X			

8. Currently, local governments are required to seek Ministerial approval when seeking to impose a rate in the dollar that is more than twice the lowest of its other rating categories. What is your preferred approach to differential rates?
   a. Ministerial approval for rates twice the lowest category
   b. Ministerial approval for rates three times the lowest category
   c. Ministerial approval for rates four times the lowest category
   d. No Ministerial approval required for any differential rates
   e. Differential rates to a maximum of four times may be set with no option for Ministerial approval
   f. Other (please specify)
9. To what extend do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
"All land should be subject to rates."					X
"The types of land subject to rates should be consistent between local governments."			X		

10. Should the following types of land be subject to rates?

	Yes	No	Unsure
Land owned by the Crown that is used or held for a public purpose (Depends on who is looking after it)	X		

Land used or held exclusively for churches (religious bodies)	X		
Land used or held exclusively for schools	X		
Land used exclusively for charitable purposes	X		
Land vested in trustees for agriculture or horticultural show purposes	X		
Land owned by Co-operative Bulk Handling Limited (CBH)	X		
Land used primarily as a place of residence (no matter who owns the land)	X		
Land used for mining exploration or prospecting	X		
Aged care facilities	X		
Child care facilities	X		
Sporting clubs and Surf Lifesaving clubs			X
Land used for the pursuit of the Arts			X

11. Which of the following charges should be levied on properties exempt from rates?
    a. Waste charges
    b. A service charge to cover basic services and maintenance
    c. Both
    d. Neither
    e. Other (please specify)

    The amount of properties exempt from rates should be greatly reduced as has been discussed prior

12. Should a concession on rates be granted in any of the following scenarios?

	Yes	No	Unsure
The land is owned by a person who currently receives a pensioner or health related concession		X	
The land is owned or used by a not-for-profit organisation		X	
The land is owned or used by an entity that provides assistance or encouragement for arts or cultural development			X

The land is owned or used by a sporting or recreation body and is available for use by the general community without charge or below cost (Depends on the circumstances)			X
Community service organisations that are not-for-profit, for the benefit of the general public and provide community services without charge or below cost		X	
The payment of rates or charges will cause hardship to the land owner		X	
The concession will encourage the economic development of all or part of the local government district (If the Local Government agrees with the benefit)	X		
The concession will encourage land that is of cultural, environmental, historic, heritage or scientific significance to the local government area to be preserved, restored or maintained (If the Local Government agrees with the benefit)			X
Land that is subject to a mining tenement		X	
Land that is determined by the Minister to be subject to a concession		X	

13. Should any other scenarios be subject to rates concessions?
    Yes and the Local Government should have the ability to determine this around its own set of principles and values.
14. Which of the following charges should be levied on that part of the land that receives a rates concession?
    a. Waste charges
    b. A service charge to cover basic services and maintenance
    c. Both
    d. Neither
    e. Other (please specify)
15. To what extent do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
"Rate exemptions for the commercial (non-charitable) business activities of charitable organisations should be removed."					X

"Certain categories of ratepayers, for example Independent Living Units, should only be exempt from rates where they qualify under the Commonwealth *Aged Care Act 1997*."		X			
"Land used as a residence should not be regarded as charitable."					X

16. To what extend do you support this statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
"Local governments should be able to impose fixed charges or levies for particular services, facilities or activities."				X	
"Local governments should be able to vary fees and charges at any time without advertising the change."				X	
"Local governments should have the autonomy to set fees and charges for all services they provide."					X
"Services that are consistent across local governments should have the same fees or charges."		X			
"Local governments should not set a fee or charge higher than the cost of delivering that service."	X				
"A fee or charge should not be set lower than the cost of delivering that service."					X
"Fees and charges imposed by local government and fixed under legislation should increase by CPI annually."					X

17. Do you have any additional comments on the topic of rates, fees and charges? Additional information can also be provided to the review team via email at actreview@dlgsc.wa.gov.au.

Administrative efficiencies

1. To what extent do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
"All local governments regardless of their size should have the same level of powers and responsibilities."				X	
"The functions of the Grants Commission and the Advisory Board should be combined under one Board."				X	
"Membership of the Local Government Advisory Board and the Local Government Grants Commission should be required to be drawn from specific geographic locations, for example, metropolitan Perth as well as regional and remote Western Australia."				X	
"Prior to conducting a poll to change the method of election of the Mayor/President from election by electors to election by the council, the local government should be required to draft the question and summaries and submit the question to the Advisory Board."				X	
"The Advisory Board should not assess a proposal for changes to boundaries that does not meet the minimum requirements."				X	
"The petition of affected electors should require each signatory to sign an acknowledgement that they have read the summary of the proposal and have seen a plan or map detailing any proposed changes."				X	
"The affected local government(s) should be provided with a copy of the proposal prior to it being submitted to the Advisory Board."					X
"The applicant should be able to withdraw a proposal at any time prior to a recommendation being made to the Minister, providing there are circumstances which,				X	

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
in the Advisory Board's view, warrant withdrawal of the proposal."					

2. Currently a proposal to the Advisory Board from the community must be signed by 250 people or 10% of the community whichever is less. Should proposals from districts with a population over 5,000 be increased to 500 signatures?
    a. Yes
    b. No
    c. Unsure
3. To what extent do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
"People need the power to impound stray cattle."			X		
"Local governments need the power to impound stray cattle."				X	
"People need the power to detain and dispose of stray goats, pigs and poultry."			X		
"Offences that apply to pound keepers should also apply to similar facilitates maintained by local governments, for example cats and dogs."				X	

4. Which of the following pieces of information should be provided by local governments to the Department and the Minister for Local Government?

Section		Yes	No	Unsure
s 4.79	Provide a report on the result of an election (ordinary or extra-ordinary election)	X		
s 5.3	Advise of the failure to hold council meetings within the last 3 months	X		
s 7.12A	Provide a copy of the report that addresses the issues identified in the audit report	X		
LG (Audit) Reg 14	Provide a copy of the compliance audit report	X		
LG (Audit) Reg 15	Provide a certified copy of the compliance audit return		X	
LG (Constitution) Reg 11FA	Provide a report on the result of an election (election of Mayor/President and Deputy Mayor/President)	X		
LG (Constitution) Reg 11H	Advise the outcome of the Court of Disputed Returns (election of Mayor/President and Deputy Mayor/President)	X		
LG (Constitution) Form 2	Request for a poll on a recommended amalgamation	X		
LG (Elections) Reg 86	Advise the outcome of the Court of Disputed Returns (ordinary or extra-ordinary election)	X		
LG (Financial Management) Reg 33	Provide a copy of the annual budget		X	
LG (Financial Management) Reg 33A	Provide a copy of the review and determination of the reviewed annual budget		X	
LG (Financial Management) Reg 51	Provide a copy of the annual financial report	X		

5. Which of the following decisions should be made by the Minister?

Section		Yes	No	Unsure
s 2.25	Approval for a leave of absences greater than six consecutive council meetings	X		
s 3.53	Ordering which local government is responsible for managing a facility that is located within two or more districts (only when the local governments themselves do not agree about how to manage the facility)			X
s 3.59	Commencing or undertaking a major land transaction or trading undertaking (as required under the regulations)	X		
s 3.61	Establishing a regional local government	X		
s 3.65	Amending the establishment agreement of a regional local government		X	
s 3.69	Establishing a regional subsidiary	X		
s 3.70	Amendment to a regional subsidiary's charter			X
s 5.7	Reducing the number of people required for a quorum or absolute majority			X
s 5.69	Approval to participate in a meeting (after disclosing an interest)	X		
s 5.69A	Exemption from some or all disclosure of interest requirements for committee members	X		
s 6.35	Minimum payment of rates on vacant land		X	
s 6.74	Approval to re-vest land to the State for non-payment of rates		X	
s 9.63	Direction to two or more local governments on how to resolve a dispute	X		

6. How should the following decisions be resolved by council?

Section		Simple Majority	Absolute Majority	Unsure
ss 3.12 & 3.16	Making local laws		X	
s 3.59(5)	Undertaking major land transactions or major trading activities		X	
s 4.17	Deciding if a councillor's seat should remain vacant prior to the next ordinary election (if the vacancy occurs between January and July in an election year)		X	
s 4.20	Appointing the Electoral Commissioner to conduct an election or appointing a returning officer	X		
s 4.57	Appointing a person to be a Councillor if no nominations are received twice for a vacant position		X	
s 4.61	Deciding if an election should be a postal election	X		
s 5.8	Establishing committees to assist council in the performance of powers and duties	X		
ss 5.10 & 5.11A	Appointing members (and deputies) to a committee	X		
s 5.15	Reducing the number of offices required to form a quorum at a committee meeting (if required)	X		
s 5.16	Delegating or revoking any local government powers and duties to a committee		X	
s 5.36	Decisions on CEO's employment contract		X	
s 5.42 & 5.45	Deciding to delegate powers or duties to the CEO (and revoke this delegation)		X	
s 5.54	Accepting the annual report for a financial year		X	
s 5.98A	Deciding to pay the deputy mayor an additional allowance		X	

Section		Simple Majority	Absolute Majority	Unsure
s 5.99	Deciding to pay council members the prescribed minimum fee or a fee within the prescribed range	X		
s 5.99A	Deciding to pay council members an annual allowance or an allowance that has been set for expenses	X		
s 6.2	Preparing and adopting a budget for the financial year		X	
s 6.3	Imposing a supplementary general rate or specified area rate		X	
s 6.8	Spending money from the municipal fund that was not in the annual budget		X	
s 6.11	Changing the purpose of a reserve account		X	
s 6.12	Granting a discount for the early payment of money, waiving or granting concessions, or writing off any amount owed to the local government	X		
s 6.13	Deciding to require a person to pay interest on an amount owed to a local government	X		
s 6.16	Imposing (or amending) a fee for goods or services	X		
s 6.20	Deciding to borrow and spend borrowed money		X	
s 6.32	Imposing a general rate on rateable land or a supplementary general rate in an emergency		X	
s 6.46	Granting a discount or other incentive for the early payment of any rate or service charge	X		
s 6.47	Deciding to waive a rate or service charge	X		
s 6.51	Deciding to impose interest on a rate or service charge or costs of proceedings to recover amounts unpaid		X	

Section		Simple Majority	Absolute Majority	Unsure
s 7.1A	Appointing audit committee members	X		
s 7.1B	Delegating powers and duties to the audit committee		X	
Sch 2.2 clause 4	Deciding to propose to the Advisory Board that a submission should be rejected or dealt with as a minor matter that does not require public submissions		X	
Sch 2.2 clause 5	Making a proposal to the Minister or the Advisory Board to change the name of a district or ward		X	
Sch 2.2 clause 9	Making a proposal to the Advisory Board to change ward boundaries, the name of the district or wards, or the number of councillors		X	
LG (Admin) Reg 10(2)	Deciding to revoke or change a decision made by absolute majority		X	
LG (Admin) Reg 14A	Deciding to approve a member to be present at a meeting via telephone	X		
LG (Admin) Reg 19C and 19DA)	Adopting a strategic community plan and corporate business plan		X	
LG (Financial Management) Reg 33A	Determining whether to adopt a review of the budget or recommendations in the budget review	X		

7. Which regulatory measures within the Act should be removed or amended to make the legislation more efficient? Please provide detailed analysis with your suggestions.

   Briefly describe the red tape problem you have identified.
   The Annual Electors Meeting is a waste of time and only acts as a grand standing opportunity for the community that have full access to every normal meeting of Council.
   What is the impact of this problem? Please quantify if possible.
   The administrative impact on preparing for and administering this requirement, when normally very few to no community members attend renders the meeting superfluous, especially when many of the meetings are

held around the date of a normal meeting or even on the same day prior to the ordinary meeting of Council.
What solutions can you suggest to solve this red tape problem?
Remove the requirement for the Annual Electors Meeting.
You can also email your suggestions to actreview@dlgsc.wa.gov.au.

Local Laws

1. Should any of the following topics covered by local laws be replaced by state-wide regulations?

	Yes	No	Unsure
Activities on thoroughfares and trading		X	
Beekeeping	X		
Cemeteries	X		
Dogs	X		
Cats	X		
Extractive industries		X	
Fencing		X	
Bush fire brigades	X		
Meeting procedures (standing orders)		X	
Pest plants	X		
Public places and Local Government property		X	
Parking		X	
Waste		X	
Urban environment and nuisance		X	
Other (please specify)			

2. Should model local laws be prepared by State Government for local governments to use?
    a. Yes
    b. No
    c. Unsure
3. Should local governments be permitted to adapt the contents of model local laws?
    a. Yes
    b. No
    c. Unsure
4. Currently a local government is required to consult for a period of six weeks. If a local government adopts a model local law without modification, how long should the mandatory consultation period be?
    a. Less than 6 weeks
    b. Greater than 6 weeks
    c. 6 weeks as it is currently
    d. The requirement for public consultation should be removed entirely
    e. A duration determined by council
5. If a local government is seeking to adopt a model local law that it has modified, how long should the mandatory consultation period be?
    a. Less than 6 weeks
    b. Greater than 6 weeks
    c. 6 weeks as it is currently
    d. The requirement for public consultation should be removed entirely
    e. A duration determined by council
6. To what extent do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
"The Department should continue to provide comment on proposed local laws prior to consideration by Parliament's Joint Standing Committee on Delegated Legislation."				X	
"Local governments should be required to modify proposed local laws according to the instructions of the Department."	X				
"Local governments should be required to have a legal practitioner certify that a local law is within power and legally enforceable."		X			

7. Should local governments be required to periodically review their local laws?
   a. No
   b. Yes, every 6 years or less
   c. Yes, every 8 years
   d. Yes, between 8 and 10 years
8. Do you have any additional comments on the topic of local laws? Additional information can also be provided to the review team via email at actreview@dlgsc.wa.gov.au

The requirement to review needs to be made easier for Local Governments. Less Onerous.

Council Meetings

1. To what extent do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very Supportive
"The process for public question time should be consistent between councils."				X	
"Public question time is an important feature of council meetings."				X	
"People unhappy with the quality of the answer given at public question time should be able to escalate the matter to an independent person."		X			

2. Should council members be able to participate in meetings remotely?
   a. Yes
   b. No
   c. Unsure
   If yes, how? By Phone or a skype method.

3. Could General Electors Meetings be combined with or held consecutively with an Ordinary Council Meeting?
   a. Yes
   b. No
   c. Unsure
4. Should Council Meetings be live streamed? Only if the Local Government Chooses as it sees a purpose – This should not be a requirement and many would not be able to facilitate without large cost and significantly improved internet service provision!
5. To what extent do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
"Legislation should set rules for recording confidential items in minutes."				X	
"Local governments should be required to publish unconfirmed council meeting minutes prior to the local government's next council or committee meeting."				X	
"The CEO rather than the Presiding Member should be responsible for the minutes of council and committee meetings."		X			
"The rule concerning council's ability to revoke or change a decision should be amended to clarify that it only applies to decisions that are yet to be implemented."					X

6. To what extent to do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
"The requirement to hold an annual electors meeting should be removed."					X
"The ability to call a special electors meeting should be removed."				X	
"The number of times that a special electors meeting can be called on the same matter should be restricted."					X
"The number of electors required to hold a special electors meeting should be increased."					X
"The Local Government's standing orders should apply to special electors meetings."					X

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
"The way special electors meetings are conducted should be uniform between local governments."			X		

7. Do you have any additional comments on the topic of council meetings? Additional information can also be provided to the review team via email at actreview@dlgsc.wa.gov.au.

Interventions

1. Depending on the nature of the allegation, different parties are responsible for receiving allegations of breaches of the Act. Should the Department responsible for local government be responsible for receiving all allegations of breaches of the Act?
    a. Yes
    b. No
    c. Unsure
2. To what extent are you concerned about behaviour and good governance in local government?
    a. A great deal
    b. A lot
    c. A moderate amount
    d. A little
    e. Not at all
3. To what extent do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
"The Act should enable an external person to be appointed to work with a local government's administration to improve governance and resolve problems."				X	
"An external person appointed to work with a local government's administration to improve governance and resolve problems should have the powers to direct the administration and override decisions made by the administration."				X	
"The external person should be appointed by the Minister."				X	
"The costs of appointing an external person to work with an administration to improve governance and resolve problems in a local government should be met by the local government."			X		
"The costs of appointing an external person to work with an administration to improve governance and resolve problems in a local government should be met by the State Government."			X		

4. To what extent to you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
"The Act should enable an external person to be appointed to work with council members to improve governance and resolve problems."				X	
"An external person appointed to work with council members should have the power to direct the council."			X		
"An external person appointed to work with council members to improve governance and resolve problems should have the powers to override council decisions."		X			
"An external person should be appointed by the Minister."				X	
"The costs of appointing an external person to work with council members to improve governance and resolve problems in a local government should be met by the local government."			X		
"The costs of appointing an external person to work with council members to improve governance and resolve problems in a local government should be met by the State Government."				X	

5. To what extent do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
"Former local government council members, committee members and employees should be prosecuted if they misuse information."				X	
"Local government council members, committee members or employees should be prosecuted if they use				X	

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
their position to cause detriment to the local government or any person."					
"People who knowingly provide false or misleading information to a council should be prosecuted."				X	
"Local government employees that breach procurement rules should be prosecuted."				X	
"When a breach of the Act is identified an infringement notice should be issued as is the case for traffic offences."				X	

6. To what extent do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very Supportive
"In cases where a local law does not define a penalty amount, the Act should set a default penalty amount."				X	
"Local governments need greater powers to direct property owners to tidy property for amenity, health and safety reasons."				X	
"Local governments need greater powers to direct property owners and occupiers to remove items like disused motor vehicles for amenity, health and safety reasons."					X
"Local governments should be able to destroy property or items removed from a property within 28 days when there has been a breach of a local law or regulations. This might include rubbish, goods deemed to be of little value, or decaying items."				X	

7. Do you have any additional comments on this topic of interventions? Additional information can also be provided to the review team via email at actreview@dlgsc.wa.gov.au.

Community Engagement

1. What methods of engagement do you believe are most effective (please select all options that apply)
   a. In person
   b. Telephone
   c. Online
   d. Community forums
   e. Citizen juries
   f. Other (please specify)
2. How could local governments engage with different community groups (e.g. young people, seniors, families, people with disabilities, Aboriginal people and people from Culturally and Linguistically Diverse communities, etc.)?
   As diverse as Local Governments are his should be determined by the Local Government to best suit that community.
3. To what extent do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
"The Act needs to set rules for community engagement by defining what community engagement is and how it should be done."		X			
"Local governments should be required to adopt a community engagement charter or policy."			X		
"All local governments should operate under a universal community engagement charter or policy."		X			
"Local governments should determine if they require a community engagement charter or policy and the content of that charter or policy."				X	

4. Other jurisdictions have included principles with their engagement charter. How relevant do you believe each of these principles are?

	Irrelevant	Neutral	Relevant
Engagement is genuine			X

	Irrelevant	Neutral	Relevant
Engagement is inclusive and respectful			X
Engagement is fit-for-purpose			X
Engagement is informed and transparent			X
Engagement processes must be reviewed and improved		X	

5. In what circumstances should local governments be required to engage with the community? (please select all options that apply)
   a. When preparing or reviewing their Strategic Community Plan
   b. When preparing their annual budget
   c. Making a local law
   d. Planning matters
   e. Emergency and community infrastructure planning
   f. Only when the local government determines that it is necessary
   g. Other (please specify)

6. Would you like to make any further comments regarding community engagement? Additional information can also be provided to the review team via email at actreview@dlgsc.wa.gov.au.

Integrated Planning and Reporting

1. To what extent do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
"Long-term and operational planning is an area where reform is required."				X	
"A local government should be free to conduct its long-term and operational planning in whatever manner it wishes."				X	
"Local governments should conduct their long-term and operational planning in the same way."		X			
"Local governments with smaller populations and fewer staff should have fewer rules for how they conduct long-term and operational planning."				X	
Local Governments with larger populations and more staff should have fewer rules setting how they conduct long-term and operational planning."		X			
"Integrated Planning and Reporting documents need to be reviewed too frequently."				X	
"The timelines for reviewing Integrated Planning and Reporting documents need to be synchronised with council election cycles."				X	
"There should be consequences for not complying with Integrated Planning and Reporting requirements."				X	

2. Should Integrated Planning and Reporting requirements differ based on any of the following criteria?

	Yes	No	Unsure
Population size	X		
Geographical size		X	

	Yes	No	Unsure
Location		X	
Salaries and Allowances Tribunal banding	X		
Other, please specify			

3. To what extent do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
"Local governments should be required to publish measures of success in implementing their long-term and operational plans."				X	
"Local governments should be required to publish measures of success against uniform key performance indicators."		X			
"It is important that measures of success are comparable."		X			
"Local governments should determine if they publish measures of success and what these measures should be."			X		

4. To what extent do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
"The State Government should use local government Integrated Planning and Reporting documents to inform policy and service delivery."			X		

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
"All local government plans, including Local Public Health Plans, Disability Access Plans and Town Planning Schemes, should be combined under Integrated Planning and Reporting."				X	
"Local government Integrated Planning and Reporting needs to be conducted at a regional level to influence State Government policy and service delivery."				X	

5. What should the role of the community be in Integrated Planning and Reporting?

	Yes	No	Unsure
To be actively involved in the development of the Strategic Community Plan	X		
To provide feedback to the local government on Draft Strategic Community Plans and Corporate Business Plans	X		
To be notified of a local government's plans and reports (for example, publication of these documents on the local government's website)	X		
To assess the local government's success in achieving the priorities identified in the Strategic Community Plan		X	

6. Should all Local Governments have to meet the following community engagement requirements when developing their IPR documents?

	Yes	No	Unsure
A minimum number of people or percentage of people involved in the engagement process		X	
Ensure that community engagement is representative of the community's diverse population	X		

	Yes	No	Unsure
Demonstrate the community has been engaged in the development of plans		X	
Demonstrate the community has been consulted on the completion of draft plans		X	
Other (please specify)			

7. Should community engagement requirements be the same for all local governments?
   a. Yes
   b. No
   c. Unsure
8. Do you have any other comments on the topic of Integrated Planning and Reporting? Additional information can also be provided to the review team via email at actreview@dlgsc.wa.gov.au.

In regards to the engagement the Council should make a genuine effort to consult with the diverse population, however, should not be criticised if sections of the community do not engage.

Complaints Management

1. What matters need to be considered in complaints management policies and procedures (please select all that apply)
    a. How the application must be made
    b. How a response to a complaint is to be made
    c. Opportunities for a review of a response
    d. The timeframes related to the process or review
    e. Notification requirements of the process
    f. Reporting of the complaints received
    g. Internal independent review of complaints
    h. None of these options
    i. Other (please specify)
2. To what extent do you support this statement?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very Supportive
"A customer service charter should set the framework for local government complaints management."				X	

3. Should a local government customer service charter be a legislative requirement?
    a. Yes
    b. No
    c. Unsure
4. Who should review unresolved complaints (please select all options that apply)?
    a. Different staff member in the local government
    b. A qualified complaints management officer
    c. A committee created by the local government
    d. A tabled decision for council to determine
    e. None of the people or groups listed above
    f. Other (please specify)
5. Do you have any additional comments on the topic of complaints management? Additional information can also be provided to the review team via email at actreview@dlgsc.wa.gov.au.

Elections

1. To what extent do you support the following statements?

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
"Voting should be compulsory."			X		
"Voting should be conducted via a preferential voting system."		X			
"Electronic and online voting should be made available for local government elections."					X
"The use of electronic or online voting would not change my confidence in the voting system."					X
"Legislation should be introduced that would permit online voting to be trialled."					X

2. Which local governments should be required to offer postal voting?
   a. Postal voting should not be required to be offered
   b. All local governments
   c. Local governments with a population greater than 1,000 people
   d. Unsure
3. Which local governments should be required to use the WA Electoral Commission?
   a. No local governments should be required to use the WA Electoral Commission
   b. All local governments
   c. Local governments with a population greater than 1,000 people
   d. Unsure
4. Should the WA Electoral Commission be the only organisation authorised to conduct local government postal voting?
   a. Yes
   b. No
   c. Unsure
5. What method should be used to resolve ties in council elections?
   a. Drawing of lots (random selection)
   b. Unsure
   c. Other (please specify)

6. To what extent do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
"A count-back from the previous election result should be used if available to fill vacancies between elections."			X		
"Local governments should be required to adopt a caretaker period that restricts council from making major decisions during a local government election period."			X		
"Caretaker periods are only required in large local governments."		X			
"Council members who contest a State or Federal election should be required to take a leave of absence on the day of their nomination for a State or Federal election campaign."		X			

7. To what extent do you agree with the following statements?

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
"People who have been convicted under planning or building legislation offences in the past should be disqualified from serving as a council member."	X				
"Council elections should be held every four years rather than every two years with all council members being elected at the same time."	X				
"A cap should be set on the maximum amount that a candidate may spend on their campaign."			X		
"Prospective candidates should be required to declare their profession or primary source of income on the nomination form."					X

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
"Local governments should be required to publish candidate profiles on the website."					X
"Information collected on the nomination form should include demographic information such as gender and ethnicity."				X	

8. To what extent do you agree with the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very Supportive
"People who own land but who do not live in a district should be eligible to vote."				X	
"People who lease rateable property in a district should be entitled to vote."			X		
"Corporations that own property in a district should be entitled to vote."				X	
"Corporations that lease property should be entitled to vote."			X		
"Occupiers of land, for example, commercial lease holders, should be eligible to vote."				X	
"Only people over the age of 18 who live in a district should be eligible to vote."		X			

9. How should the position of Mayor or Shire President be determined?
   a. Vote by electors
   b. Vote by council members
   c. A method determined by council
   d. Unsure

e. Other (please specify)

10. To what extent do you agree with the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
"The rules regulating non-election gifts and elections should be aligned."				X	
"Election gifts and donations should be declared regardless of when they are received."					X
"A register of election gifts and donations should be available online."					X
"Donors should also be required to declare election gifts and donations made."		X			

11. Should gifts or donations from any of the following be prohibited? (please select all options that apply)
    a. Real estate agents
    b. Property developers
    c. Political parties
    d. Liquor or gambling business entities
    e. Tobacco industry business entities
    f. No election gifts or donations should be prohibited
    g. All election gifts or donations should be prohibited
    h. Other (please specify)

12. To what extent do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very Supportive
"A local government should be required to have a ward structure if it reaches a certain population threshold."				X	
"A local government with fewer than 800 people should not have wards."					X

	Very unsupportive	Unsupportive	Neutral	Supportive	Very Supportive
"Ward boundaries should be set by the Electoral Commissioner."					X
"The number of members that a council has should be linked to the local government's population."		X			

13. How can participation be increased to ensure that Western Australia's diverse population is represented in local government?
    On line voting
14. Do you have any other comments or feedback on local government elections? Additional information can also be provided to the review team via email at actreview@dlgsc.wa.gov.au.

11.1.2 2019 LOCAL GOVERNMENT ELECTIONS FOR THE SHIRE OF GINGIN

File:	GOV/38
Author:	Lee-Anne Burt – Governance Officer
Reporting Officer:	Aaron Cook – Chief Executive Officer
Report Date:	18 December 2018
Refer:	Nil
Appendices:	Nil

DISCLOSURES OF INTEREST

Nil

PURPOSE

To consider conducting the 2019 local government elections as a postal election and to appoint the Electoral Commissioner as the person responsible for conducting the election.

BACKGROUND

The Shire of Gingin has conducted each local government election since 2001 as a postal election.

Analysis of statistics received from the Western Australian Electoral Commission (WAEC) has shown that the proportion of voter participation via postal voting is consistently greater than that generated by traditional “in person” voting.

The Shire of Gingin Election Report provided by the Western Australian Electoral Commission following the last elections showed that, in 2017, the Shire of Gingin had a participation rate of 44.1%, up from 39.42% in 2015 and 36.59% in 2013. The State average for local governments using the postal voting method in 2017 was 34.5%.

Section 4.61(2) of the *Local Government Act 1995* empowers a local government to conduct an election as a postal election. Postal elections must be conducted by the Western Australian Electoral Commissioner.

The *Local Government Act 1995* (section 4.20(5)) specifies that Council must make a decision with respect to appointing the Electoral Commissioner as the person responsible for conducting the election no later than 80 days prior to election day. The 2019 local government elections will be conducted on 19 October 2019.

COMMENT

Correspondence has been received from the Electoral Commissioner, advising that the estimated cost of conducting the 2019 Shire of Gingin local government elections as a postal ballot is $27,000 (GST inclusive). This figure, which is the same as the figure quoted to conduct the 2017 elections, is based on the following assumed parameters:

- 4,400 electors;
- Response rate of approximately 45%;

- Five vacancies;
- Count to be conducted at the Shire of Gingin Administration Centre;
- Appointment of a local Returning Officer; and
- Regular Australia Post delivery service to apply.

Council may opt for the Australia Post Priority Service for the lodgement of election packages, which will incur an additional cost of $880. However, the Commission is of the view that the regular service is adequate for outgoing mail for most local governments, and staff are not aware of any particular issues arising for the Shire of Gingin from the use of the regular delivery service for previous elections.

The WAEC's estimate does not include costs related to:

- Non-statutory advertising (ie, any additional advertising in community newspapers and promotional advertising);
- Any legal expenses other than those that are determined to be borne by the WAEC in a Court of Disputed Returns;
- One local government staff member to work in the polling place on election day; or
- Any additional postage rate increases by Australia Post.

Section 4.20(4) of the *Local Government Act 1995* requires that a local government must obtain the agreement of the Electoral Commission before resolving to declare the Commission responsible for the conduct of an election. In order to satisfy this legislative requirement, the Commissioner has also confirmed that the letter of quotation is to be taken as his agreement to be responsible for the conduct of the ordinary elections in 2019 for the Shire of Gingin.

STATUTORY ENVIRONMENT

Local Government Act 1995
Part 4 – Elections and other polls
Division 7 – Provisions about electoral officers and the conduct of elections
Section 4.20 – CEO to be returning officer unless other arrangements made

Division 9 – Electoral process
Section 4.61 – Choice of methods of conducting election

POLICY IMPLICATIONS

Nil

BUDGET IMPLICATIONS

Provision will need to be included in Council's 2019/20 Budget for conducting the 2019 local government elections. It is estimated that an allocation of $35,000 (excluding GST) will be sufficient to cover all costs, including staff wages and non-statutory advertising.

It is not considered that there will be a material effect on Council's Budget, irrespective of whether Council chooses to adopt postal voting or an in-person voting process.

STRATEGIC IMPLICATIONS

Shire of Gingin Strategic Community Plan 2017-2027

Focus Area	*Governance*
Objective	*5 – To demonstrate effective leadership, governance and advocacy on behalf of community.*
Outcome	*5.1 Values* *Our Organisational/Business Values are demonstrated in all that we do.*
Key Service Areas	*Elected Member Services*
Priorities	*Nil*

VOTING REQUIREMENTS – ABSOLUTE MAJORITY

COUNCIL RESOLUTION/OFFICER RECOMMENDATION

MOVED: Councillor Elgin SECONDED: Councillor Court

That Council:

1. **Declare, in accordance with section 4.20(4) of the *Local Government Act 1995*, the Electoral Commissioner to be responsible for the conduct of the 2019 ordinary local government election for the Shire of Gingin, together with any other elections or polls which may be required;**

2. **Resolve, in accordance with section 4.61(2) of the *Local Government Act 1995*, that the 2019 ordinary local government election for the Shire of Gingin will be conducted as a postal election; and**

3. Resolve to allocate an amount of $35,000 in the 2019/20 Budget for the purpose of conducting the 2019 ordinary local government election for the Shire of Gingin.

CARRIED BY ABSOLUTE MAJORITY
9-0

11.1.3 2018 CEO'S REVIEW OF RISK MANAGEMENT, INTERNAL CONTROL AND LEGISLATIVE COMPLIANCE

File:	GOV/20
Author:	Lee-Anne Burt – Governance Officer
Reporting Officer:	Aaron Cook – Chief Executive Officer
Report Date:	18 December 2018
Refer:	N/A
Appendices:	1. Review Report – DL Consulting

DISCLOSURES OF INTEREST

Nil

PURPOSE

To receive the results of the 2018 CEO's Review of Risk Management, Internal Control and Legislative Compliance.

BACKGROUND

Regulation 17 of the *Local Government (Audit) Regulations 1996* (the Regulations) requires that the Chief Executive Officer undertake a review of the appropriateness and effectiveness of the Shire's systems and procedures in relation to risk management, internal control and legislative compliance. The results of the review are to be reported to the Audit Committee and, through the Committee, to Council by 31 December.

Regulation 17 came into effect in 2013, with all local governments required to complete their inaugural review by 31 December 2014. The Shire of Gingin carried out its 2014 and 2016 reviews "in-house", but at its meeting on 17 April 2018 Council resolved to make provision in its 2018/19 Budget for the engagement of a consultant to prepare the 2018 review.

Prior to 26 June 2018, the Regulations required that the review be undertaken at least once every two calendar years and, given that the Shire of Gingin's last review was carried out in 2016, arrangements were put in place for a further review to be completed by 31 December 2018. On 26 June 2018 the Regulations were amended to require a review of each of the components at least once in every three financial years. This means that the Shire of Gingin will not now be required to complete another review until 30 June 2021.

COMMENT

DL Consulting was engaged to carry out the 2018 Review.

A very thorough review process was undertaken, with Administration providing the consultant with responses to between 50 and 60 separate enquiries covering the three focus areas of Risk Management, Internal Control and Legislative Compliance. In addition, the consultant was based onsite at the Gingin Administration Centre for two days in order to complete physical checks of certain aspects and to meet with key staff members.

There is no doubt that having the review process undertaken by an external party with experience in this type of exercise has certainly been very beneficial in providing reassurance to the Audit and Governance Committee and, through the Committee, to Council that the Shire's current overall administrative environment is effective and appropriate for an organisation of this size.

The findings of the report are described in detail in **Appendix 1**. The report does make some suggestions for improving the overall control environment and these are listed below with corresponding comment from the CEO

1. *Consider the implementation of a compliance checklist detailing the statutory obligations to be met for the compliance items identified on the Annual Compliance Calendar.*

   Comment

   The purpose of a compliance checklist is to assist officers in ensuring that, in instances where a compliance item includes individual actions that must be undertaken to fulfil statutory requirements. The consultant has provided a very comprehensive example of a compliance checklist, which covers a wide range of requirements contained within the *Local Government Act 1995* and its associated regulations.

   It is considered that the checklist in its current form is too detailed to be a practical tool for most officers responsible for compliance issues, and there doesn't seem to have been a significant problem to date with respect to failure to undertake legislative requirements in the prescribed manner. However, it may be beneficial for extracts from the checklist relevant to particular matters on the Shire's Compliance Calendar to be provided to the responsible officer/s, who can then "tick off" the various components of the required action and return the checklist to the Governance Officer once the compliance item is completed.

   Consideration will be given to implementing this procedure over the next 12 months.

2. *Consider implementing the keeping of notes/minutes of EMT meetings.*

   Comment

   It is agreed that this would be a beneficial action, and it will be taken on board in the New Year.

3. *Ensure that the local government's informing strategies for Asset Management are reviewed and updated.*

Comment

Implementation of this suggestion will be a long-term outcome in the event that it is found to be warranted and/or practical.

4. *Consider implementing an Internal Control Policy.*

Comment

Implementation of this suggestion will be a long-term outcome in the event that it is found to be warranted and/or practical.

5. *Consider implementing a Legislative Compliance Policy.*

Comment

Implementation of this suggestion will be a long-term outcome in the event that it is found to be warranted and/or practical.

6. *Consider the formalisation of internal procedure manuals for all positions so there is clear documentation on how tasks and processes should be performed.*

Comment

It is agreed that internal procedure manuals for all positions would indeed be beneficial. However, implementation of this suggestion will be a long-term and ongoing process.

7. *Consider process mapping procedures to assist visual interpretation and to identify weaknesses in internal controls.*

Comment

Implementation of this suggestion will be a long-term outcome in the event that it is found to be warranted and/or practical.

8. *Consider amending the Shire's Dealing with Complaints Policy, or introducing a corporate procedure, to address the handling of confidential and anonymous employee complaints.*

Comment

Implementation of this suggestion will be a long-term outcome in the event that it is found to be warranted and/or practical.

9. *Consider implementing a Governance Manual that provides sound guidance on the corporate governance framework that applies to the local government.*

Comment

It is considered that the draft Governance Manual referred to in the consultant's report will be a useful tool in ensuring that both Councillors and staff have a good understanding of the Shire's Corporate Governance Framework.

The finalisation of the draft Manual will be progressed in the New Year, with a view to having it form part of the Induction Manual for new Councillors, and the induction process for new employees.

10. *Evaluate changes required to the IT server room access to reduce the risk of unauthorised access to IT hardware infrastructure.*

Comment

Whilst it is agreed that the current server room arrangements are less than satisfactory, in practical terms there is little that can be done to improve the situation at this point in time. There is no capacity within the current administration centre to relocate the server facility.

11. *Ensure the finalisation of the local government's IT Disaster Recovery Plan.*

Comment

The IT Disaster Recovery Plan is currently being progressed and will be finalised in 2019.

12. *Consider introducing a Monthly Reconciliations Checklist that captures all end of month reconciliations.*

Comment

It is agreed that this suggestion would be beneficial and the matter will be discussed with the Shire's Corporate and Community Services department with a view to implementing in 2019.

13. *Consider implementing a review process to ensure that the verification/certification stamp is placed on all supplier invoices and all fields are completed, to clearly demonstrate that all appropriate verifications/certifications have been conducted.*

Comment

It is agreed that this suggestion would be beneficial and the matter will be discussed with the Shire's Corporate and Community Services department with a view to implementing in 2019.

14. *Consider implementing amendments to the accounts payable procedure to ensure the proper number of quotations have been sourced according to the Purchasing Policy, and that a check is performed on the approval threshold for purchase orders as part of the process.*

Comment

It is agreed that this suggestion would be beneficial and the matter will be discussed with the Shire's Corporate and Community Services department with a view to implementing in 2019.

15. *Consider the implementation of a Risk Management Framework/Manual that articulates the local government's risk policies, procedures, profiles, appetite and tolerance in a single document.*

Comment

Implementation of this suggestion will be a long-term outcome in the event that it is found to be warranted and/or practical.

16. *Consider developing a schedule for the Business Continuity Plan testing methods to be undertaken and the frequency they are to be performed.*

Comment

The Shire's Business Continuity Plan was finalised in mid-2018. The need for testing of the Plan's provisions is recognised and arrangements will be made for this to take place in 2019. It is envisaged that the ongoing schedule for testing will be a comprehensive annual test conducted by LGIS, with possibly an in-house test being conducted mid-way through the testing cycle if considered necessary.

17. *Consider developing a schedule for the testing of IT Disaster Recovery, once the IT Disaster Plan is completed.*

Comment

See response to No. 11. A testing schedule will be developed following completion of the IT Disaster Plan.

18. *Consider implementing a Fraud and Corruption Policy.*

Comment

Implementation of this suggestion will be a long-term outcome in the event that it is found to be warranted and/or practical.

19. *Evaluate whether there is a need for the Audit and Governance Committee to meet more frequently than twice per year.*

Comment

Implementation of this suggestion will be a long-term outcome in the event that it is found to be warranted and/or practical.

20. *Consider implementing a corporate procedure for managing insurance claims, which will ensure consistency of claims management.*

Comment

Implementation of this suggestion will be a long-term outcome in the event that it is found to be warranted and/or practical.

21. *Consider developing a risk profile for Procurement, Asset Disposal and Tender Practices.*

Comment

Implementation of this suggestion will be a long-term outcome in the event that it is found to be warranted and/or practical.

22. *Consider implementing a stand-alone Misconduct Policy.*

Comment

Implementation of this suggestion will be a long-term outcome in the event that it is found to be warranted and/or practical.

It is anticipated that a further report will be submitted to the Audit and Governance Committee in 12 months to advise of progress made with respect to implementing the suggestions that have been identified for implementation at this point in time.

STATUTORY ENVIRONMENT

Local Government (Audit) Regulations 1996
Reg 17 – CEO to review certain systems and procedures

POLICY IMPLICATIONS

Nil

BUDGET IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Shire of Gingin Strategic Community Plan 2017-2027

Focus Area	*Governance*
Objective	*5 – To demonstrate effective leadership, governance and advocacy on behalf of community.*
Outcome	*5.1 Values* *Our Organisational/Business Values are demonstrated in all that we do.*
Key Service Areas	*N/A*
Priorities	*N/A*

VOTING REQUIREMENTS – SIMPLE MAJORITY

COUNCIL RESOLUTION/OFFICER RECOMMENDATION

MOVED: Councillor Johnson SECONDED: Councillor Peczka

That Council:

1. **Receive the 2018 CEO's Review of Risk Management, Internal Control and Legislative Compliance; and**

2. **Note the CEO's responses with respect to the suggestions contained within the Review report.**

CARRIED UNANIMOUSLY

APPENDIX 1

Review of Legislative Compliance,
Internal Controls and
Risk Management 2018

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EXECUTIVE SUMMARY

Introduction

Pursuant to Regulation 17(1) of the *Local Government (Audit) Regulations 1996*, the Chief Executive Officer (CEO) of a local government is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to:

(a) Legislative compliance;
(b) Internal control; and
(c) Risk management

Regulation 17(2) states that the review may relate to any or all of the matters referred to in sub regulation (1)(a), (b) and (c), but each of those matters is to be the subject of a review at least once every 2 calendar years.

In addition, Regulation 17(3) requires the CEO to report to the audit committee the results of that review.

The Department of Local Government, Sport and Cultural Industries provides guidance for the areas that should be considered for this review in Operational Guideline No. 9 (Appendix 3).

The Shire of Gingin appointed Darren Long Consulting to undertake a review of the local government's legislative compliance, internal control and risk management systems and procedures, as required by regulation 17(1) of the *Local Government (Audit) Regulations 1996* and report as to their appropriateness and effectiveness.

Purpose Of Legislative Compliance, Risk Management And Internal Control Systems

The compliance programs of a local government are a strong indication of attitude towards meeting legislative compliance and risk management approach.

Internal control is a key component of a sound governance framework, in addition to leadership, long-term planning, compliance, resource allocation, accountability and transparency. Internal control systems involve policies and procedures that safeguard assets, ensure accurate and reliable financial reporting, promote compliance with legislation and achieve effective and efficient operations and may vary depending on the size and nature of the local government.

Review Context

Understanding risk appetite and tolerance is important, as they assist in determining the level of risk the local government is willing to accept and pursue in attaining its goals and objectives.

Risk appetite *is the amount of risk a local government is willing to accept or retain in order to achieve its objectives.*

Risk appetite is usually expressed in a form of a statement and are aligned to categories of risk. Risk appetite statements will have a different look and feel based on a local government's internal and external context (influences).

Risk tolerance *is the levels of risk taking acceptable to achieve a specific objective or manage a category of risk.*

Risk tolerance "represents the practical application of risk appetite and is typically aligned to categories of risk such as strategy, financial, people or reputation"[1].

Risk culture *is the norms, traditions and behaviours of individuals and groups within the local government that determine the way in which the identify, understand, discuss and act on the risks the local government confronts and takes.*

Being a public body, there is an expectation that the Shire's risk appetite for legislative non-compliance will be very low, to protect the entity's reputation and to guard against misappropriation or loss of public monies.

The Shire's risk appetite when reviewing its service delivery, health, safety, environmental and financial management is considered to be 'low to moderate', requiring treatment with sound internal controls. Strategic and project based initiatives will require individual assessment, and where considered to be 'high or extreme', additional controls will be required to reduce the risk level. These additional controls will need continual monitoring and evaluation to confirm they are effective.

Findings

The Legislative Compliance, Internal Control and Risk Management Review for the Shire of Gingin involved the examination of approximately 105 areas of the local governments' control environment; of which 84 were found to have a high standard of policies, procedures, processes and systems in place.

The local governments overall control environment is considered appropriate and was operating effectively at the time of the review.

The following findings are deemed to be minor in nature and present an opportunity for the local government to consider suggested improvements to internal procedures and processes to enhance the overall control environment.

Internal Monitoring of Compliance with Legislation and Regulations

(1) The implementation of a compliance checklist would assist in reinforcing that all statutory requirements have been met for compliance items identified on the Annual Compliance Calendar.

(2) The keeping of notes/minutes of EMT meetings would assist by ensuring there is documentation recording the actions to be taken on specific matters and who is responsible.

[1] Australian Government Department of Finance – Risk Management Policy, 2016.

Annual Compliance Audit Return and Reporting to Council the Results of that Review

(3) The implementation of a compliance checklist would assist in reinforcing that all statutory requirements have been met for compliance items identified on the Annual Compliance Calendar.

Staying Informed about how Management is Monitoring the Effectiveness of its Compliance and making Recommendations for change as necessary

(4) The local governments' informing strategies for Asset Management require review and updating.

(5) The local government does not have an Internal Control Policy.

(6) The local government does not have a Legislative Compliance Policy.

(7) Procedure Manuals for all positions should be formalised so there is clear documentation on how tasks should be performed.

(8) Process maps have not been prepared for any processes/procedures.

Review Whether the Local Government has Procedures for it to Receive, Retain and Treat Complaints, Including Confidential and Anonymous Employee Complaints

(9) The local government does not have a procedure that deals with confidential and anonymous employee complaints.

Assess the Local Governments' Compliance Framework Dealing with Relevant External Legislation and Regulatory Requirements

(10) The local government is currently considering a draft Governance Manual.

(11) The implementation of a compliance checklist would assist in reinforcing that all statutory requirements have been met for compliance items identified on the Annual Compliance Calendar.

Review Audit Committee's Processes and Procedures Regarding Compliance with Legislation and Regulatory Requirements Imposed on Members Including Not Misusing Their Position to Gain an Advantage for themselves or another, or Cause Detriment to the Local Government, and Disclosing Conflicts of Interest

(12) The local government is currently considering a draft Governance Manual.

Separation of Roles and Functions, Processing and Authorisation

(13) The introduction of a Monthly Reconciliations Checklist may be advantageous in ensuring all relevant reconciliations are completed and certified at the end of each month.

Control of Computer Applications and Information Systems Standards

(14) Access to the server room when the kitchen/servery area in the Committee Room is open poses a high risk of unauthorised access to IT hardware infrastructure.

(15) The local government is currently compiling an IT Disaster Recovery Plan.

Regular Maintenance and Review of Financial Control Accounts and Trail Balance

(16) The introduction of a Monthly Reconciliations Checklist may be advantageous in ensuring all relevant reconciliations are completed and certified at the end of each month.

Arithmetical Accuracy and Content of Records is Regularly Checked

(17) The consistent use of a verification/certification stamp, including the completion of all fields, would assist in clearly demonstrating that all appropriate verifications/certifications have been conducted as part of the accounts payable process.

Report, Review and Approval of Financial Payments and Reconciliations

(18) The accounts payable procedure manual should contain more detailed description and include screenshots of data entry screens so a user that is not familiar with the Accounts Payable process would be able to follow the manual step by step.

(19) The accounts payable procedure manual should document the process of ensuring proper number of quotations have been received and a check is performed on the approval threshold for purchase orders as part of the process.

(20) Process mapping of the Accounts Payable procedure should be considered. Process maps/flow charts create a visual representation of a process/procedure and clearly identify key decision making points in a process, and where further internal control measures may be required.

Comparison of the Result of Physical Cash and Inventory Counts with Accounting Records

(21) A cash handling procedure is currently being prepared.

(22) The procedure for the reconciliation of daily receipts should be formalised, including more detailed description and include screenshots of data entry screens so a user who is not familiar with the end of day receipting reconciliation process would be able to follow the procedure step by step.

(23) The procedure for the reconciliation of Guilderton Caravan Park sales receipting should be formalised, including more detailed description and include screenshots of data entry screens so a user who is not familiar with the daily and weekly receipting reconciliation process would be able to follow the procedure step by step.

Review whether the local government has an effective risk management system and that material operating risks to the local government are appropriately considered

(24) The compilation of risk policies, procedures and profiles into a single document may assist in articulating the local governments approach to risk management in a more cogent manner by presenting it as its' Risk Management Framework/Manual.

(25) Risk profiles should continue to be developed for strategic and operational risks.

(26) Risk profiles for items rated as 'inadequate' or 'not-rated' require further attention to ensure the risk is mitigated through specific controls as much as possible, based on assigned risk rating.

Review whether the local government has a current and effective Business Continuity Plan (including Disaster Recovery) which is tested from time to time

(27) The EMT should consider developing a schedule for the BCP testing methods to be undertaken and the frequency they are to be performed.

(28) The local government is currently preparing an IT Disaster Recovery Plan.

(29) Once completed, EMT should consider developing a schedule for the testing of IT Disaster Recovery.

Assess internal control processes for determining and managing material operational risks in accordance with the local governments' identified tolerance for risk

(30) The implementation of a legislative compliance checklist may assist in reinforcing the statutory requirements have been met for compliance items identified on the compliance calendar.

(31) Formally documenting and process mapping of internal processes will enable the local government to evaluate and determine their effectiveness; and identify areas for improvement.

(32) The local government should consider adopting a policy on fraud and corruption control.

Obtaining regular risk reports, which identify key risks, the status and effectiveness of the risk management systems, to ensure identified risks are monitored and new risks are identified, mitigated and reported

(33) The keeping of notes/minutes of EMT meetings would assist by ensuring there is documentation recording the actions to be taken on specific matters and who is responsible.

(34) The local government consider whether there is a need for the Audit Committee to meet more frequently than the current two times per year, given the recommended frequency of quarterly by the Department of Local Government, Sport and Cultural Industries.

Assess the adequacy of the local governments' processes to manage insurable risks and ensure the adequacy of insurance cover, and if applicable, the level of self insurance

(35) The procedure for managing insurance claims should be formally documented and process mapped, which will ensure consistency of claims management.

Assess whether management has controls in place for unusual types of transactions and/or any potential transactions that might carry more than an acceptable degree of risk.

(36) Formally documenting and process mapping of internal processes will enable the local government to evaluate and determine their effectiveness; and identify areas for improvement.

Assess the local governments' procurement framework with a focus on probity and transparency of policies and procedures/processes and whether these are being applied

(37) Formally documenting and process mapping of internal processes will enable the local government to evaluate and determine their effectiveness; and identify areas for improvement.

(38) The local government should consider developing a risk profile for Procurement, Disposal and Tender Practices.

When required, Executive Management Team, External Auditors and Compliance Staff periodically meet to understand and discuss any changes in the local government control environment

(39) The keeping of notes/minutes of EMT meetings would assist by ensuring there is documentation recording the actions to be taken on specific matters and who is responsible.

Ascertain whether fraud and misconduct risks have been identified, analysed, evaluated, have an appropriate treatment plan, which has been implemented, communicated, monitored and there is regular reporting and ongoing management of fraud and misconduct risks

(40) The local government should consider adopting a policy on fraud and corruption control.

(41) The local government should consider adopted a policy on Misconduct so there is clear guidance to staff on Councils position.

Recommendations

As a result of the findings, the following improvement recommendations are made:

(1) That the CEO consider the implementation of a compliance checklist detailing the statutory obligations to be met for the compliance items identified on the Annual Compliance Calendar.

(2) That the CEO consider implementing the keeping of notes/minutes of EMT meetings.

(3) That the CEO ensure that the local governments' informing strategies for Asset Management and reviewed and updated.

(4) That the CEO consider implementing an Internal Control Policy.

(5) That the CEO consider implementing a Legislative Compliance Policy.

(6) That the CEO consider the formalisation of internal procedure manuals for all positions so there is clear documentation on how tasks and processes should be performed.

(7) That the CEO consider process mapping procedures to assist visual interpretation and to identify weaknesses in internal controls.

(8) That the CEO consider amending its Dealing with Complaints Policy, or introducing a corporate procedure, to address the handling of confidential and anonymous employee complaints.

(9) That the CEO consider implementing the draft Governance Manual that provides sound guidance on the corporate governance framework that applies to the local government.

(10) That the CEO evaluate changes required to the IT server room access to reduce the risk of unauthorised access to IT hardware infrastructure.

(11) That the CEO ensure the finalisation of the local governments' IT Disaster Recovery Plan.

(12) That the CEO consider introducing a Monthly Reconciliations Checklist that captures all end of month reconciliations.

(13) That the CEO consider implementing a review process to ensure that the verification/certification stamp is placed on all supplier invoices and all fields are completed, to clearly demonstrate that all appropriate verifications/certifications have been conducted.

(14) That the CEO consider implementing amendments to the accounts payable procedure to ensure the proper number of quotations have been sourced according to the Purchasing Policy, and that a check is performed on the approval threshold for purchase orders as part of the process.

(15) That the CEO consider the implementation of a Risk Management Framework/Manual that articulates the local governments' risk policies, procedures, profiles appetite and tolerance in a single document.

(16) That the CEO consider developing a schedule for the Business Continuity Plan testing methods to be undertaken and the frequency they are to be performed.

(17) That the CEO consider developing a schedule for the testing of IT Disaster Recovery, once the IT Disaster Plan is completed.

(18) That the CEO consider implementing a Fraud and Corruption Policy.

(19) That the CEO evaluate whether there is a need for the Audit Committee to meet more frequently than twice per year.

(20) That the CEO consider implementing a corporate procedure for managing insurance claims, which will ensure consistency of claims management.

(21) That the CEO consider developing a risk profile for Procurement, Asset Disposal and Tender Practices.

(22) That the CEO consider implementing a stand-alone Misconduct Policy.

Opinion

The review of the Legislative Compliance, Internal Control and Risk Management mechanisms developed by the Shire of Gingin indicates that, except for those matters identified in the findings and recommendations section of this report, they are appropriate and effective for the particular operations and size of the local government.

1.0 INTRODUCTION

1.1 BACKGROUND

Pursuant to Regulation 17(1) of the *Local Government (Audit) Regulations 1996*, the Chief Executive Officer (CEO) of a local government is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to:

(d) Risk Management;
(e) Internal Control; and
(f) Legislative Compliance.

Regulation 17(2) states that the review may relate to any or all of the matters referred to in sub regulation (1)(a), (b) and (c), but each of those matters is to be the subject of a review at least once every 2 calendar years.

In addition, Regulation 17(3) requires the CEO to report to the audit committee the results of that review.

The Department of Local Government, Sport and Cultural Industries provides guidance for the areas that should be considered for this review in Operational Guideline No. 9 (Appendix 3).

1.2 PURPOSE OF REPORT

The Shire of Gingin appointed Darren Long Consulting to undertake a review of the local government's internal control, legislative compliance and risk management systems and procedures, as required by regulation 17(1) of the *Local Government (Audit) Regulations 1996* and report as to their appropriateness and effectiveness.

1.3 METHODOLOGY

The methodology adopted to undertake the Internal Controls, Legislative Compliance and Risk Management Review and prepare this report included:

(1) Introduction
(2) Purpose of Legislative Compliance, Internal Controls and Risk Management Systems
(3) Review Context
(4) Legislative Compliance
(5) Internal Controls
(6) Risk Management
(7) Findings
(8) Recommendations
(9) Opinion

2.0 PURPOSE OF LEGISLATIVE COMPLIANCE, INTERNAL CONTROLS AND RISK MANAGEMENT SYSTEMS

2.1 LEGISLATIVE COMPLIANCE SYSTEMS

The compliance programs of a local government are a strong indication of attitude towards meeting legislative compliance. Practices in regard to monitoring compliance programs typically include:

- Assess internal monitoring of compliance with legislation and regulations;
- Assess completion of annual Compliance Audit Return and the reporting of the results of the review to the Audit Committee and Council;
- Assess how Audit Committee is kept informed about how management is monitoring the effectiveness of its compliance and making recommendations for change as necessary;
- Review whether the local government has procedures for it to receive, retain and treat complaints, including confidential and anonymous employee complaints;
- Review internal processes as to how management identifies adverse trends and how management plans to deal with these;
- Review management disclosures in financial reports of the effect of significant compliance issues;
- Assess whether the external auditors have regard to compliance and ethics risks in the development of their audit plan and in the conduct of audit projects, and report compliance and ethics issues to the Audit Committee;
- Assess local government's compliance framework dealing with relevant external legislation and regulatory requirements;
- Review Audit Committee's processes and procedures regarding compliance with legislation and regulatory requirements imposed on members, including not misusing their position to gain an advantage for themselves or another or cause detriment to the local government and disclosing conflicts of interest.

2.2 INTERNAL CONTROL SYSTEMS

Internal control is a key component of a sound governance framework, in addition to leadership, long-term planning, compliance, resource allocation, accountability and transparency. Internal control systems involve policies and procedures that safeguard assets, ensure accurate and reliable financial reporting, promote compliance with legislation and achieve effective and efficient operations and may vary depending on the size and nature of the local government. Aspects of an effective control framework will include:

- Separation and segregation of roles and functions, processing and authorisation;
- Control of approval of documents, letters and financial records;
- Management internal reviews of comparison of internal data with external sources of information;
- Limits of direct physical access to assets and records;

- Security controls in regard to computer applications and information system standards;
- Security controls to limit changes in data files and systems;
- Whether maintenance and review of financial control accounts and trial balances is regular and appropriate;
- Whether comparison and analysis of financial results with budgeted amounts is appropriate;
- Whether reviews of arithmetical accuracy and context of records are regular and appropriate;
- Whether control and approval of financial payments and reconciliations is appropriate;
- Whether comparison of physical cash and inventory counts with accounting records is appropriate.

2.3 RISK MANAGEMENT SYSTEMS

Risk management systems and programs are a key expression of a local government's attitude to effective controls. Good audit committee practices in monitoring internal control and risk management programs typically include:

- Reviewing whether the local government has an effective risk management system and that material operating risks to the local government are appropriately considered;
- Reviewing whether the local government has a current and effective business continuity plan (including disaster recovery) which is tested from time to time;
- Assessing the internal processes for determining and managing material operating risks in accordance with the local government's identified tolerance for risk, particularly in the following areas;
    - potential non-compliance with legislation, regulations and standards and local government's policies;
    - important accounting judgements or estimates that prove to be wrong;
    - litigation and claims;
    - misconduct, fraud and theft;
    - significant business risks, recognising responsibility for general or specific risk areas, for example, environmental risk, occupational health and safety, and how they are managed by the local government;
- Obtaining regular risk reports, which identify key risks, the status and the effectiveness of the risk management systems, to ensure that identified risks are monitored and new risks are identified, mitigated and reported;
- Assessing the adequacy of local government processes to manage insurable risks and ensure the adequacy of insurance cover, and if applicable, the level of self-insurance;
- Reviewing the effectiveness of the local government's internal control system with management and the internal and external auditors;
- Assessing whether management has controls in place for unusual types of transactions and/or any potential transactions that might carry more than an acceptable degree of risk;

- Assessing the local government's procurement framework with a focus on the probity and transparency of policies and procedures/processes and whether these are being applied;
- Should the need arise, meeting periodically with key management, internal and external auditors, and compliance staff, to understand and discuss any changes in the local government's control environment;
- Ascertaining whether fraud and misconduct risks have been identified, analysed, evaluated, have an appropriate treatment plan which has been implemented, communicated, monitored and there is regular reporting and ongoing management of fraud and misconduct risks.

3.0 REVIEW CONTEXT

3.1 RISK APPETITE AND TOLERANCE

Understanding risk appetite and tolerance is important, as they assist in determining the level of risk the local government is willing to accept and pursue in attaining its goals and objectives.

Risk appetite *is the amount of risk a local government is willing to accept or retain in order to achieve its objectives.*

Risk appetite is usually expressed in a form of a statement and are aligned to categories of risk. Risk appetite statements will have a different look and feel based on a local government's internal and external context (influences).

Risk tolerance *is the levels of risk taking acceptable to achieve a specific objective or manage a category of risk.*

Risk tolerance "represents the practical application of risk appetite and is typically aligned to categories of risk such as strategy, financial, people or reputation"[2].

Risk culture *is the norms, traditions and behaviours of individuals and groups within the local government that determine the way in which the identify, understand, discuss and act on the risks the local government confronts and takes.*

The Shire's risk appetite guidance statement is contained within Policy 1.24 – Risk Management; the local government has quantified it through the development and endorsement of 'Risk Assessment and Acceptance Criteria'. The Shire's risk acceptance criteria is as follows:

Risk Acceptance Criteria

Risk Rank	Description	Criteria	Responsibility
LOW	Acceptable	Risk acceptable with adequate controls, managed by routine procedures and subject to annual monitoring	Operational Manager
MODERATE	Monitor	Risk acceptable with adequate controls, managed by specific procedures and subject to semi-annual monitoring	Operational Manager
HIGH	Urgent Attention Required	Risk acceptable with excellent controls, managed by senior management / executive and subject to monthly monitoring	Executive Manager / CEO
EXTREME	Unacceptable	Risk only acceptable with excellent controls and all treatment plans to be explored and implemented where possible, managed by highest level of authority and subject to continuous monitoring	CEO / Council

Being a public body, there is an expectation that the Shire's risk appetite for legislative non-compliance will be very low, to protect the entity's reputation and to guard against misappropriation or loss of public monies.

[2] Australian Government Department of Finance – Risk Management Policy, 2016.

The Shire's risk appetite when reviewing its service delivery, health, safety, environmental and financial management is considered to be 'low to moderate', requiring treatment with sound internal controls. Strategic and project based initiatives will require individual assessment, and where considered to be 'high or extreme', additional controls will be required to reduce the risk level. These additional controls will need continual monitoring and evaluation to confirm they are effective.

3.2 INTERNAL AND EXTERNAL CONTEXT

Evaluating and understanding the internal and external context the Shire of Gingin operates within is essential, as they impact on the level of integration of risk management into the entity, and therefore can impact on the legislative compliance and the internal control environments implemented.

The internal and external context are detailed below:

Internal Context	External Context
Increasing workplace change leading to an increase in HR/IR related issues	Increasing compliance requirements and changes to legislation
The existing local government structure, size, location, functions and activities	Cost shifting and devolution of services by Commonwealth and State Governments
The current human and financial resources of the local government	Continual decline in external grant funding for operational activities and capital infrastructure
The ageing workforce of the local government	Changing community expectations regarding service delivery and service levels
The changing dynamics of workforce culture	Local labour shortage
Lack of asset management planning and capability	Erosion impacts on natural and built environment at coastal communities
A focus on new infrastructure rather than renewal of existing	Community pressure to keep rate increases low
Implementing technological change to improve productivity where resources are limited	Development pressure including unknown development implications from new Northern Link Road and Muchea Industrial Hub
Identifying hazards, risks, liability issues and developing practical treatment options for the Lancelin Off-Road Vehicle Area	Population growth and changing demographics
	Change in government leadership at State and Commonwealth levels

4.0 LEGISLATIVE COMPLIANCE SYSTEMS

4.1 INTERNAL MONITORING OF COMPLIANCE WITH LEGISLATION AND REGULATIONS

Key aspects assessed include:

4.1.1 Management has implemented a compliance calendar and/or compliance checklist to ensure staff are aware of statutory compliance requirements, their timeframes and due dates.

Comments

The Shire has implemented an annual compliance calendar that it utilises to ensure staff are aware of key compliance requirements under a range of legislation. The annual compliance calendar is reviewed at each Executive Management Team meeting (EMT), with critical compliance dates listed for the coming months. The process owner of the compliance activity is identified, along with the applicable Act/Regulation section/clause and schedule frequency.

This provides a sound control mechanism for ensuring compliance requirements are considered and evaluated on an on-going basis.

Findings

(a) The implementation of a compliance checklist may assist in reinforcing the statutory requirements have been met for compliance items identified on the compliance calendar.

4.1.2 Management reviews Government Gazettes and monitors circulars from the Department of Local Government, Sport and Cultural Industries for changes to legislation

Comments

The Records Officer forwards all Department of Local Government, Sport and Cultural industries circulars to the Executive Manager's PA's, who then distribute to the Executive Managers to review notifications of changes to legislation that may impact on the Shire.

The Parliamentary Counsel's Office within the Department of Justice is the editor and publisher of the Government Gazette. The Government Gazette contains statutory and other notices that are required by law and Government authority to be published in the Gazette, including official publications required under enactments such as Acts, regulations, rules and by-laws. It is a rich source of information on changes to Acts of Parliament, and regulation amendments/changes, which may impact on local government.

Government Gazette publications are monitored by the Records Officer who scans them for any amendments/changes to legislation that may have an impact on the local government's operations. If any are identified, a copy of the *Government Gazette* is distributed to all Manager's for their attention.

Findings

(a) Current control mechanisms are considered appropriate.

4.1.3 Management monitors compliance with Landfill Licence conditions, reviews audit reports and addresses adverse findings

Comment

The local government is required under its' 'Waste Management Facility' licences for Gingin, Lancelin and Seabird to comply with specific conditions imposed by the Department of Environment and Conservation.

The Shire is required to submit an annual audit compliance report to the Department of Environment and Conservation for each landfill licence issued. The report is a self-assessment of whether the Shire has complied with all licence conditions within the reporting period.

The local government has contracted out the management of all landfill activities to third parties. Licence conditions are monitored by the Principal Environmental Health Officer, who conducts a site inspection of each landfill monthly and assesses compliance of the site to the conditions imposed on the licence. A file note is made of each inspection to form a record of the compliance activities.

The annual audit compliance report is incorporated into the Annual Compliance Calendar to ensure the report is completed within the designated timeframe (lodgement by 31 March each year).

Findings

(a) Appropriate control mechanisms are in place through the conduct of monthly inspections of landfill operations, and the incorporation of the annual audit compliance report requirements under the Landfill Licence in the existing Compliance Calendar.

4.1.4 Management reviews agenda report template to ensure a contemporary format is used that ensures legislative compliance is one of the key headings to be addressed.

Comment

The local government's existing Agenda Report template contains headings for statutory requirements, ensuring relevant implications are reported and evaluated for any matter of business presented to Council for consideration.

Findings

(a) Current control mechanisms are considered appropriate.

4.1.5 The local government holds Executive Team (EMT) meetings on a regular basis to discuss matters of strategic and operational importance. This includes compliance issues with the potential to significantly impact on business operations.

Comment

The EMT meetings are held on a regular basis (monthly). Outstanding and upcoming issues, and actions shown on risk profiles, are raised at each EMT meeting.

There was no evidence of a structured agenda, or of brief notes/minutes kept ,for EMT meetings.

Findings

(a) It is suggested that brief notes/minutes be kept of all EMT so there is documentation recording the actions to be taken on specific matters and who is responsible

4.2 ANNUAL COMPLIANCE AUDIT RETURN AND REPORTING TO COUNCIL THE RESULTS OF THAT REVIEW

Key aspects reviewed include:

4.2.1 The Compliance Audit Return is completed on an annual basis and is submitted in accordance with the Local Government Act 1995 and associated Regulations. Comprehensive work papers are compiled containing evidence of compliance with each of the legislative requirements.

Comments

The 2016 Compliance Audit Return was completed in March 2017 and submitted to the Audit Committee Meeting held on 7 March 2017.

Non-compliance issues identified in the 2016 Compliance Audit Return include:

(a) Item 11 of the Delegation of Power/Duty section, relating to the CEO keeping a register of all delegations made under the Act to him and to other employees was not complied with. A delegation granted by Council to the CEO and the President on 15 March 2016 was not recorded in the Register of Delegations.

The 2017 Compliance Audit Return was completed on 7 March 2018 and was submitted to the 20 March 2018 Audit Committee. Non-compliance issues identified in the 2017 Compliance Audit Return include:

(a) Item 11 of the Delegation of Power/Duty section, relating to the CEO keeping a register of all delegations made under the Act to him and to other employees was not complied with. A delegation granted by Council to the CEO Recruitment Committee on 19 December 2017 was not recorded in the Register of Delegations.

Findings

(a) The implementation of a legislative compliance checklist to complement the Compliance Calendar would provide a certain level of comfort that statutory requirements are being met.

4.3 STAYING INFORMED ABOUT HOW MANAGEMENT IS MONITORING THE EFFECTIVENESS OF ITS COMPLIANCE AND MAKING RECOMMENDATIONS FOR CHANGE AS NECESSARY

Key aspects reviewed include:

4.3.1 The local government has an audit committee that is responsible for reviewing the audit function, including legislative compliance requirements from a financial perspective, and monitoring enterprise financial risks.

Comment

The local government has adopted a Terms of Reference for the Audit Committee, clearly establishing the Objectives of the Committee, its membership, meeting frequency, reporting, and duties and responsibilities.

Department of Local Government, Sport and Cultural Industries (DLGSC) Operational Guideline No. 9 recommends meetings should be conducted at least quarterly. Audit Committee meetings were held two times during the 2016-17 financial year to deal with legislative responsibilities under the *Local Government Act 1995* and associated Regulations.

Council and the CEO should assess whether the current frequency of Audit Committee meetings allows enterprise risks to be appropriately monitored and evaluated.

Findings

(a) Current control mechanisms are considered appropriate.

4.3.2 The local government has Integrated Planning Documents that guide the strategic direction of Council, provide implementation and action plans, and identify asset, financial and human resourcing requirements.

Comment

The local government has recently adopted a new Strategic Community Plan for the period 2017-2027 containing five focus areas:

(i) Community Wellbeing
(ii) Natural Environment
(iii) Infrastructure and Development
(iv) Economic Development
(v) Governance

The Shire adopted its Corporate Business Plan in 2017, which covers the years from 2018 – 2022.

The local government has an up-to-date Long Term Financial Plan (LTFP) and Workforce Plan; and is currently reviewing its informing strategies for Asset Management.

Findings

(a) The informing strategies for Asset Management require review and updating.

4.3.3 The local government reviews policies on a regular basis, at least biennially, and changes to legislation are considered and incorporated during the review process

Comment

The local government has a Policy Manual, which contains policies adopted by the Council that provide a framework for officers to work within. The Manual classifies Policies into the categories of:

(i) Council;

(ii) Administration;

(iii) Finance;

(iv) Law, Order & Public Safety;

(v) Health;

(vi) Town Planning & Development;

(vii) Engineering; and

(v) Building.

The Policy Manual was last reviewed in 2018.

Findings

(a) An Internal Control Policy does not exist that details the local governments' commitment to internal controls. A sample policy is attached for consideration

(b) A Legislative Compliance Policy does not exist that details the local governments' commitment to legislative compliance. A sample policy is attached for consideration

4.3.4 The local government reviews procedures and internal processes regularly, and changes to legislative requirements are considered and incorporated during the review process

Comment

Documented procedures provide a consistent approach to how processes are undertaken and allow for key controls to be identified. Once documented, procedures require constant monitoring for compliance and effectiveness.

The local government has a series of informal procedure manuals for the Daily Bank Reconciliations, Caravan park Receipting, Monthly Fuel Processing, and Creditors Officer, amongst others.

All procedures manuals should be formalised so there is clear documentation on the procedures to be performed, with step by step instructions. Formalised procedure manuals ensure consistency of process, generally result in increased accuracy, and reduced loss of corporate knowledge.

Procedures manuals could be enhanced with screen-shots of the software modules used, so that users have some visual prompts to identify they are in the correct software program, or section of the software program and the requirements for each input field.

Process maps, or flow-charts, create a visual representation of a process/procedure and clearly identify key decision making points in a process and where internal control measures will be required. Process maps are yet to be prepared for any processes/procedures.

Findings

(a) Procedure Manuals should be formalised so there is clear documentation on how a procedure should be performed. Be enhanced with additional screenshots to provide users with visual prompts on how to perform processes.

(b) Process maps have not been prepared for any processes/procedures.

4.3.5 The local government has authorised persons to carry out some of its discretionary functions under its legislative obligations and delegated authority to do the same. The Delegations Register is reviewed on an annual basis, and authorisations are reviewed when changes to legislation are identified. Delegations are included in the Compliance Calendar and reviewed accordingly.

Comments

The local government has two Delegations Registers in place:

(a) one that lists all of the powers and functions delegated to the Chief Executive Officer (CEO), and also lists those powers and functions sub-delegated by the CEO, where the head of power for sub-delegation exists; and

(b) one that lists all of the powers and functions delegated by the CEO to another officer, where the CEO is using the 'acting through' provisions under Section 5.45(2)(b) of the *Local Government Act 1995*.

The Delegations Register was last reviewed on 19 June 2018.

Delegation 3.17 makes reference to the appointment of Authorised Persons under the *Local Government Act 1995*. Records are placed on the appropriate file with a copy of the written authorised at the time the authorisation is granted.

Findings

(a) The Delegations Register is considered appropriate.

(b) The systems and procedures for recording standard delegations is sound, however the last two Compliance Audit Returns have identified occurrences where one-off delegations of power and duty have not been recorded in the Delegations Register.

4.4 REVIEW WHETHER THE LOCAL GOVERNMENT HAS PROCEDURES FOR IT TO RECEIVE, RETAIN, AND TREAT COMPLAINTS, INCLUDING CONFIDENTIAL AND ANONYMOUS EMPLOYEE COMPLAINTS

Key aspects assessed include:

4.4.1 The local government has a Customer Services Charter that details the steps the local government will follow when dealing with a complaint. The Charter sets out the standards of service, compliments, enquiries, requests and complaints. The local government has a Customer Services Policy that provides guidance to staff and customers on the standards of service

Comments

The local government has a Customer Service Charter that was last reviewed in 2017. The Charter sets out what a complaint is, how a complaint will be handled, and the standards of service that a customer can expect.

The local government has a policy that provides a framework for dealing with complaints, including anonymous complaints, vexatious complaints, allegations of serious misconduct, Public Interest Disclosures, and complaints to the Ombudsman.

The local government has an online complaints form for persons to lodge a complaint.

A formal procedure for handling external complaints is yet to be prepared.

The local government has developed a formal procedure to deal with internal complaints and grievances, but the procedure does not explicitly deal with anonymous employee complaints.

Findings

(a) The local government does not have a procedure that deals with confidential and anonymous employee complaints.

4.4.2 The local government has a grievance policy and procedure for the investigation and resolution of grievances, disputes and allegations of serious misconduct are managed.

Comments

The local government has a grievance policy and a grievance procedure to investigate, manage and resolve grievances, disputes and allegations of serious misconduct.

Findings

(a) Current grievance Policy and Procedures, including systems, processes and control mechanisms are considered appropriate.

4.4.3 The local government has appointed a Public Interest Disclosure (PID) Officer to handle any PID complaint in a confidential manner, and has implemented internal procedures relating to the local governments' obligations under the PID Act

Comments

The local government has nominated the Governance Officer as the PID Officer, in accordance with the PID Act.

Section 23(1)(e) of the PID Act requires the principle executive officer of a public authority to prepare and publish internal procedures relating to the local governments' obligations under the PID Act.

The local government has an internal procedure manual relating to Public Interest Disclosures as required by the PID Act.

Findings

(a) Current Public Interest Disclosure Procedures, including systems, processes and control mechanisms are considered appropriate.

4.4.4 The local government has implemented an Elected Member Official Conduct Complaints Procedure.

Comments

The local government has a Code of Conduct for Councillors and Employees that was reviewed and adopted in 2016 and is currently under review.

The local government has a procedure to handle complaints about Elected Member Official Conduct matters.

Findings

(a) Current Procedure 1.2 – Dealing with Complaints, including systems, processes and control mechanisms are considered appropriate.

4.5 OBTAIN ASSURANCE THAT ADVERSE TRENDS ARE IDENTIFIED AND REVIEW MANAGEMENTS' PLANS TO DEAL WITH THESE

Key aspects assessed and reviewed include:

4.5.1 Non-compliance issues identified in the Compliance Audit Return are reported to the Audit Committee and to Council, as well as the action to be taken to ensure compliance in future years

Comments

The 2017 Compliance Audit Return for the period 1 January 2017 to 31 December 2017 was submitted to the Audit Committee on 20th March 2018. The Audit Committee accepted the Compliance Audit Return Report and recommended to Council its adoption; with one minor non-compliance item identified, relating to Delegation of Power/Duty requiring to be recorded in a Register. Management has advised they will place greater emphasis on processes to ensure the requirements of Regulations 18A and 18C of the *Local Government (Administration) Regulations 1996* are complied with.

Findings

(a) Non-compliance items have been reported to the Audit Committee and Council, with rectification action proposed to address the non-compliance for future years.

(b) The systems and processes implemented as control mechanisms for the Compliance Audit Return are considered appropriate

4.5.2 The local government holds management team meetings on a regular basis to discuss matters of strategic and operational importance. This includes compliance issues with the potential to significantly impact on business operations and consideration of any adverse trends.

Comments

Executive Management Team (EMT) meetings are scheduled to be held every month. A list of strategic and operational matters of importance is prepared for consideration, including any matter that may have the potential to significantly impact on business operations. No minutes are kept of EMT meetings.

Individual risk profiles for key items are reviewed on a regular basis. To date 17 risk profiles have been identified mainly relating to operational risks, with some inclusion of generic strategic risks. Key financial matters are monitored, with regular reporting on budget variances.

Business plans are prepared on an as required basis for major projects.

Findings

(a) EMT meetings are held regularly, but no record (minutes or notes) is kept of meetings or actions to be completed.

(b) Individual risk profiles are reported and reviewed on a regular basis.

(c) The use of business plans for key activities and major projects occurs on an as required basis.

(d) The structure and frequency of EMT meetings as a control mechanism are considered appropriate.

4.5.3 The corporate services division of the local government provides advice and guidance to other divisional areas on how to achieve compliance in context of their service activities

Comments

Adverse trends identified during business as usual operations are dealt with on an ad-hoc basis. How the issue is dealt with will depend on the severity of the problem and the risk it represents to the local government. If the issue is considered serious and high risk, the matter is reported to the CEO, and EMT evaluates how to deal with the matter effectively.

Findings

(a) The systems, processes and structures in place for the provision of advice and guidance for other divisional areas are considered appropriate.

4.6 REVIEW MANAGEMENT DISCLOSURES IN FINANCIAL REPORTS OF THE EFFECT OF SIGNIFICANT COMPLIANCE ISSUES

Key aspects reviewed include:

4.6.1 The Annual Financial Report and Annual Budget of the local government contain disclosures that report on significant compliance issues, their effect and impact on the local government

Comments

The 2016 Annual Budget, 2016 Annual Financial Report, 2017 Annual Budget, 2017 Annual Financial report and the 2018 Annual budget were reviewed for significant compliance issues and related disclosures.

No significant disclosure items were present in the Annual Budget or Annual Financial Report of each of the years reviewed.

No matters were identified in any local government documents, records or registers that any significant compliance issues were present that needed to be disclosed.

Findings

(a) The systems, processes and structures in place for the identifying and reporting significant compliance issues are considered appropriate.

4.7 REVIEW WHETHER THE INTERNAL AND/OR EXTERNAL AUDITORS HAVE REGARD TO COMPLIANCE AND ETHICS RISKS IN THE DEVELOPMENT OF THEIR AUDIT PLAN AND IN THE CONDUCT OF AUDIT PROJECTS, AND REPORT COMPLIANCE AND ETHICS ISSUES TO THE AUDIT COMMITTEE

Key aspects reviewed include:

4.7.1 The local government uses registered company auditors and the audit contract details the compliance areas covered and whether ethics risks are addressed

Comments

The audit contract/engagement letter sets out the compliance areas to be examined and potential risks that may be present as part of the audit process. It also sets out the risk assessments undertaken by the auditors and the focus of these risk assessments for the audit process to be conducted.

The audit contract/engagement letter identifies that ethical requirements are to be complied with, including independence, and ethical risks will be evaluated prior to the commencement of the audit process.

An external audit plan (Audit Strategy Memorandum) is prepared each year.

Findings

(a) Audit contract/engagement letter addresses compliance issues and ethical risks that require consideration.

(b) An external audit plan is prepared each year and provided to the local government.

(c) The systems, processes and structures in place for the external audit are considered appropriate.

4.7.2 The audit process consists of an interim and final audit, with any findings arising from the audit process reported to the local government. Audit and management reports are provided to the local government detailing non-compliance issues and any significant deficiencies in internal controls.

Comments

An interim audit process is generally conducted in May each year, with an interim audit report provided to the CEO on any findings. Findings contained in the 2017 interim report were addressed by management with actions implemented to rectify the deficiencies identified.

The final audit process is generally conducted in October each year, with an Audit Report and a management report provided to the CEO. Findings contained in the 2017 Auditors management report were addressed by the local government with actions implemented to rectify the deficiencies identified. The 2017 management report was presented to the

local governments' Audit Committee for consideration and notation of the actions taken to address the deficiencies identified.

Findings

(a) The systems, processes and structures in place for the identifying non-compliance issues and internal control weaknesses are considered appropriate.

4.8 CONSIDER THE INTERNAL AUDITORS' ROLE IN ASSESSING COMPLIANCE AND ETHICS RISKS IN THEIR INTERNAL AUDIT PLAN

Comment

The local government does not conduct a discrete internal audit function.

However, management does review systems and processes, including compliance systems, internal controls and ethics risks on a periodic basis.

This current approach is considered reasonable given the size, location and resourcing capability of the local government. However, as the organisation grows in size and complexity, the CEO and Council should give further consideration to introduction of an internal audit function.

4.9 ASSESS THE LOCAL GOVERNMENTS' COMPLIANCE FRAMEWORK DEALING WITH RELEVANT EXTERNAL LEGISLATION AND REGULATORY REQUIREMENTS

Key aspects assessed include:

4.9.1 A Governance Manual has been implemented that outlines the governance framework and the legislation applicable to local government

Comments

Corporate governance is a system of policies, procedures and processes through which an organisation makes decisions and directs, controls and monitors its operations. The systems are complex and are required by legislation.

A Governance Manual will assist the local government to achieve its commitment to good governance.

Findings

(a) The local government is currently considering a draft Governance Manual.

4.9.2 The local government has an Annual Compliance Calendar which contains key legislative obligations it is required to comply with each month of the year

Comments

The Shire has implemented an annual compliance calendar that it utilises to ensure staff are aware of key compliance requirements under a range of legislation. The annual compliance calendar is reviewed at each Executive Management Team meeting (EMT), with critical compliance dates listed for the coming months. The process owner of the compliance activity is identified, along with the applicable Act/Regulation section/clause and schedule frequency.

This provides a sound control mechanism for ensuring compliance requirements are considered and evaluated on an on-going basis.

Findings

(a) The implementation of a compliance checklist may assist in reinforcing the statutory requirements have been met for compliance items identified on the compliance calendar.

4.9.3 The local government holds regular management meetings where compliance items for the current and forthcoming months are monitored

Comments

Executive Management Team (EMT) meetings are held each month. The Annual Compliance Calendar is a standing item for reference. Compliance items that have the potential for significant impact are listed on the agenda and discussed.

Findings

(a) The structure and frequency of EMT meetings as a control mechanism are considered appropriate.

4.9.4 The local government prepares business plans for key activities and major projects that identify relevant external legislation and regulatory requirements, including risk management and financial modelling

Comments

Business plans are prepared on an as required basis for major projects.

Findings

(a) The use of business plans for key activities and major projects occurs on an as required basis.

4.10 REVIEW AUDIT COMMITTEE'S PROCESSES AND PROCEDURES REGARDING COMPLIANCE WITH LEGISLATION AND REGULATORY REQUIREMENTS IMPOSED ON MEMBERS, INCLUDING NOT MISUSING THEIR POSITION TO GAIN AND ADVANTAGE FOR THEMSELVES OR ANOTHER, OR CAUSE DETRIMENT TO THE LOCAL GOVERNMENT, AND DISCLOSING CONFLICTS OF INTEREST

Key aspects assessed and reviewed include:

4.10.1 Inductions are provided for newly elected members which covers conflicts of interest

Comments

The local government conducts an induction with newly elected members drawing on the expertise of external consultants (Accounting and Law Firms), covering conflicts of interest and their role as a councillor and a committee member.

Findings

(a) The systems, processes and structures in place for induction of newly elected members are considered appropriate.

4.10.2 Elected Members are provided with the opportunity to attend relevant training delivered by Western Australian Local Government Association (WALGA)

Comment

The local government promotes training courses conducted by WALGA and provides an annual training budget to ensure councillors can attend relevant training courses.

Findings

(a) The systems, processes and structures in place for training for elected members are considered appropriate.

4.10.3 The local government has a Code of Conduct that clearly sets out the requirements for elected members declaring conflicts of interest, including not misusing their position to gain an advantage for themselves or another

Comments

The local government has a Code of Conduct for Councillors and Employees that was reviewed and adopted in 2016; it is currently under review.

The existing Code contains clauses that clearly set out the requirement for declaring conflicts of interest for Councillors. Specific reference is made in the Code about not misusing their position to improperly influence other to gain undue or improper advantage (direct or indirect) for themselves, or any other person, or organisation.

Findings

(a) The systems, procedures and processes in place for elected members to be aware of, and declare, conflicts of interest, and not to misuse their position for advantage or gain, are considered appropriate.

4.10.4 A Governance Manual clearly sets out the overarching governance framework that the local government operates within and describes in detail the statutory obligations of the local government and of a Councillor

Comments

Corporate governance is a system of policies, procedures and processes through which an organisation makes decisions and directs, controls and monitors its operations. The systems are complex and are required by legislation.

A Governance Manual will assist the local government to achieve its commitment to good governance.

Findings

(a) The local government is currently considering a draft Governance Manual.

4.10.5 The local government has implemented and maintains Registers for Annual and Primary Returns, Declarations of Financial Interests and Gifts

Comments

The local government has implemented Registers for Annual and Primary Returns, and for Gifts, that meet legislative requirements.

Findings

(a) The local government has implemented a Register for Declaration of Financial Interests that meets the requirements of Regulation 28 of the *Local Government (Administration) Regulations 1996*.

5.0 INTERNAL CONTROL SYSTEMS

5.1 SEPARATION OF ROLES AND FUNCTIONS, PROCESSING AND AUTHORISATION

Key aspects assessed and reviewed include:

5.1.1 Debtors Control – Separation of roles between invoice raiser, invoice approver, and receipting functions

Comments

There are clear role separations in place between invoice raiser, invoice approver and receipting functions. There are specific role separations in place between invoice raising and receipting for direct credit and BPay receipting.

Findings

(a) The systems, procedures and processes in place for debtors control are considered appropriate.

5.1.2 Purchases, Creditors and Cash Payments – Separation of roles between ordering, invoice entry, invoice approver, petty cash payments and recoups, and payment approvals

Comments

There are clear role separations in place between ordering, invoice entry, invoice approver, petty cash payments and recoups, and payment approvals.

Findings

(a) The systems, procedures and processes in place for Purchases, Creditors and Cash payments are considered appropriate.

5.1.3 Payroll – Separation of roles between timecard approver, timecard entry, payroll approver and pay run payment authorisers

Comments

There are clear role separations in place between timecard approver, timecard entry, payroll approver and pay run payment authorisers.

Findings

(a) The systems, procedures and processes in place for Payroll are considered appropriate.

5.1.4 Receipting – Separation of roles between daily receipting, cash count at end of day, bank reconciliation process and review by Supervisor

Comments

There are clear role separations in place between daily receipting, cash count at end of day, bank reconciliation process and review by line manager.

Findings

(a) The systems, procedures and processes in place for Receipting are considered appropriate.

5.1.5 Rating – Separation of roles between rates levied, cash receipting over the counter and direct deposit, bank reconciliation process and review by supervisor, debt collection and review by supervisor

Comments

There are clear role separations in place between rates levied, cash receipting by direct deposit, bank reconciliation process and review by supervisor, debt collection and review by supervisor.

Findings

(a) The systems, procedures and processes in place for Rating are considered appropriate.

5.1.6 Banking – Separation of roles between cash receipting and daily banking, and bank reconciliation process

Comments

There are clear role separations in place between cash receipting and daily banking, and bank reconciliation process.

Findings

(a) The systems, procedures and processes in place for Banking are considered appropriate.

5.1.7 Monthly Reconciliations – Separation of roles to ensure supervisor is certifying monthly reconciliations prepared by relevant officers

Comments

The local government has implemented monthly reconciliations that are prepared by the each of the respective officers responsible for the functions of cash receipting, rates, payroll, accounts payable and borrowings, accounts receivable, bank reconciliations, and fixed assets. Each of the monthly reconciliations prepared is checked and then certified by the relevant line manager.

The implementation of a Monthly Reconciliations Checklist would enhance the control over identifying that all reconciliations are completed at the end of each month.

Findings

(a) The introduction of a Monthly Reconciliations Checklist may be advantageous in ensuring all relevant reconciliations are completed and certified at the end of each month.

(b) All other systems, procedures and processes in place for Monthly Reconciliations are considered appropriate.

5.2 CONTROL OF APPROVAL OF DOCUMENTS, LETTERS AND FINANCIAL RECORDS

Key aspects assessed include:

5.2.1 Document Approval – Documents are created by authorised officers and managed in a centrally controlled repository. Versions of documents are controlled by authorised officers in accordance with the local governments Document and Records Management Guideline – Access and Security

Comments

The local government has implemented a networked drive where all corporate documents and forms are stored. All staff have read and write access to the documents on the network drive; staff also have access to corporate documents via the local governments' Intranet.

The Records Officer (RO) is responsible for electronically filing all incoming correspondence into the local governments Electronic Document and Records Management System (EDRMS) within the SynergySoft system.

Individual officers are responsible for checking-in and filing their own documents they create and the emails they receive, into the EDRMS. All documents generated are approved by the Executive Manager of the respective department before being mailed. The exception to this rule are letters generated by the FOI Coordinator, which are signed off by the Records Officer.

Document security and access level is completed at time of record creation in the EDRMS, which restricts viewing and editing access based on security privileges assigned according to the confidentiality levels established within the system.

The Record Keeping Plan was reviewed in 2017 to reflect internal practices and meet *State Records Act 2000* statutory obligations.

Findings

(a) The systems, procedures and processes in place for Document Approval are considered appropriate.

5.2.2 Letters Approval – Letters are created by authorised officers and managed in a centrally controlled repository. Versions of letters are controlled by authorised officers in accordance with the local governments Document and Records Management Guideline – Access and Security

Comments

Individual officers are responsible for checking-in and filing their own documents they create and the emails they receive, into the EDRMS. All letters generated are approved by the Executive Manager of the respective department before being mailed. The exception to this rule are letters generated by the FOI Coordinator, which are signed off by the Records Officer.

The Local Government has implemented an Electronic Document and Records Management System (EDRMS) within the SynergySoft system.

Only the assigned officer, other than the Records Officer, can edit versions of the letter captured in the EDRMS.

The Record Keeping Plan was reviewed in 2017 to reflect internal practices and meet *State Records Act 2000* statutory obligations.

Findings

(a) The systems, procedures and processes in place for Letters Approval are considered appropriate.

5.2.3 Financial Records Approval – The local government has sound oversight over the review and approval of financial records

Comments

The Executive Manager Corporate & Community Services (EMCCS) approves and reviews the generation of financial records. The EMCCS approves and reviews financial records prepared for external publication, as part of the Agenda review process.

Other financial records generated are approved via controls established through Purchasing Policies and Procedures, business system configurations of purchasing thresholds in SynergySoft, and payment delegations. Business systems are complemented by internal control measures through monthly reconciliations and checklists.

Findings

(a) The systems, procedures and processes in place for Financial Records Approval are considered appropriate.

5.3 COMPARISON OF INTERNAL DATA WITH EXTERNAL SOURCES OF INFORMATION

Key aspect assessed included:

5.3.1 Compare Internal Data to External Sources

Comments

The local government undertakes comparison of internal data with external sources on an ad-hoc, as required basis.

Findings

Nil.

5.4 LIMIT OF DIRECT PHYSICAL ACCESS TO ASSETS AND RECORDS

Key aspects assessed and reviewed include:

5.4.1 Physical access to electronic records is controlled by sound security policies

Comments

The local government has an IT Security Policy and Procedure in place. Access to electronic records is controlled by unique user login and passwords, with security based on user assigned credentials.

The local government has an IT on-boarding and off-boarding process for when a new employee starts, which requires approval from the appropriate managers before the employee is granted access to corporate business systems. A role based structure has been implemented, where the employee will be assigned a user name, and their access to systems will be tied to the role that user performs.

The local government also has an off-boarding process for when an employee terminates their service. This ensures that user accounts are deactivated, email is re-routed to the manager. The Executive Manager Corporate and Community Services (EMCCS) authorises new user access and removal of terminating employees' access.

The local government purchases block-hours support from an external IT Provider.

Networked drives are controlled by group policy settings implemented by the external IT Provider under direction of the local government. Access limitations are controlled by security groups, and any changes to access must be approved by the appropriate manager and then processed by IT.

Findings

(a) The systems, procedures and processes in place for IT security and access are considered appropriate.

5.4.2 Physical access to paper records is controlled by sound security policies, procedures and a sign-out, sign-in register

Comments

Access to the physical filing system is controlled by the Records Officer, who monitors the checking-in and checking-out of physical files..

The SynergySoft EDRMS also has a check-out function that can be used to signal that a physical paper records file has been removed from the filing system. This records the user and the date the file was checked-out. .

Findings

(a) The systems, procedures and processes in place for checking out physical files are considered appropriate.

5.4.3 Physical access to IT systems hardware is controlled by sound security procedure

Comments

The local governments IT system hardware is contained within a server room that adjoins the Committee Room.

The server room can be accessed by any person when the kitchen/servery area is open and utilised as part of the Committee Room.

This open access poses a high risk of unauthorised access to IT hardware infrastructure, which should be secured from unauthorised personnel at all times.

Access to the Server requires an Administrator user login and password.

Findings

(a) The design of the server room housing the IT hardware does not facilitate sound security protocols to be implemented.

5.4.4 Physical access to assets, such as keys to plant and equipment, is controlled by a sign-out sign-in register, with keys kept in a lockable cabinet

Comments

The local government houses all keys for plant and equipment within a lockable cabinet at the depot. A key register has been implemented which staff must fill out to obtain access to keys for all plant and equipment.

Findings

(a) The systems, procedures and processes in place for Physical Access to Assets are considered appropriate

5.5 CONTROL OF COMPUTER APPLICATIONS AND INFORMATION SYSTEMS STANDARDS

Key aspects assessed and reviewed include:

5.5.1 Access to corporate applications is controlled by unique user login and password. User access control is managed via access limitations imposed at individual user level

Comments

The local government has an IT Security Policy and Procedure in place.

The local government controls security to corporate applications by assigning each user a unique login and password, including access to the corporate network. Password changes for each user are force changed every 60 days.

User group membership is based on individual user role designed by Systems Administrator, which provisions appropriate network drives for each user.

Findings

(a) The systems, procedures and processes in place for access to corporate business systems are considered appropriate.

5.5.2 Corporate network controls include virus protection, cyber-security and firewall protection, regular back-ups and testing, system passwords and access controls

Comments

Systems access to key Servers and the corporate network is controlled by an Administrator login and password, which is held by the local governments' Systems Administrator.

The local government has implemented a UTM Sophos network firewall device that provides hardware firewall protection, cyber-security, web proxy protection, and Mimecast email threat security. Endpoint virus protection software is installed on desktops and servers, which also provides web protection and crypto-virus protection.

The Systems Administrator has locked down permission access to all desktops via group policy deployment. Systems Administrator ensures patch management of operating systems is performed each month.

The local government has implemented daily back-ups to NAS. These back-ups are replicated to an external drive that is rotated on a daily basis. Sure back-up is used to test and verify back-ups performed; which is run once per week with the spin-up of virtual servers to test each back-up. The Systems Administrator obtains log reports on back-ups completed to check for any errors.

The local government is currently compiling an IT Disaster Recovery Plan to address disruption and financial loss resulting from a failure of IT systems.

Findings

(a) The local government is currently compiling an IT Disaster Recovery Plan.

(b) The systems, procedures and processes in place for corporate network controls are considered appropriate.

5.6 LIMIT ACCESS TO MAKE CHANGES IN DATA FILES AND SYSTEMS

Key aspects assessed and reviewed include:

5.6.1 Authority to access and use corporate business systems is approved by the Executive Manager Corporate & Community Services

Comments

The local government has implemented an on-boarding process for new employees and off-boarding process for terminated employees.

The Executive Manager Corporate & Community Services (EMCCS) controls access to the corporate network and authorises access for newly appointed employees based on the role they perform in the organisation.

The EMCCS approves the access removal of all terminated employees.

Access and removal to the corporate network is conducted by the Systems Administrator based upon authorisation by the EMCCS.

Findings

(a) The systems, procedures and processes in place for authority to access and use Corporate Business Systems are considered appropriate.

5.6.2 Access to networked corporate drives is controlled by unique user login and password at each device

Comments

Each user has a unique login and password that controls access to the corporate network and business applications, based on the role assigned via group membership designed by the Systems Administrator.

Individual user passwords are force changed every 60 days, which is managed by the Systems Administrator.

Networked drives are provisioned according group membership settings implemented by the Systems Administrator under direction of the EMCCS.

Findings

(a) The systems, procedures and processes in place for authorisation and access to networked corporate drives are considered appropriate.

5.7 REGULAR MAINTENANCE AND REVIEW OF FINANCIAL CONTROL ACCOUNTS AND TRIAL BALANCES

Key aspects assessed and reviewed include:

5.7.1 Monthly and regular reconciliations are performed on key financial risk areas with the local government

Comments

The local government performs regular reconciliations in the following areas:

Area	Process undertaken
Annual Budget	Monthly actuals are compared to budget and significant variances fully investigated and explained
Financial Reporting	Actuals are compared to budget each month, with management reviewing variances, with significant variances investigated and explained
Grants	Regular reviews of all grant income and monitor compliance with terms of grant agreements; actual grant revenue is compared to budget estimates each month
Receipting	Revenue is compared to budget each month; Accounts receivable statements are sent to customers each month
Rates	Ageing profile report run after instalment payment option date passes
Rates	Ageing profile report run at the end of each month.
Rates	Subsidiary ledger is reconciled to the general ledger each month
Rates	Actual rate revenue is compared to budget each month
Rates	Annual valuation update is balanced prior to generation of rates
Rates	Interim valuation updates are balanced prior to generation of interim rates and issue of notices
Receivables	Ageing profile report is run monthly, and outstanding balances are investigated, and referred to debt collection if required
Receivables	Management reviews provision for doubtful debts on a monthly basis as part of the outstanding balances review
Receivables	Subsidiary ledger is reconciled to the general ledger each month
Bank Accounts	All general journals to the bank accounts are verified by the EMCCS as part of the bank reconciliation check process, including supporting documentation for general journals posted
Bank Accounts	Bank reconciliations and checked and counter-signed by the EMCCS or CCS
Investments	Investment income is compared to budget estimates each month

Area	Process undertaken
Investments	Investment register is maintained in accordance with Regulations and Council Policy and updated when investments mature, or new investments are made
Investments	Investment register is reconciled to general ledger each month
Payroll	Actual employee costs are compared to budget estimates each month, with significant variances investigated
Payroll	Regular reviews of employees listed on payroll master file are conducted, with any unusual items investigated
Payroll	Salary and hourly payroll reports are reviewed and approved by management prior to payments being made
Payroll	Payroll deduction reports are periodically reviewed for accuracy and ongoing relevance
Payroll	Salary sacrifice calculations are periodically reviewed for accuracy and compliance with legislative requirements
Payroll	Fortnightly pay run is reviewed by management prior to authorisation for payment for consistency and abnormal items
Payments	Actual expenditure is compared to budget estimates each month, with significant variances investigated
Payments	A List of Payments is prepared and presented to Council each month; management reviews any unusual or large payments
Payments	All supporting documentation is reviewed by management prior to approving/authorising payments
Payables	Ageing profile report is reviewed on a monthly basis, and any long outstanding items are investigated
Payables	Subsidiary ledger is reconciled to the general ledger each month
Fixed Assets	Management compares all fixed asset balances to budget estimates each month
Fixed Assets	Asset register additions and disposals are checked monthly and then again at year end
Fixed Assets	Depreciation rates and methodology are reviewed annual for assets classes that have undergone a fair value revaluation
Fixed Assets	Asset register is reconciled to general ledger monthly
Borrowings	All loan repayments of principal and interest are reviewed monthly
General Journals	All general journals are reviewed after posting, including supporting documentation. EMCCS or CCS signs general journal documentation.

Findings

(a) The implementation of a Monthly Reconciliations Checklist would assist in verifying all required reconciliations have been performed by designated officers and certified by relevant line manager.

(b) The systems, procedures and processes in place for verifying monthly reconciliations are considered appropriate.

5.8 COMPARISON AND ANALYSIS OF FINANCIAL RESULTS WITH BUDGETED AMOUNTS

Key aspects assessed and reviewed include:

5.8.1 Presentation of Monthly Statement of Financial Activity and supporting information to Council with actual results compared to year to date budget estimates each month, with adequate explanation of significant variances

Comment

The local government prepares a Monthly Statement of Financial Activity with supporting documentation, which is included in the Council Agenda. Significant variances reported in the Statement of Financial Activity are explained in detail.

Findings

(a) The systems, procedures and processes in place for the Presentation of Monthly Statement of Financial Activity are considered appropriate.

5.8.2 Presentation of Mid-Year Budget Review to Council with actual results compared to the budget for the month, and projections undertaken through to 30 June, with recommendations on any budget amendments required based on projection trends

Comments

The local government prepares a mid-year budget review that is submitted to Council in February/March of each year. Significant variations are explained, and recommendations are made on budget amendments based on projection trends.

Findings

(a) The systems, procedures and processes in place for the Mid-Year Budget Review are considered appropriate.

5.8.3 End of Financial Year Review is conducted with actual results compared to amended budget, with significant variations explained

Comments

The local government conducts an end of financial year review of its finances, with the aim of identifying key areas that were over or under budget estimates, with explanations provided on what has caused the outcome.

Findings

(a) The systems, procedures and processes in place for the End of Financial Year Review are considered appropriate.

5.9 ARITHMETICAL ACCURACY AND CONTENT OF RECORDS IS REGULARLY CHECKED

Key aspects assessed and reviewed include:

5.9.1 Supplier invoices are cross-checked for arithmetic accuracy prior to data entry

Comments

The local government checks all computations and calculations on supplier invoices, including GST, for accuracy. A verification/certification stamp is utilised for supplier invoice certification/verification purposes. A sample check of invoices for March 2018 showed that a few invoices did not contain the verification stamp, and where the stamp was placed on a supplier invoice, not all fields were completed on every occasion.

It was noted that all invoices were ticked/initialled by the processing officer and initialled as being checked by EMCCS or Coordinator Corporate Services (CCS).

Findings

(a) The consistent use of a verification/certification stamp, including the completion of all fields, would assist in clearly demonstrating that all appropriate verifications/certifications have been conducted as part of the accounts payable process.

(b) The remaining systems, procedures and processes in place for the checking supplier invoice computations and calculations are considered appropriate.

5.9.2 Customer invoices are cross-checked for arithmetic accuracy prior to issue

Comments

The local government checks all computations and calculations on customer invoices, including GST, for accuracy. A copy of each customer invoice amount and GST amount is highlighted as being checked to supporting documentation.

Findings

(a) The systems, procedures and processes in place for the checking customer invoice computations and calculations are considered appropriate.

5.10 REPORT, REVIEW AND APPROVAL OF FINANCIAL PAYMENTS AND RECONCILIATIONS

Key aspects assessed and reviewed include:

5.10.1 Accounts Payable Procedure provides guidance on the method for paying creditors that meets internal control, organisational and legislative requirements

Comments

The local government has implemented an informal Accounts Payable procedure manual that identifies the main steps involved in the process.

Findings

(a) It is suggested the accounts payable procedure manual contain more detailed description and include screenshots of data entry screens so a user that is not familiar with the Accounts Payable process would be able to follow the manual step by step.

(b) It is suggested the manual document the process of ensuring proper number of quotations have been received and a check is performed on the approval threshold for purchase orders as part of the process.

(c) Process mapping of the Accounts Payable procedure should be considered. Process maps/flow charts create a visual representation of a process/procedure and clearly identify key decision making points in a process, and where further internal control measures may be required.

(d) All other systems and processes in place for the Accounts Payable Procedure are considered appropriate.

5.10.2 List of Accounts is prepared, reviewed and submitted to Council

Comments

Management prepares a List of Accounts that is presented to Council each month. Management reviews each payment on the list, cross-checking each item has been appropriately authorised and certified prior to payment authorisation and/or signing.

Findings

(a) The systems, procedures and processes in place for the preparation, review and approval of the List of Accounts are considered appropriate.

5.10.3 Manager reviews monthly reconciliations, cross-checks records and counter-signs reconciliations performed as being completed and are accurate

Comments

Management reviews and authorises each payment listing made. Monthly reconciliations are prepared and counter-signed by the EMCCS or CCS to acknowledge completion and accuracy.

Findings

(a) The systems, procedures and processes in place for the preparation, review and approval of the List of Accounts are considered appropriate.

5.11 COMPARISON OF THE RESULT OF PHYSICAL CASH AND INVENTORY COUNTS WITH ACCOUNTING RECORDS

Key aspects assessed and reviewed include:

5.11.1 Cash float in tills is reconciled at the end of each day

Comments

It is standard practice that another staff member cross-checks the cash float and counter-signs the receipting report for the day. A cash count of the till float is performed at the beginning of the day by the Customer Services Administration Officer, and then re-counted at the end of day by a separate officer. Any discrepancies are reported to CCS or EMCCS for further action.

A cash handling procedure is currently being prepared.

Findings

(a) A cash handling procedure is currently being prepared.

(b) The systems, procedures and processes in place for reconciling cash floats in till at the end of day are considered appropriate.

5.11.2 Cash collected is accounted for correctly

Comments

There is an informal procedure that provides guidance on how a daily receipts reconciliation is performed at the end of day.

A system generated report for daily cash received is printed off at the end of day and is utilised to verify the actual amount of cash on hand to cash receipts processed. The contents from this report are entered into an Excel spreadsheet to categorise each type of payment takings for the day.

It is standard practice that another staff member cross-checks the cash takings and counter-signs the receipting report for the day.

A cash handling procedure is currently being prepared.

Findings

(a) It is suggested the procedure for the reconciliation of daily receipts be formalised, including more detailed description and include screenshots of data entry screens so a user that is not familiar with the end of day receipting reconciliation process would be able to follow the procedure step by step.

(b) The remaining systems, procedures, and processes in place for reconciling daily receipt takings at the end of day are considered appropriate.

5.11.3 Cash floats at outstations are reconciled at the end of each day and are periodically checked by management

Comments

Cash is collected at the Lancelin landfill facility by the contractor operating the facility; the cash is taken to the Lancelin office by the contractor and is verified and receipted by Council staff.

Cash is collected at the Gingin landfill facility by the contractor operating the facility using an iPad application called 'Square-up'. The end of day takings are transmitted wirelessly to the Gingin Administration office. The takings are then processed into SynergySoft by the Customer Service Officer to include into the days receipting. The cash takings collected by the contractor are delivered to the Gingin Administration office for banking.

The Gingin swimming pool collects cash for pool entry fees using an iPad application called 'Square-up'. The end of day takings are transmitted wirelessly to the Gingin Administration office. The takings are then processed into SynergySoft by the Customer Service Officer to include into the days receipting. The cash takings collected by the contractor are delivered to the Gingin Administration office for banking.

Cash and other payments are made at the Guilderton Caravan Park for chalet accommodation, powered and unpowered sites, use of washing machines and dryers, and gas bottle refills. All daily sales are entered into the Caravan park bookings system that records daily payment takings of cash, cheques, debit and credit card transactions, and EFT payments. Each day's cash and cheque payments are placed into an envelope along with the daily reports and a weekly trial balance report and delivered to the Gingin Administration office for verification and receipting. The local government has an informal procedure manual for the weekly reconciliation process to be followed. Each daily takings envelope is opened, cash specification is notated on outside of envelope and verified to daily report, along with cheques and EFTPOS payments (EFTPOS checked to settlement reports provided and to bank statement transactions). The results of each day are entered into a weekly takings excel form and verified to weekly takings report from Caravan Park. Totals are verified and then amounts are receipted into SynergySoft.

Findings

(a) It is suggested the procedure for the reconciliation of Guilderton Caravan Park sales receipting be formalised, including more detailed description and include screenshots of data entry screens so a user that is not familiar with the daily and weekly receipting reconciliation process would be able to follow the procedure step by step.

(b) The remaining systems, procedures, and processes in place for cash floats at outstations are considered appropriate.

5.11.4 Petty cash is recouped on a regular basis and reconciliation is approved by supervisor

Comments

The local government recoups petty cash on a weekly basis, unless there is a need for a recoup to be done earlier. Petty cash reconciliation worksheets are completed; receipts are attached to the worksheet. Remaining cash is counted by two employees to verify cash balance and recoup amount. Management cross-checks recoup to receipts and authorises recoupment.

Findings

(a) The systems, procedures and processes in place for Petty Cash Recoups are considered appropriate.

5.11.5 Physical stock on hand is checked and reconciled to stock register on a monthly basis

Comments

Only diesel fuel is kept as stock. The local government takes monthly fuel dips to monitor physical stock levels.

Fuel issues are recorded via an electronic toggle system. Each plant item is allocated a toggle, which is then used to access fuel from the fuel tanks. The litres issued are recorded electronically in the Smart Fuel System. A download of the monthly fuel issues is exported into an excel file, which is imported into the SynergySoft Stores module, with litres being the basis for reconciliation. An average cost per litre from the Stores module is used to determine the fuel expense for each item of plant based on the litres used.

Stock receipts are obtained from fuel supplier invoices and are included in the monthly fuel reconciliation.

Findings

(a) The systems, procedures and processes in place for controlling physical fuel stock are considered appropriate.

6.0 RISK MANAGEMENT SYSTEMS

6.1 REVIEW WHETHER THE LOCAL GOVERNMENT HAS AN EFFECTIVE RISK MANAGEMENT SYSTEM AND THAT MATERIAL OPERATING RISKS TO THE LOCAL GOVERNMENT ARE APPROPRIATELY CONSIDERED

Comment

The local government has a Risk Management Framework in place that consists of a range of formal policies, operational procedures and risk profiles.

The Risk Management policy articulates the local governments' risk management objectives, risk appetite and tolerance, roles and responsibilities of staff, and the monitoring and review process.

Seventeen risk profiles were documented at the time of writing this report, with further risks to be identified. Of the risks identified, three were rated as 'inadequate' and one was rated 'not-rated'.

The Strategic Community Plan (SCP) references the risk management objectives of the local government, and that strategic risks were considered during the development of the SCP.

The Corporate Business Plan (CPB) references the key strategic risk of coastal hazards.

Findings

(a) The compilation of risk policies, procedures and profiles into a single document may assist in articulating the local governments approach to risk management in a more cogent manner by presenting it as its' Risk Management Framework/Manual.

(b) Risk profiles should continue to be developed for strategic and operational risks.

(c) Risk profiles for items rated as 'inadequate' or 'not-rated' require further attention to ensure the risk is mitigated through specific controls as much as possible, based on assigned risk rating.

6.2 REVIEW WHETHER THE LOCAL GOVERNMENT HAS A CURRENT AND EFFECTIVE BUSINESS CONTINUITY PLAN (INCLUDING DISASTER RECOVERY) WHICH IS TESTED FROM TIME TO TIME

Key aspects assessed and reviewed include:

6.2.1 Business Continuity Plan

Comment

The local government has recently adopted a Business Continuity Plan (BCP) and there has not yet been an opportunity to undertake testing.

Findings

(a) The EMT should consider developing a schedule for the BCP testing methods to be undertaken and the frequency they are to be performed.

6.2.2 IT Disaster Recovery Plan

Comment

The local government is currently preparing an IT Disaster Recovery Plan and is in the process of reviewing options for disaster recovery sites.

Findings

(a) IT Disaster Recovery is an integral part of BCP and should be addressed as a high priority action.

(b) Once completed, EMT should consider developing a schedule for the testing of IT disaster recovery.

6.2.3 Emergency Risk Management

Comment

The local government has a Local Emergency Management Arrangement (LEMA) Plan place, which was reviewed and updated on 11 December 2014.

In accordance with Section 5.5, LEMA is due for review 5 years from its last full review date, with the next review date being 11 December 2019.

The local governments' compliance calendar captures the quarterly reviews of contact lists, annual review of arrangements, and 5 yearly review of the full plan.

Findings

(a) The systems, procedures and processes in place for Local Emergency Management Arrangements are considered appropriate.

6.3 ASSESS INTERNAL PROCESSES FOR DETERMINING AND MANAGING MATERIAL OPERATIONAL RISKS IN ACCORDANCE WITH THE LOCAL GOVERNMENTS' IDENTIFIED TOLERANCE FOR RISK

6.3.1 Potential Non-Compliance with legislation, regulations, standards and local government policies

Comment

The Shire has implemented an annual compliance calendar that it utilises to ensure staff are aware of key compliance requirements under a range of legislation. The annual compliance calendar is reviewed at each Executive Management Team meeting (EMT), with critical compliance dates listed for the coming months. The process owner of the compliance activity is identified, along with the applicable Act/Regulation section/clause

and schedule frequency. This provides a sound control mechanism for ensuring compliance requirements are considered and evaluated on an on-going basis.

The implementation of a legislative compliance checklist would reinforce that all statutory requirements have been met for compliance items identified on the Annual Compliance Calendar.

The 2016 Compliance Audit Return was completed in March 2017 and submitted to the Audit Committee Meeting held on 7 March 2017.

Non-compliance issues identified in the 2016 Compliance Audit Return include:

(a) Item 11 of the Delegation of Power/Duty section, relating to the CEO keeping a register of all delegations made under the Act to him and to other employees was not complied with. A delegation granted by Council to the CEO and the President on 15 March 2016 was not recorded in the Register of Delegations.

The 2017 Compliance Audit Return was completed on 7 March 2018 and was submitted to the 20 March 2018 Audit Committee. Non-compliance issues identified in the 2017 Compliance Audit Return include:

(a) Item 11 of the Delegation of Power/Duty section, relating to the CEO keeping a register of all delegations made under the Act to him and to other employees was not complied with. A delegation granted by Council to the CEO Recruitment Committee on 19 December 2017 was not recorded in the Register of Delegations.

The local government has a Policy Manual that contains all of the polices approved by the Council. It was last reviewed in 2016 and is currently under review at the time of writing this report. Staff are able to access the Policy Manual via the Corporate Intranet and also via the corporate networked drive. Staff are made aware of Council Policies during their induction process. The Agenda Report template contains a specific heading for outlining any policy implications that apply to any item of business presented to Council.

The local government has numerous internal processes, but very few, if any, have been formally documented or process mapped/flow charted. Process maps create a visual representation of a process/procedure and clearly identify key decision making points in a process, and where further internal control measures may be required.

Findings

(a) The implementation of a legislative compliance checklist may assist in reinforcing the statutory requirements have been met for compliance items identified on the compliance calendar.

(b) Formally documenting and process mapping of internal processes will enable the local government to evaluate and determine their effectiveness; and identify areas for improvement.

6.3.2 Important Accounting Judgements or Estimates that prove to be wrong

Comment

The local government prepares a 10 year Long Term Financial Plan (LTFP) and undertakes sensitivity modelling to identify what potential financial impacts could occur if actual economic conditions differ from financial assumptions made.

Business plans are prepared for large projects to evaluate financial and other associated risks, and to provide a financial estimate for LTFP forecasts and budgeting.

Accounting judgements or estimates made in the LTFP are then reviewed during the compilation of the draft budget and market tested via price estimates, where possible.

Officers of the local government monitor budget allocations through-out the year to identify any variations to actual costs when compared to accounting estimates, that will significantly impact on the closing position for the reporting period. Any variations identified are reported to the EMT for evaluation, and if considered significant, an agenda report is prepared and submitted to Council with corrective action.

A mid-year budget review is undertaken to identify if projects and programs are tracking according to budget estimates; discover any projected variations that may have a significant impact on the closing position for the reporting period, and to suggest any corrective action that may be required as a result of the variations identified.

The local government has numerous internal processes related to the processes undertaken to correct any accounting judgements or estimates made that prove to be wrong; but very few, if any, have been formally documented or process mapped/flow charted. Process maps create a visual representation of a process/procedure and clearly identify key decision making points in a process, and where further internal control measures may be required.

Findings

(a) Formally documenting and process mapping of internal processes will enable the local government to evaluate and determine their effectiveness; and identify areas for improvement.

6.3.3 Litigations and Claims

Comment

The local governments' risk procedure details the responsibilities of staff in relation to risk and control management.

All insurance claims are coordinated by the Human Resources Officer, who maintains a register of all current litigation claims against the local government The local governments' approach once the potential for claim or litigation arise is to advise their Insurer immediately so that appropriate mitigation activities can begin to contain or reduce the potential consequences or likelihood of occurrence.

In the last two years there have been three claims on the local government from a Liability perspective.

Liability Claims

Cause	Description	Date	Cost
Storm damage	Tree fell and damaged tent whilst claimant was camping at Guilderton Caravan Park. (Denied claim)	25/01/16	Nil
Maintenance/Repairs	While travelling across a roundabout the driver hit the kerb, which had been damaged by trucks using the road. The vehicle sustained two damaged tyres which the claimant was seeking reimbursement for. (Denied claim)	5/02/17	Nil
Maintenance/Repairs	While walking along a footpath a gentleman tripped over a concrete slab that was protruding 100mm above the rest of the pathway. He fell and sustained some minor injuries to his face, knees and hands. (Denied claim)	19/04/17	Nil

The local government has numerous internal processes related to insurance litigation and claims; but very few, if any, have been formally documented or process mapped/flow charted. Process maps create a visual representation of a process/procedure and clearly identify key decision making points in a process, and where further internal control measures may be required.

Findings

(a) Formally documenting and process mapping of internal processes will enable the local government to evaluate and determine their effectiveness; and identify areas for improvement.

6.3.4 Misconduct, Fraud and Theft

Comment

The local government has profiled 'Misconduct' as a moderate risk, with overall adequate controls. This is acceptable under Shire's risk acceptance criteria. and so no additional actions have been identified.

The local government has also affirmed that their controls covering the procurement function are rated as effective.

The local governments' Auditors reports over the last two years state that whilst there are limitations in the audit process they did not identify or suspect fraudulent activity.

The local government has implemented Procedure 3.2 – Verifying Changes in Supplier Bank Details for Electronic Funds Transfer Payments, to limit the risk of misconduct or fraudulent activity.

A policy on fraud and corruption was not sighted.

Findings

(a) The local government should consider adopting a policy on fraud and corruption control.

6.3.5 Significant Business Risks, recognising responsibility for general or specific risk areas, such as environmental risk, occupational health and safety risk, and how they are managed by the local government

Comment

The local government has prepared 17 risk profiles of areas considered to have potential to represent substantial business risk to operations. These risk profiles include:

(i) Coastal Erosion
(ii) Off Road Vehicle Areas
(iii) Business & Community Disruption
(iv) Safety & Security Practices
(v) Employment Practices
(vi) Engagement Practices
(vii) Environment Management
(viii) Failure to Fulfil Compliance Requirements
(ix) Management of Facilities/Venues/Events
(x) External Theft & Fraud
(xi) Misconduct
(xii) Project/Change Management
(xiii) IT/Communications Systems
(xiv) Supplier/Contract Management
(xv) Errors/Omissions/Delays
(xvi) Asset Sustainability Practices
(xvii) Document Management Processes

The following have been identified as significant business risks to the local government:

(1) Coastal Erosion

The local government has rated coastal erosion as an extreme risk, with overall controls as 'not rated' due to the very limited ability to influence or mitigate the risks involved.

The local government should continue to monitor any potential issues in relation to the integrity of the Seabird seawall installed, or other factors that may indicate risk velocity, through the key actions identified.

(2) Business & Community Disruption

The local government has rated business and community disruption as a high risk, with overall controls as 'inadequate'.

Indicative discussions with the local governments' Governance Officer suggest that the control ratings could be improved and the residual risk reduced.

This risk profile should be revisited in line with the current status of activities and re-asses the whether this risk is now within the local governments' tolerance.

(3) Safety and Security Practices

The local government has rated safety and security practices as a high risk, with overall controls as 'inadequate'.

This was reviewed in January 2018 and there have been some improvements made since that time which are not reflected in the risk profile.

The combination of control and risk ratings do not meet the local governments' acceptance criteria; however, they are actively working towards constant improvements. Examples include:

- Improving Contractor Management (including the Induction process).
- Reviewing OSH procedures; and
- Establishment of hazards register.

(4) Environment Management

The local government has rated environment management as a moderate risk, with overall controls as 'inadequate'.

Findings

(a) The local government should review existing risk profiles and re-assess whether the risks are now within the local governments' tolerance.

6.4 OBTAINING REGULAR RISK REPORTS, WHICH IDENTIFY KEY RISKS, THE STATUS AND THE EFFECTIVENESS OF THE RISK MANAGEMENT SYSTEMS, TO ENSURE IDENTIFIED RISKS ARE MONITORED AND NEW RISKS ARE IDENTIFIED, MITIGATED AND REPORTED

Key aspects assessed include:

6.4.1 Risk Registers and Risk Profiles

Comment

The EMT holds risk profile review exercises twice per year, generally in July and December on each year, with 50% of the risk profiles reviewed at each meeting. Risk profiles containing actions with an approaching due date are presented to the EMT on a monthly basis.

No record of the outcomes at EMT meetings is kept.

Risk profiles are presented to each meeting of the Audit Committee, (currently meets twice per year), detailing the current risks and control environment faced by the local government.

Findings

(a) It is suggested that brief notes/minutes be kept of all EMT meetings so there is documentation recorded of the actions to be taken and who the responsible officer is.

6.4.2 Audit Committee Meetings

Comment

The Local Government Act and Regulations stipulate that each local government is to establish an Audit Committee. The role of the Audit Committee is to support Council in fulfilling its governance and oversight responsibilities in relation to financial reporting, internal control structure, risk management systems, internal and external audit functions, and ethical accountability[3].

An inspection of the Audit Committee minutes detailed the following:

(1) 15 March 2016

- Recommended to Council that the 2015 Annual Compliance Audit Return be adopted.
- Noted the status of Risk Profiles as at 15 March 2016

(2) 15 November 2016

- Recommended to Council that the Audit Report and Financial Statement for 30 June 2016 be received.
- Noted the status of Risk Profiles as at 31 October 2016

(3) 20 December 2016

- Recommended to Council that the 2016 Review of Risk Management, Internal Control, and Legislative Compliance be received.
- Noted the findings of the Corruption and Crime Commission Report on a Matter of Governance at the Shire of Dowerin.
- Noted the status of Risk Profiles as at 13 December 2016.

(4) 7 March 2017

- Recommended to Council that the 2016 Annual Compliance Audit Return be adopted.
- Noted the status of Risk Profiles as at 2 March 2017.

[3] Local Government Operational Guidelines #9

(5) 18 July 2017

- Requested the CEO to draft an amendment to the Audit Committee Terms of Reference to incorporate a role in reviewing the Shires' governance processes.
- Noted the results of the internal review of corporate credit card usage.
- Noted the status of Risk Profiles as at 4 July 2017.

(6) 21 November 2017

- Recommended to Council that the Audit Report and Financial Statement for 30 June 2017 be received.

(7) 20 March 2018

- Recommended to Council that the 2017 Annual Compliance Audit Return be adopted.
- Noted the status of Risk Profiles as at 6 March 2018.
- Recommended to Council that an external contractor be engaged to prepare the 2018 Review of Risk Management, Internal Control, and Legislative Compliance Systems.

The Audit Committee regularly reviews financial and audit reports, risk profiles and annual compliance audit returns, in addition to meeting the Auditor as per the regulatory requirements.

Department of Local Government, Sport and Cultural Industries (DLGSC) Operational Guideline No. 9 recommends audit committee meetings should be conducted at least quarterly.

Findings

(a) It is suggested the local government consider whether there is a need for the Audit Committee to meet more frequently than the current 2 times per year, given the recommended frequency of quarterly by the Department of Local Government, Sport and Cultural Industries.

6.5 ASSES THE ADEQUACY OF THE LOCAL GOVERNMENTS' PROCESSES TO MANAGE INSURABLE RISKS AND ENSURE THE ADEQUACY OF INSURANCE COVER, AND IF APPLICABLE, THE LEVEL OF SELF INSURANCE

Comment

All insurance products are arranged through Local Government Insurance Services (LGISWA) and are formally reviewed on an annual basis. Formal renewal meetings are generally held in February with the insurable periods being based on the financial year. Regular contact is maintained with the LGISWA to ensure that relevant exposures are appropriately covered. The local government is a participant of the workers compensation, public liability, and industrial special risks (property) self-insurance schemes through the WA Local Government Association.

The local government has an informal procedure for managing insurance claims.

Findings

(a) Formally documenting and process mapping of the procedures and processes relating to managing insurance claims will ensure consistency of claims management.

(b) The remaining systems and processes in place for management of insurable risk are considered appropriate.

6.6 REVIEW THE EFFECTIVENESS OF THE LOCAL GOVERNMENTS' INTERNAL CONTROL SYSTEM WITH MANAGEMENT AND THE INTERNAL AND EXTERNAL AUDITORS

Comment

The Local Government Act and Regulations stipulate that each local government is to establish an Audit Committee. The role of the Audit Committee is to support Council in fulfilling its governance and oversight responsibilities in relation to financial reporting, internal control structure, *risk management systems*, internal and external audit functions, and ethical accountability[4].

An inspection of the Audit Committee minutes detailed the following:

- The Financial Management Review required by Regulation 5 of the *Local Government (Financial Management) Regulations 1996* was last completed in June 2015. This report was submitted to the Audit Committee meeting held on 18 August 2015.
- The 2014 Review of Risk Management, Internal Control, and Legislative Compliance Systems was completed in December 2014. This report was submitted to the Audit Committee meeting held on 16 December 2014.
- The 2016 Review of Risk Management, Internal Control, and Legislative Compliance Systems was completed in December 2016. This report was submitted to the Audit Committee meeting held on 20 December 2016.

The Audit Committee regularly reviews financial and audit reports, risk profiles and annual compliance audit returns, in addition to meeting the Auditor as per the regulatory requirements.

Findings

(a) The systems, procedures, and processes in place for reviewing internal control systems are considered appropriate.

[4] Local Government Operational Guidelines #9

6.7 ASSESS WHETHER MANAGEMENT HAS CONTROLS IN PLACE FOR UNUSUAL TYPES OF TRANSACTIONS AND/OR ANY POTENTIAL TRANSACTION THAT MIGHT CARRY MORE THAN AN ACCEPTABLE DEGREE OF RISK.

Comment

The local government has clear segregation of duties in the accounts payable function, ensuring that the purchasing officers have limited or no involvement in any other part of the accounts payable process.

The local governments' delegation and policy framework provide the controls for all transaction types, including unusual transactions.

Purchasing policy controls include:

(i) limitations on which officers have authority to make purchases on behalf of the local government;

(ii) the purchase threshold that applies to specific officers, limiting the value to which they can generate a purchase order for;

(iii) An approved budget allocation existing, or a resolution of Council being obtained, prior to the purchase taking place; and

(iv) the purchasing process that must be followed prior to the purchase being made.

Corporate Credit Card policy purchasing controls include:

(i) limitations on the officers who hold a corporate credit card and the credit limit applicable;

(ii) the submission of tax receipts for all purchases incurred within 5 working days following the end of the calendar month;

(iii) the purchases that can be made with the corporate credit card and the conditions and circumstances for purchases that apply.

Delegation controls include:

(i) Limiting the officers who can make payments from the Municipal or Trust Funds;

(ii) The number of officers required to certify and authorise payments over a specified value threshold; and

(iii) A report list being compiled of all payments made each month from the Municipal Fund and Trust Fund.

Any transaction that is not referenced within this framework requires CEO and Council oversight and approval to proceed.

The generation of general journals is controlled by an informal process that requires the initiator to obtain authorisation by the Coordinator Corporate Services (CCS) before the

journal can be raised and posted. The authorised journal request is provided to the Finance Support Officer who processed the journal and submits the posted journal to CCS to sign off the posted journal. This limits the ability of unusual transactions to be generated from the general journal module.

The local government has numerous internal processes, but very few, if any, have been formally documented or process mapped/flow charted. Process maps create a visual representation of a process/procedure and clearly identify key decision-making points in a process, and where further internal control measures may be required.

Findings

(a) Formally documenting and process mapping of internal processes will enable the local government to evaluate and determine their effectiveness, and identify areas for improvement.

(b) All other systems, procedures, and processes in place for reviewing internal control systems are considered appropriate

6.8 ASSESS THE LOCAL GOVERNMENTS' PROCUREMENT FRAMEWORK WITH A FOCUS ON PROBITY AND TRANSPARENCY OF POLICIES AND PROCEDURES/PROCESSES AND WHETHER THESE ARE BEING APPLIED

Comment

The local government has a purchasing policy in place, that describes the process applicable to purchases within specific thresholds. The policy contains the ethics and integrity principles that must be adhered to when making purchases on behalf of the local government.

Purchasing is a decentralised function, with a range of officers who have been given authority to issue purchase orders and incur liabilities on behalf of the local government.

The Policy has been recently been revised and the new draft incorporates purchase thresholds for specific positions within the organisation, limiting the value of goods/services that can be purchased.

A sample of supplier invoices and payments made for the months of March 2018 and October 2018 were conducted. All compliance requirements relating to the procurement framework were met indicating that the systems, policies, and procedures in place are sound and meet corporate requirements.

The local government has numerous internal processes related to procurement; but very few, if any, have been formally documented or process mapped/flow charted. Process maps create a visual representation of a process/procedure and clearly identify key decision-making points in a process, and where further internal control measures may be required.

Findings

(a) Formally documenting and process mapping of internal processes will enable the local government to evaluate and determine their effectiveness, and identify areas for improvement.

(b) The local government should consider developing a risk profile for Procurement, Disposal, and Tender Practices.

6.9 WHERE REQUIRED, EXECUTIVE MANAGEMENT TEAM, EXTERNAL AUDITORS AND COMPLIANCE STAFF PERIODICALLY MEET TO UNDERSTAND AND DISCUSS ANY CHANGES IN THE LOCAL GOVERNMENTS' CONTROL ENVIRONMENT

Comment

The EMT meetings are held on a regular basis (monthly). Outstanding and upcoming issues, and actions shown on risk profiles are raised at each EMT meeting.

There was no evidence of a structured agenda, or of brief notes/minutes kept for EMT meetings.

Audit Committee meetings are held twice per year, where items of significance relating to legislative compliance, internal control, and risk management are discussed.

Findings

(a) It is suggested that brief notes/minutes be kept of all EMT meetings so there is documentation that records the actions to be taken and who the responsible officer is.

6.10 ASCERTAIN WHETHER FRAUD AND MISCONDUCT RISKS HAVE BEEN IDENTIFIED, ANALYSED, EVALUATED, HAVE AN APPROPRIATE TREATMENT PLAN, WHICH HAS BEEN IMPLEMENTED, COMMUNICATED, MONITORED AND THERE IS REGULAR REPORTING AND ONGOING MANAGEMENT OF FRAUD AND MISCONDUCT RISKS

Key aspects assessed include:

6.10.1 Fraud and Corruption

Comment

The local government has profiled 'Fraud' as a moderate risk with overall adequate controls.

The local government has not yet adopted a fraud and corruption policy or implemented a procedure regarding fraud and corruption.

Audit Management reports from auditors over the last two years state whilst there are limitations in the audit process, they did not identify or suspect fraudulent activity.

Findings

(a) The local government should consider adopting a policy on Fraud and Corruption so there is clear guidance to staff on Councils position.

6.10.2 Misconduct

Comment

The local government has profiled 'Misconduct' as a moderate risk with overall adequate controls.

The local government has not yet adopted a misconduct policy or implemented a procedure regarding misconduct (other than in Policy 1.34 - Dealing with Complaints Policy).

Findings

(a) The local government should consider adopting a policy on Misconduct so there is clear guidance to staff on Councils position.

7.0 FINDINGS

The Legislative Compliance, Internal Control and Risk Management Review for the Shire of Gingin involved the examination of approximately 105 areas of the local governments' control environment; of which 84 were found to have a high standard of policies, procedures, processes and systems in place.

The local governments overall control environment is considered appropriate and was operating effectively at the time of the review.

The following findings are deemed to be minor in nature and present an opportunity for the local government to consider suggested improvements to internal procedures and processes to enhance the overall control environment.

Internal Monitoring of Compliance with Legislation and Regulations

(1) The implementation of a compliance checklist would assist in reinforcing that all statutory requirements have been met for compliance items identified on the Annual Compliance Calendar.

(2) The keeping of notes/minutes of EMT meetings would assist by ensuring there is documentation recording the actions to be taken on specific matters and who is responsible.

Annual Compliance Audit Return and Reporting to Council the Results of that Review

(3) The implementation of a compliance checklist would assist in reinforcing that all statutory requirements have been met for compliance items identified on the Annual Compliance Calendar.

Staying Informed about how Management is Monitoring the Effectiveness of its Compliance and making Recommendations for change as necessary

(4) The local governments' informing strategies for Asset Management require review and updating.

(5) The local government does not have an Internal Control Policy

(6) The local government does not have a Legislative Compliance Policy

(7) Procedure Manuals for all positions should be formalised so there is clear documentation on how tasks should be performed.

(8) Process maps have not been prepared for any processes/procedures.

Review Whether the Local Government has Procedures for it to Receive, Retain and Treat Complaints, Including Confidential and Anonymous Employee Complaints

(9) The local government does not have a procedure that deals with confidential and anonymous employee complaints.

Assess the Local Governments' Compliance Framework Dealing with Relevant External Legislation and Regulatory Requirements

(10) The local government is currently considering a draft Governance Manual.

(11) The implementation of a compliance checklist would assist in reinforcing that all statutory requirements have been met for compliance items identified on the Annual Compliance Calendar.

Review Audit Committee's Processes and Procedures Regarding Compliance with Legislation and Regulatory Requirements Imposed on Members Including Not Misusing Their Position to Gain an Advantage for themselves or another, or Cause Detriment to the Local Government, and Disclosing Conflicts of Interest

(12) The local government is currently considering a draft Governance Manual.

Separation of Roles and Functions, Processing and Authorisation

(13) The introduction of a Monthly Reconciliations Checklist may be advantageous in ensuring all relevant reconciliations are completed and certified at the end of each month.

Control of Computer Applications and Information Systems Standards

(14) Access to the server room when the kitchen/servery area in the Committee Room is open poses a high risk of unauthorised access to IT hardware infrastructure.

(15) The local government is currently compiling an IT Disaster Recovery Plan.

Regular Maintenance and Review of Financial Control Accounts and Trial Balance

(16) The introduction of a Monthly Reconciliations Checklist may be advantageous in ensuring all relevant reconciliations are completed and certified at the end of each month.

Arithmetical Accuracy and Content of Records is Regularly Checked

(17) The consistent use of a verification/certification stamp, including the completion of all fields, would assist in clearly demonstrating that all appropriate verifications/certifications have been conducted as part of the accounts payable process.

Report, Review, and Approval of Financial Payments and Reconciliations

(18) The accounts payable procedure manual should contain a more detailed description and include screenshots of data entry screens so a user that is not familiar with the Accounts Payable process would be able to follow the manual step by step.

(19) The accounts payable procedure manual should document the process of ensuring the proper number of quotations have been received and a check is performed on the approval threshold for purchase orders as part of the process.

(20) Process mapping of the Accounts Payable procedure should be considered. Process maps/flow charts create a visual representation of a process/procedure and clearly identify key decision-making points in a process, and where further internal control measures may be required.

Comparison of the Result of Physical Cash and Inventory Counts with Accounting Records

(21) A cash handling procedure is currently being prepared.

(22) The procedure for the reconciliation of daily receipts should be formalised, including a more detailed description and include screenshots of data entry screens so a user who is not familiar with the end of day receipting reconciliation process would be able to follow the procedure step by step.

(23) The procedure for the reconciliation of Guilderton Caravan Park sales receipting should be formalised, including a more detailed description and include screenshots of data entry screens so a user who is not familiar with the daily and weekly receipting reconciliation process would be able to follow the procedure step by step.

Review whether the local government has an effective risk management system and that material operating risks to the local government are appropriately considered

(24) The compilation of risk policies, procedures, and profiles into a single document may assist in articulating the local governments approach to risk management in a more cogent manner by presenting it as its' Risk Management Framework/Manual.

(25) Risk profiles should continue to be developed for strategic and operational risks.

(26) Risk profiles for items rated as 'inadequate' or 'not-rated' require further attention to ensure the risk is mitigated through specific controls as much as possible, based on assigned risk rating.

Review whether the local government has a current and effective Business Continuity Plan (including Disaster Recovery) which is tested from time to time

(27) The EMT should consider developing a schedule for the BCP testing methods to be undertaken and the frequency they are to be performed.

(28) The local government is currently preparing an IT Disaster Recovery Plan.

(29) Once completed, EMT should consider developing a schedule for the testing of IT Disaster Recovery.

Assess internal control processes for determining and managing material operational risks in accordance with the local governments' identified tolerance for risk

(30) The implementation of a legislative compliance checklist may assist in reinforcing the statutory requirements have been met for compliance items identified on the compliance calendar.

(31) Formally documenting and process mapping of internal processes will enable the local government to evaluate and determine their effectiveness, and identify areas for improvement.

(32) The local government should consider adopting a policy on fraud and corruption control.

Obtaining regular risk reports, which identify key risks, the status, and effectiveness of the risk management systems, to ensure identified risks are monitored and new risks are identified, mitigated and reported

(33) The keeping of notes/minutes of EMT meetings would assist by ensuring there is documentation recording the actions to be taken on specific matters and who is responsible.

(34) The local government consider whether there is a need for the Audit Committee to meet more frequently than the current two times per year, given the recommended frequency of quarterly by the Department of Local Government, Sport and Cultural Industries.

Assess the adequacy of the local governments' processes to manage insurable risks and ensure the adequacy of insurance cover, and if applicable, the level of self insurance

(35) The procedure for managing insurance claims should be formally documented and process mapped, which will ensure consistency of claims management.

Assess whether management has controls in place for unusual types of transactions and/or any potential transactions that might carry more than an acceptable degree of risk.

(36) Formally documenting and process mapping of internal processes will enable the local government to evaluate and determine their effectiveness, and identify areas for improvement

Assess the local governments' procurement framework with a focus on probity and transparency of policies and procedures/processes and whether these are being applied

(37) Formally documenting and process mapping of internal processes will enable the local government to evaluate and determine their effectiveness, and identify areas for improvement.

(38) The local government should consider developing a risk profile for Procurement, Disposal, and Tender Practices.

When required, Executive Management Team, External Auditors and Compliance Staff periodically meet to understand and discuss any changes in the local government control environment

(39) The keeping of notes/minutes of EMT meetings would assist by ensuring there is documentation recording the actions to be taken on specific matters and who is responsible.

Ascertain whether fraud and misconduct risks have been identified, analysed, evaluated, have an appropriate treatment plan, which has been implemented, communicated, monitored and there is regular reporting and ongoing management of fraud and misconduct risks

(40) The local government should consider adopting a policy on fraud and corruption control.

(41) The local government should consider adopting a policy on Misconduct so there is clear guidance to staff on Councils position.

8.0 IMPROVEMENT RECOMMENDATIONS

As a result of the findings, the following improvement recommendations are made:

(1) That the CEO consider the implementation of a compliance checklist detailing the statutory obligations to be met for the compliance items identified on the Annual Compliance Calendar.

(2) That the CEO consider implementing the keeping of notes/minutes of EMT meetings.

(3) That the CEO ensure that the local governments' informing strategies for Asset Management and reviewed and updated.

(4) That the CEO consider implementing an Internal Control Policy.

(5) That the CEO consider implementing a Legislative Compliance Policy.

(6) That the CEO consider the formalisation of internal procedure manuals for all positions so there is clear documentation on how tasks and processes should be performed.

(7) That the CEO consider process mapping procedures to assist visual interpretation and to identify weaknesses in internal controls.

(8) That the CEO consider amending its Dealing with Complaints Policy, or introducing a corporate procedure, to address the handling of confidential and anonymous employee complaints.

(9) That the CEO consider implementing the draft Governance Manual that provides sound guidance on the corporate governance framework that applies to the local government.

(10) That the CEO evaluate changes required to the IT server room access to reduce the risk of unauthorised access to IT hardware infrastructure.

(11) That the CEO ensure the finalisation of the local governments' IT Disaster Recovery Plan.

(12) That the CEO consider introducing a Monthly Reconciliations Checklist that captures all end of month reconciliations.

(13) That the CEO consider implementing a review process to ensure that the verification/certification stamp is placed on all supplier invoices and all fields are completed, to clearly demonstrate that all appropriate verifications/certifications have been conducted.

(14) That the CEO consider implementing amendments to the accounts payable procedure to ensure the proper number of quotations have been sourced according to the Purchasing Policy, and that a check is performed on the approval threshold for purchase orders as part of the process.

(15) That the CEO consider the implementation of a Risk Management Framework/Manual that articulates the local governments' risk policies, procedures, profiles appetite and tolerance in a single document.

(16) That the CEO consider developing a schedule for the Business Continuity Plan testing methods to be undertaken and the frequency they are to be performed.

(17) That the CEO consider developing a schedule for the testing of IT Disaster Recovery, once the IT Disaster Plan is completed.

(18) That the CEO consider implementing a Fraud and Corruption Policy.

(19) That the CEO evaluate whether there is a need for the Audit Committee to meet more frequently than twice per year.

(20) That the CEO consider implementing a corporate procedure for managing insurance claims, which will ensure consistency of claims management.

(21) That the CEO consider developing a risk profile for Procurement, Asset Disposal, and Tender Practices.

(22) That the CEO consider implementing a stand-alone Misconduct Policy.

9.0 OPINION

The review of the Legislative Compliance, Internal Control and Risk Management mechanisms developed by the Shire of Gingin indicates that, except for those matters identified in the findings and recommendations section of this report, they are appropriate and effective for the particular operations and size of the local government.

11.1.4 DETERMINATION OF DATE FOR 2018/19 ANNUAL GENERAL MEETING OF ELECTORS

File:	COR/31
Author:	Lee-Anne Burt – Governance Officer
Reporting Officer:	Aaron Cook – Chief Executive Officer
Report Date:	18 December 2018
Refer:	Nil
Appendices:	Nil

DISCLOSURES OF INTEREST

Nil

PURPOSE

To consider setting a date and venue for the next Annual General Meeting of Electors.

BACKGROUND

Section 5.27 of the *Local Government Act 1995* (the Act) requires each local government to conduct a general meeting of electors of the district once in each financial year. The meeting must be held not more than 56 days after acceptance by Council of the Annual Report and a minimum of 14 days' public notice of the meeting date must be given prior to the meeting taking place.

The last Annual General Meeting of Electors for the Shire of Gingin was held on 21 December 2017.

COMMENT

Traditionally, the Shire of Gingin holds its Annual General Meeting of Electors (AGM) in December, following adoption by Council of the Annual Report for the preceding financial year.

The Act imposes a number of time-sensitive requirements on local governments with respect to the acceptance of the Annual Report and the subsequent holding of an AGM. The Annual Report must be adopted by Council prior to the AGM being held. The Annual Report cannot be prepared until the audited Financial Statements and Audit Report are received by Council.

Unfortunately, delays in the audit process mean that it will not be possible to conduct the Annual General Meeting of Electors for this financial year before Christmas. However, the audited Financial Statements and Audit Report will form the subject of a separate item in this Agenda, and on that basis the following schedule is proposed:

1. The 2017/18 Annual Report will be presented to Council at its January meeting; and

2. The Annual General Meeting of Electors be scheduled for 19 February 2019, to be held at 5.00pm in Council Chambers following the Ordinary Council meeting already scheduled for that date.

STATUTORY ENVIRONMENT

Local Government Act 1995
Division 5 – Annual reports and planning
Subdivision 4 – Electors' meetings
Section 5.27 – Electors' general meetings
Section 5.29 – Convening electors' meetings

POLICY IMPLICATIONS

Nil

BUDGET IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Shire of Gingin Strategic Community Plan 2017-2027

Focus Area	*Governance*
Objective	*5. To demonstrate effective leadership, governance and advocacy on behalf of community*
Outcome	*5.1 Values* *Our Organisational/Business Values are demonstrated in all that we do*
Key Service Areas	*N/A*
Priorities	*N/A*

VOTING REQUIREMENTS – SIMPLE MAJORITY

COUNCIL RESOLUTION/OFFICER RECOMMENDATION

MOVED: Councillor Court SECONDED: Councillor Johnson

That the Shire of Gingin's Annual General Meeting of Electors for the 2018/19 financial year be held at 5.00pm on 19 February 2019 at the Shire of Gingin Administration Centre, 7 Brockman Street, Gingin.

CARRIED UNANIMOUSLY

11.1.5 RESCHEDULING OF JANUARY 2019 ORDINARY COUNCIL MEETING

File:	GOV/8
Author:	Lee-Anne Burt – Governance Officer
Reporting Officer:	Aaron Cook – Chief Executive Officer
Report Date:	18 December 2018
Refer:	20 November 2018 Item 11.1.3
Appendices:	Nil

DISCLOSURES OF INTEREST

Nil

PURPOSE

To consider rescheduling the Ordinary Meeting of Council currently set for 15 January 2019.

BACKGROUND

At its meeting on 20 November 2018, Council resolved to set dates for all Ordinary Council Meetings for 2019, including for the month of January. The dates chosen were in keeping with Council's usual practice of holding an Ordinary Meeting on the third Tuesday of every month.

Upon reflection, Administration is of the view that Council may wish to reconsider the date currently set for its January 2019 Ordinary Meeting.

COMMENT

In accordance with Council's protocol, the first Ordinary Meeting for 2019 has been scheduled for Tuesday, 15 January 2019, which is the third Tuesday of the month. The Agenda for this meeting will need to be circulated by Friday, 11 January 2018 at the latest.

However, as Council will be aware, the Shire's administration functions will be closed for the period 24 December 2018 to 1 January 2019 (inclusive), with many staff not returning to work until Monday, 7 January 2019. This will make it very difficult for reports to be finalised and an Agenda compiled and circulated in the required timeframe.

It is therefore suggested that Council may wish to consider postponing its January meeting until Tuesday, 22 January 2019.

STATUTORY ENVIRONMENT

Local Government Act 1995
Part 5 – Administration
Division 2 – Council meetings, committees and their meetings and electors' meetings
Subdivision 1 – Council meetings
Clause 5.3 – Ordinary and special council meetings

Local Government (Administration) Regulations 1996
Part 2 – Council and committee meetings
Regulation 12 – Meetings, public notice of (Act s.5.25(1)(g))

POLICY IMPLICATIONS

Nil

BUDGET IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Shire of Gingin Strategic Community Plan 2017-2027

Focus Area	*Governance*
Objective	*5. To demonstrate effective leadership, governance and advocacy on behalf of community*
Outcome	*5.1 Values* *Our Organisational/Business Values are demonstrated in all that we do*
Key Service Areas	*N/A*
Priorities	*N/A*

VOTING REQUIREMENTS – SIMPLE MAJORITY

COUNCIL RESOLUTION/OFFICER RECOMMENDATION

MOVED: Councillor Johnson SECONDED: Councillor Peczka

That Council agree to amend the scheduled date for its January 2019 Council meeting from Tuesday, 15 January 2019 to Tuesday, 22 January 2019.

CARRIED UNANIMOUSLY

11.2. CORPORATE AND COMMUNITY SERVICES

11.2.1 AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2018

File:	FIN/23
Author:	Lee-Anne Burt – Governance Officer
Reporting Officer:	Ziggy Edwards – Acting Executive Manager Corporate and Community Services
Report Date:	18 December 2018
Refer:	Nil

DISCLOSURES OF INTEREST

Nil

PURPOSE

To consider and receive the Audit Report relating to the Shire of Gingin's Financial Statement for the year ended 30 June 2018.

BACKGROUND

In accordance with Section 7.9 of the *Local Government Act 1995*, the final Audit Report resulting from the annual audit of the Shire's financial records is to be presented to the Council, Chief Executive Officer and Minister for Local Government before 31 December each year. A copy of the Financial Statement, incorporating the Audit Report, is included as **Appendix 1.**

The Audit Report is to also be included in the publicly available Annual Report as part of our discharge of accountability to the community.

To facilitate the annual audit process, the Shire's Auditors undertake a site visit prior to the end of the financial year to evaluate and test the Shire's financial systems and the controls within those systems. This is important in establishing the reliance which the auditors can place upon those systems and controls when they are validating the balances within the final year-end financial statements for the Shire.

The Audit Report was presented to Council's Audit and Governance Committee on 18 December 2018, with the Committee recommending that Council receive the Audit Report and Financial Statement for the year ending 30 June 2018.

COMMENT

This year it is extremely pleasing to report that once again the Shire of Gingin received an Audit Report with no adverse findings.

However, Council's attention is drawn to the Auditor's comments contained within the Management Report with respect to the following:

Ratios

The Operating Surplus Ratio is trending downwards and is below the current benchmark. This is due mainly to the operating expenditure (material, contracts and depreciation) being greater than the operating income. No significant adverse trend has been noted due to the Shire's balance sheet and relative strength of other ratios.

2017/2018 Interim Audit

During the Auditor's interim visit, it was found that, in some instances, online timesheets were being authorised by the Payroll Officer. The Payroll Officer was not authorised to take this action, and was not in all cases independent to the preparer. This was noted as a significant risk.

Administration Comment

Ratios

Concerns with respect to the Operating Surplus Ratio are not new and this matter has been the subject of a significant amount of Council discussion in the past.

Discussions with respect to options such as identifying alternative revenue sources (including increasing income from rates) or decreasing operating expenditure (reducing services) will continue as we approach the period for budget preparation.

Management will further review depreciation rates of Shire assets as part of budget deliberations.

2017/2018 Interim Audit

Due to the transition of the organisation to online timesheets, this was an inadvertent oversight by Council officers at the time. Once this issue was raised, the review and approval process was promptly amended in line with auditor directions. There were no further issues raised regarding this concern during the annual audit.

STATUTORY ENVIRONMENT

Local Government Act 1995
Part 7 – Audit
Division 3 – Conduct of Audit
Section 7.9 – Audit to be conducted

Local Government (Financial Management Regulations 1996
Part 4 – Financial reports – s. 6.4

Department of Local Government Guideline No 8
Net Current Assets Used in the Annual Budget and the Annual Financial Report

Australian Accounting Standards Board Standards

POLICY IMPLICATIONS

Nil

BUDGET IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Shire of Gingin Strategic Community Plan 2017-2027

Focus Area	*Governance*
Objective	*5. To demonstrate effective leadership, governance and advocacy on behalf of community*
Outcome	*5.1 Values* *Our Organisational/Business Values are demonstrated in all that we do*
Key Service Areas	*Financial Management*
Priorities	*5.1.2 Improve the financial position of the Shire (>WDC)*

VOTING REQUIREMENTS – SIMPLE MAJORITY

COUNCIL RESOLUTION/AUDIT AND GOVERNANCE COMMITTEE RECOMMENDATION

MOVED: Councillor Peczka SECONDED: Councillor Elgin

That the Audit Report and Financial Statement for the year ended 30 June 2018 (as detailed in Appendix 1) be received.

CARRIED UNANIMOUSLY

APPENDIX 1

SHIRE OF GINGIN

FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2018

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COMMUNITY VISION
We are a welcoming and progressive community that celebrates its diversity and unique rural and coastal environment.

Principal place of business:
7 Brockman Street
GINGIN WA 6503

SHIRE OF GINGIN
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Gingin for the financial year ended 30 June 2018, is based on proper accounts and records to present fairly the the financial position of the Shire of Gingin at 30 June 2018, and the results of the operations for the financial year then ended in accordance with the *Local Government Act 1995 and, to the extent that they are not inconsistent* with the Act, the Australian Accounting Standards.

Signed on the 12TH day of DECEMBER 2018

Aaron Cook
Chief Executive Officer

SHIRE OF GINGIN
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30TH JUNE 2018

	NOTE	2018 Actual	2018 Budget	2017 Actual
		$	$	$
Revenue				
Rates	20(a)	7,749,875	7,764,606	7,607,280
Operating grants, subsidies and contributions	2(a)	2,428,253	1,653,149	3,530,315
Fees and charges	2(a)	3,778,920	4,107,284	3,929,417
Interest earnings	2(a)	268,914	266,610	248,495
Other revenue	2(a)	579,977	135,224	422,121
		14,805,939	13,926,873	15,737,628
Expenses				
Employee costs		(5,284,954)	(5,084,579)	(5,134,612)
Materials and contracts		(4,943,248)	(4,812,710)	(4,451,523)
Utility charges		(435,135)	(444,455)	(424,219)
Depreciation on non-current assets	9(b)	(5,235,631)	(4,381,636)	(5,196,832)
Interest expenses	2(a)	(139,798)	(140,556)	(146,964)
Insurance expenses		(404,561)	(412,064)	(417,944)
Other expenditure		(522,568)	(642,474)	(585,984)
		(16,965,895)	(15,918,474)	(16,358,078)
		(2,159,956)	(1,991,601)	(620,450)
Non-operating grants, subsidies and contributions	2(a)	3,009,444	2,089,559	2,400,330
Profit on asset disposals	9(a)	29,886	0	11,262
(Loss) on asset disposals	9(a)	(315,828)	0	(110,402)
(Loss) on revaluation of Infrastructure - Footpaths	8(b)	(27,525)	0	0
(Loss) on revaluation of Infrastructure - Other	8(b)	(1,100,575)	0	0
Net result		**(564,554)**	**97,958**	**1,680,740**
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Changes on revaluation of non-current assets	10	41,893,518	0	1,363,794
Total other comprehensive income		**41,893,518**	**0**	**1,363,794**
Total comprehensive income		**41,328,964**	**97,958**	**3,044,534**

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

SHIRE OF GINGIN
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30TH JUNE 2018

	NOTE	2018 Actual	2018 Budget	2017 Actual
		$	$	$
Revenue	2(a)			
Governance		39	0	534
General purpose funding		9,835,272	8,934,925	10,555,255
Law, order, public safety		391,050	339,083	455,538
Health		342,979	290,000	246,157
Education and welfare		133,838	117,000	127,217
Housing		22,520	23,400	24,280
Community amenities		1,540,904	1,663,038	1,698,483
Recreation and culture		175,032	164,628	225,105
Transport		213,454	248,046	272,103
Economic services		1,819,396	1,930,203	1,983,912
Other property and services		331,455	216,550	149,044
		14,805,939	13,926,873	15,737,628
Expenses	2(a)			
Governance		(1,102,120)	(1,121,949)	(1,026,405)
General purpose funding		(420,199)	(371,628)	(432,296)
Law, order, public safety		(1,456,234)	(1,341,733)	(1,200,083)
Health		(716,071)	(634,693)	(840,294)
Education and welfare		(216,086)	(209,182)	(197,622)
Housing		(49,320)	(30,460)	(32,609)
Community amenities		(2,627,633)	(2,614,766)	(2,315,043)
Recreation and culture		(3,543,880)	(2,912,882)	(3,240,995)
Transport		(5,127,697)	(4,220,571)	(4,891,934)
Economic services		(1,477,809)	(1,632,482)	(1,643,406)
Other property and services		(89,048)	(687,572)	(390,427)
		(16,826,097)	(15,777,918)	(16,211,114)
Finance Costs	2(a)			
Health		(12,584)	(13,252)	(14,134)
Community amenities		(35,644)	(36,231)	(36,685)
Recreation and culture		(71,230)	(71,912)	(77,031)
Economic services		(4,778)	(3,154)	(842)
Other property and services		(15,562)	(16,007)	(18,272)
		(139,798)	(140,556)	(146,964)
		(2,159,956)	(1,991,601)	(620,450)
Non-operating grants, subsidies and contributions	2	3,009,444	2,089,559	2,400,330
Profit on disposal of assets	9(a)	29,886	0	11,262
(Loss) on disposal of assets	9(a)	(315,828)	0	(110,402)
(Loss) on revaluation of Infrastructure - Footpaths	8(b)	(27,525)	0	0

SHIRE OF GINGIN
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM (CONTINUED)
FOR THE YEAR ENDED 30TH JUNE 2018

	NOTE	2018 Actual	2018 Budget	2017 Actual
		$	$	$
(Loss) on revaluation of Infrastructure - Other	8(b)	(1,100,575)	0	0
		1,595,402	2,089,559	2,301,190
Net result		**(564,554)**	**97,958**	**1,680,740**
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Changes on revaluation of non-current assets	10	41,893,518	0	1,363,794
Total other comprehensive income		**41,893,518**	**0**	**1,363,794**
Total comprehensive income		**41,328,964**	**97,958**	**3,044,534**

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

SHIRE OF GINGIN
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2018

	NOTE	2018	2017
		$	$
CURRENT ASSETS			
Cash and cash equivalents	3	4,355,805	5,234,835
Trade and other receivables	5	1,922,651	2,060,348
Inventories	6	30,494	26,713
TOTAL CURRENT ASSETS		6,308,950	7,321,896
NON-CURRENT ASSETS			
Other receivables	5	145,382	148,898
Property, plant and equipment	7	51,154,367	50,996,789
Infrastructure	8	144,985,455	103,442,072
TOTAL NON-CURRENT ASSETS		196,285,204	154,587,759
TOTAL ASSETS		202,594,154	161,909,655
CURRENT LIABILITIES			
Trade and other payables	11	681,929	1,406,313
Current portion of long term borrowings	12(a)	205,444	207,047
Provisions	13	836,627	612,655
TOTAL CURRENT LIABILITIES		1,724,000	2,226,015
NON-CURRENT LIABILITIES			
Long term borrowings	12(a)	2,177,844	2,202,180
Provisions	13	144,383	262,497
TOTAL NON-CURRENT LIABILITIES		2,322,227	2,464,677
TOTAL LIABILITIES		4,046,227	4,690,692
NET ASSETS		198,547,927	157,218,963
EQUITY			
Retained surplus		45,575,686	46,317,865
Reserves - cash backed	4	3,507,648	3,330,023
Revaluation surplus	10	149,464,593	107,571,075
TOTAL EQUITY		198,547,927	157,218,963

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

SHIRE OF GINGIN
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2018

	NOTE	RETAINED SURPLUS	RESERVES CASH BACKED	REVALUATION SURPLUS	TOTAL EQUITY
		$	$	$	$
Balance as at 1 July 2016		**45,394,984**	**2,572,164**	**106,207,281**	**154,174,429**
Comprehensive income					
Net result		1,680,740	0	0	1,680,740
Changes on revaluation of assets	10	0	0	1,363,794	1,363,794
Total comprehensive income		1,680,740	0	1,363,794	3,044,534
Transfers from/(to) reserves		(757,859)	757,859	0	0
Balance as at 30 June 2017		**46,317,865**	**3,330,023**	**107,571,075**	**157,218,963**
Comprehensive income					
Net result		(564,554)	0	0	(564,554)
Changes on revaluation of assets	10	0	0	41,893,518	41,893,518
Total comprehensive income		(564,554)	0	41,893,518	41,328,964
Transfers from/(to) reserves		(177,625)	177,625	0	0
Balance as at 30 June 2018		45,575,686	3,507,648	149,464,593	198,547,927

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

SHIRE OF GINGIN
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2018

	NOTE	2018 Actual	2018 Budget	2017 Actual
CASH FLOWS FROM OPERATING ACTIVITIES		$	$	$
Receipts				
Rates		7,561,599	8,014,606	7,450,911
Operating grants, subsidies and contributions		2,428,253	1,653,149	3,581,963
Fees and charges		4,120,041	4,357,284	3,777,027
Interest earnings		268,914	332,033	248,495
Goods and services tax		708,052	0	1,204,061
Other revenue		581,095	135,224	402,116
		15,667,954	14,492,296	16,664,573
Payments				
Employee costs		(5,179,995)	(4,984,579)	(5,100,295)
Materials and contracts		(5,669,748)	(4,912,710)	(4,463,952)
Utility charges		(435,135)	(444,455)	(424,219)
Interest expenses		(140,564)	(140,556)	(146,920)
Insurance expenses		(404,561)	(412,064)	(417,944)
Goods and services tax		(761,914)	0	(1,102,360)
Other expenditure		(522,568)	(642,474)	(484,216)
		(13,114,485)	(11,536,838)	(12,139,906)
Net cash provided by (used in) operating activities	14	2,553,469	2,955,458	4,524,667
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment		(2,181,965)	(1,979,450)	(2,494,249)
Payments for construction of infrastructure		(4,651,649)	(5,565,567)	(4,602,545)
Non-operating grants, subsidies and contributions		3,009,444	2,089,559	2,400,330
Proceeds from sale of fixed assets		376,498	0	388,909
Proceeds from advances		34,759	0	10,621
Net cash provided by (used in) investment activities		(3,412,913)	(5,455,458)	(4,296,934)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of long term borrowings		(225,939)	(225,947)	(185,913)
Proceeds from self supporting loans		6,353	41,111	27,916
Proceeds from new long term borrowings		200,000	900,000	213,897
Net cash provided by (used in) financing activities		(19,586)	715,164	55,900
Net increase (decrease) in cash held		(879,030)	(1,784,836)	283,633
Cash at beginning of year		5,234,835	5,694,755	4,951,202
Cash and cash equivalents at the end of the year	14	4,355,805	3,909,919	5,234,835

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

SHIRE OF GINGIN
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2018

	NOTE	2018 Actual	2018 Budget	2017 Actual
		$	$	$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus		1,931,792	2,009,010	2,265,998
		1,931,792	2,009,010	2,265,998
Revenue from operating activities (excluding rates)				
Governance		39	0	534
General purpose funding		2,090,174	1,174,819	2,952,094
Law, order, public safety		395,141	339,083	463,144
Health		342,979	290,000	246,157
Education and welfare		133,838	117,000	127,217
Housing		22,520	23,400	24,280
Community amenities		1,540,904	1,663,038	1,698,483
Recreation and culture		175,032	164,628	225,105
Transport		239,249	248,046	275,759
Economic services		1,819,396	1,930,203	1,983,912
Other property and services		331,455	216,550	149,044
		7,090,727	6,166,767	8,145,729
Expenditure from operating activities				
Governance		(1,102,120)	(1,121,949)	(1,026,405)
General purpose funding		(420,199)	(371,628)	(432,296)
Law, order, public safety		(1,456,234)	(1,341,733)	(1,214,960)
Health		(735,641)	(647,945)	(854,428)
Education and welfare		(216,086)	(209,182)	(197,622)
Housing		(49,320)	(30,460)	(32,609)
Community amenities		(2,670,843)	(2,650,997)	(2,351,728)
Recreation and culture		(3,615,110)	(2,984,794)	(3,318,026)
Transport		(5,153,973)	(4,220,571)	(4,954,572)
Economic services		(1,482,587)	(1,635,636)	(1,651,930)
Other property and services		(1,507,710)	(703,579)	(433,904)
		(18,409,823)	(15,918,474)	(16,468,480)
Operating activities excluded				
(Profit) on disposal of assets	9(a)	(29,886)	0	(11,262)
Loss on disposal of assets	9(a)	315,828	0	110,402
Loss on revaluation of fixed assets	8(b)	1,128,100	0	0
Movement in deferred pensioner rates (non-current)		(14,822)	0	(21,689)
Movement in employee benefit provisions (non-current)		(118,114)	0	109,994
Depreciation on assets	9(b)	5,235,631	4,381,636	5,196,832
Amount attributable to operating activities		(2,870,567)	(3,361,061)	(672,476)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		3,009,444	2,089,559	2,400,330
Proceeds from disposal of assets	9(a)	376,498	0	388,909
Purchase of property, plant and equipment	7(b)	(2,181,965)	(1,979,450)	(2,494,249)
Purchase and construction of infrastructure	8(b)	(4,651,649)	(5,565,567)	(4,602,545)
Amount attributable to investing activities		(3,447,672)	(5,455,458)	(4,307,555)
FINANCING ACTIVITIES				
Repayment of advances to community groups		6,353	0	10,621
Repayment of long term borrowings	12(a)	(225,939)	(225,947)	(185,913)
Proceeds from new long term borrowings	12(b)	200,000	900,000	213,897
Proceeds from self supporting loans	12(a)	34,759	41,111	27,916
Transfers to reserves (restricted assets)	4	(804,395)	(961,803)	(1,019,186)
Transfers from reserves (restricted assets)	4	626,770	826,376	261,327
Amount attributable to financing activities		(162,452)	579,737	(691,338)
Surplus(deficiency) before general rates		(6,480,691)	(8,236,782)	(5,671,369)
Total amount raised from general rates	20	7,745,098	7,760,106	7,603,161
Net current assets at June 30 c/fwd - surplus	21	**1,264,407**	(476,676)	**1,931,792**

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

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

1. BASIS OF PREPARATION

The financial report comprises general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities and to the extent they are not in-consistent with the *Local Government Act 1995* and accompanying regulations). Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1995* and accompanying regulations. 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 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.

The Local Government (Financial Management) Regulations 1996 take precedence over Australian Accounting Standards. Regulation 16 prohibits a local government from recognising as assets Crown land that is a public thoroughfare, such as land under roads, and land not owned but under the control or management of the local government, unless it is a golf course, showground, racecourse or any other sporting or recreational facility of State or regional significance. Consequently, some assets, including land under roads acquired on or after 1 July 2008, have not been recognised in this financial report. This is not accordance with the requirements of AASB 1051 *Land Under Roads* paragraph 15 and AASB 116 *Property, Plant and Equipment* paragraph 7.

CRITICAL ACCOUNTING ESTIMATES

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 values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

THE LOCAL GOVERNMENT REPORTING ENTITY

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

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between funds) have been eliminated.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 23 to these financial statements.

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

2. REVENUE AND EXPENSES

(a) Revenue

	2018 Actual	2017 Actual
	$	$
Other revenue		
Reimbursements and recoveries	337,618	270,184
Other	242,359	151,937
	579,977	422,121
Fees and Charges		
General purpose funding	19,730	19,240
Law, order, public safety	84,090	80,967
Health	228,956	244,473
Education and welfare	105,262	109,009
Housing	22,520	19,480
Community amenities	1,481,205	1,484,376
Recreation and culture	70,321	70,040
Transport	9,389	0
Economic services	1,734,581	1,878,126
Other property and services	22,866	23,706
	3,778,920	3,929,417

There were no changes during the year to the amount of the fees or charges detailed in the original budget.

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

2. REVENUE AND EXPENSES (CONTINUED)

(a) Revenue (Continued)

Grant Revenue
Grants, subsidies and contributions are included as operating and non-operating revenues in the Statement of Comprehensive Income:

	2018	2017
	$	$
Operating grants, subsidies and contributions		
Governance	39	500
General purpose funding	1,707,521	2,611,998
Law, order, public safety	306,322	277,452
Education and welfare	0	18,500
Community amenities	54,871	178,238
Recreation and culture	75,717	131,661
Transport	192,072	197,103
Economic services	75,883	36,500
Other property and services	15,828	78,363
	2,428,253	3,530,315
Non-operating grants, subsidies and contributions		
Law, order, public safety	1,253,578	307,276
Recreation and culture	304,257	350,308
Transport	1,451,609	1,742,746
	3,009,444	2,400,330
Total grants, subsidies and contributions	5,437,697	5,930,645

SIGNIFICANT ACCOUNTING POLICIES

Grants, Donations and Other Contributions
Grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 19. That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operations for the current period.

Grants, Donations and Other Contributions (Continued)

	2018 Actual	2018 Budget	2017 Actual
	$	$	$
Interest earnings			
- Loans receivable - clubs/institutions	4,562	0	5,968
- Reserve funds	68,844	69,610	45,393
- Other funds	49,856	70,000	70,108
Other interest revenue (refer note 20(c))	145,652	127,000	127,026
	268,914	266,610	248,495

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

2. REVENUE AND EXPENSES (Continued)

(b) Expenses

	2018	2017
	$	$
Auditors remuneration		
- Audit of the Annual Financial Report	23,822	22,987
Other Services	12,471	11,290
	36,293	34,277
Interest expenses (finance costs)		
Long term borrowings (refer Note 12(a))	139,798	146,964
	139,798	146,964
Rental charges		
- Operating leases	51,514	27,711
	51,514	27,711

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

3. CASH AND CASH EQUIVALENTS

	NOTE	2018	2017
		$	$
Unrestricted		87,251	994,821
Reserves Restricted		3,507,648	3,330,023
Restricted Cash at Bank		760,906	909,991
		4,355,805	5,234,835
The following restrictions have been imposed by regulations or other externally imposed requirements:			
Long Service Leave, Sick Leave, Staff Contingency	4	457,923	513,063
Office Equipment Replacement	4	2,841	17,486
Plant and Equipment Replacement	4	623,669	153,129
Land and Buildings General	4	858,805	753,210
Guilderton Caravan Park Recreation	4	137,226	222,713
Shire Recreational Development	4	69,861	204,379
Redfield Park Public Open Space	4	30,366	29,762
Ocean Farm Recreation	4	30,068	36,564
Tip Rationalisation	4	625,112	697,171
Lancelin Community Sporting Club	4	53,292	49,002
Community Infrastructure	4	89,201	87,429
Staff Housing	4	32,383	31,740
Future Infrastructure	4	491,055	531,524
Guilderton Country Club Reserve	4	5,846	2,851
Unspent grants	19	760,906	909,991
		4,268,554	4,240,014

SIGNIFICANT 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 that are readily convertible to known amounts of cash and which are subject to an insignificant risk

Cash and cash equivalents (Continued)

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

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

4. RESERVES - CASH BACKED

	2018 Actual Opening Balance	2018 Actual Transfer to	2018 Actual Transfer (from)	2018 Actual	2018 Budget Opening Balance	2018 Budget Transfer to	2018 Budget Transfer (from)	2018 Budget Closing Balance	2017 Actual Opening Balance	2017 Actual Transfer to	2017 Actual Transfer (from)	2017 Actual Closing Balance
	$	$	$	$	$	$	$	$	$	$	$	$
Long Service Leave, Sick Leave, Staff Contingency	513,063	11,219	(66,359)	457,923	513,063	10,725	0	523,788	356,637	156,426	0	513,063
Office Equipment Replacement	17,486	362	(15,027)	2,841	17,486	366	(15,000)	2,852	17,210	276	0	17,486
Plant and Equipment Replacement	153,129	470,785	(245)	623,669	153,129	818,201	(77,500)	893,830	150,708	2,421	0	153,129
Land and Buildings General	753,210	213,137	(107,542)	858,805	653,210	83,811	(75,000)	662,021	801,200	113,336	(161,327)	753,209
Guilderton Caravan Park Recreation	222,713	4,869	(90,356)	137,226	222,713	1,283	(90,000)	133,996	120,316	102,397	0	222,713
Shire Recreational Development	204,379	55,709	(190,227)	69,861	304,380	4,272	(220,000)	88,652	151,204	153,176	(100,000)	204,380
Redfield Park Public Open Space	29,762	651	(47)	30,366	29,762	622	0	30,384	29,283	480	0	29,763
Ocean Farm Recreation	36,564	800	(7,298)	30,068	36,564	764	(7,237)	30,091	35,986	578	0	36,564
Tip Rationalisation	697,171	15,245	(87,304)	625,112	697,171	14,573	(87,399)	624,345	686,147	11,024	0	697,171
Lancelin Community Sporting Club	49,002	14,369	(10,079)	53,292	49,002	13,524	(10,000)	52,526	32,708	16,293	0	49,001
Community Infrastructure	87,429	1,912	(140)	89,201	87,429	1,828	0	89,257	86,046	1,382	0	87,428
Staff Housing	31,740	694	(51)	32,383	31,740	663	0	32,403	31,238	502	0	31,740
Future Infrastructure	531,524	11,623	(52,092)	491,055	531,524	11,111	(244,240)	298,395	73,481	458,043	0	531,524
Guilderton Country Club Reserve	2,851	3,000	(5)	5,846	2,852	60	0	2,912	0	2,852	0	2,852
	3,330,023	804,395	(626,770)	3,507,648	3,330,025	961,803	(826,376)	3,465,452	2,572,164	1,019,186	(261,327)	3,330,023

All of the reserve accounts are supported by money held in financial institutions and match the amount shown as restricted cash in Note 3 to this financial report.

In accordance with council resolutions 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	Anticipated date of use	Purpose of the reserve
Long Service Leave, Sick Leave, Staff Contingency	As required	Used to fund annual leave, long service leave, sick leave, redundancy/retirement and staff contingency
Office Equipment Replacement	18/19	Used for the acquisition and/or replacement of major items of office equipment (including computer system)
Plant and Equipment Replacement	As required	Used for the purchase of major plant and equipment.
Land and Buildings General	18/19	Used for the replacement and/or acquisition of land and buildings.
Guilderton Caravan Park Recreation	18/19	Used for the development of Guilderton Caravan Park facilities.
Shire Recreational Development	18/19	Used for the development of Shire Recreation facilities.
Redfield Park Public Open Space	As required	Used for the development of Public Open Space within the Redfield Park subdivision.
Ocean Farm Recreation	18/19	Used for the development of recreation and community facilities within the Ocean Farm subdivision
Tip Rationalisation	18/19	Used for rationalisation of rubbish tip facilities within the Shire.
Lancelin Community Sporting Club	18/19	Used in developing building and other associated infrastructure at the Lancelin Community Sporting Club and are to be spent upon request from the Club, and approval from Council
Community Infrastructure	As required	Used to assist in the financing of community facilities.
Staff Housing	As required	To be used to fund Staff housing infrastructure additions and/or replacement.
Future Infrastructure	18/19	To be used to fund future infrastructure construction, purchase, additions and/or renewals
Guilderton Country Club Reserve	As required	To be used to fund the development of the Guilderton Country Club and are to be spent upon request from the Club, and approval from Council

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

5. TRADE AND OTHER RECEIVABLES

	2018	2017
	$	$
Current		
Rates outstanding	909,257	735,803
Sundry debtors	609,832	961,626
GST receivable	172,528	118,666
Loans receivable - clubs/institutions	18,339	41,113
Prepayments	23,577	79,727
Legal Costs - recovery of rates	129,810	74,778
Rubbish Fees	59,308	48,635
	1,922,651	2,060,348
Non-current		
Rates outstanding - pensioners	122,381	107,559
Loans receivable - clubs/institutions	0	6,353
Loans - advances to community groups	23,001	34,986
	145,382	148,898

Information with respect the impairment or otherwise of the totals of rates outstanding and sundry debtors is as follows:

Rates outstanding		
Includes:		
Past due and not impaired		
1 to 5 years	298,362	235,603
more than 5 years	610,895	500,200
Sundry debtors		
Includes:		
Past due and not impaired		
up to one month	30,368	33,816
1 - 3 months	8,276	132,517
3 months to 1 year	16,864	3,183
1 to 5 years	100,764	40,191
more than 5 years	25,501	1,851

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible

Classification and subsequent measurement

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss

Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

6. INVENTORIES

	2018	2017
	$	$
Current		
Fuel and materials	20,505	16,714
History books	9,989	9,999
	30,494	26,713

SIGNIFICANT 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.

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

7 (a). PROPERTY, PLANT AND EQUIPMENT

	2018	2017
	$	$
Land and buildings		
Land - freehold land at:		
- Independent valuation 2017 - level 2	14,832,000	15,302,000
- Independent valuation 2017 - level 3	1,590,000	1,590,000
	16,422,000	16,892,000
Land - vested in and under the control of Council at:		
- Independent valuation 2017 - level 3	3,823,555	3,823,555
	3,823,555	3,823,555
Total land	20,245,555	20,715,555
Buildings - non-specialised at:		
- Independent valuation 2017 - level 2	1,135,000	1,135,000
- Independent valuation 2017 - level 3	512,700	512,700
- Management valuation 2017 - level 3	0	18,129
- Transfer to Infrastructure Other	0	(18,129)
Less: accumulated depreciation	(32,297)	0
	1,615,403	1,647,700
Buildings - specialised at:		
- Independent valuation 2017 - level 3	23,404,900	23,404,900
- Management valuation 2017 - level 3	0	5,466,275
- Transfer from Infrastructure Other	49,286	(5,466,275)
- Additions after valuation at cost	420,746	0
Less: accumulated depreciation	(475,904)	0
	23,399,028	23,404,900
Total buildings	25,014,431	25,052,600
Total land and buildings	45,259,986	45,768,155
Furniture and equipment at:		
- Independent valuation 2016 - level 3	168,000	183,800
- Additions after valuation at cost - level 3	168,259	91,639
Less: accumulated depreciation	(76,597)	(33,503)
	259,662	241,936
Plant and equipment at:		
- Independent valuation 2016 - level 2	2,516,651	2,856,251
- Independent valuation 2016 - level 3	1,057,950	1,057,950
- Management valuation 2016 - level 2	558,007	558,007
- Management valuation 2016 - level 3	131,947	131,947
- Additions after valuation at cost - level 2	2,965,140	1,280,541
Less: accumulated depreciation	(1,602,461)	(907,275)
	5,627,234	4,977,421

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

7(a) PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	2018	2017
	$	$
Tools at:		
- Independent valuation 2016 - level 3	12,900	12,900
Less: accumulated depreciation	(5,415)	(3,623)
	7,485	9,277
Total property, plant and equipment	51,154,367	50,996,789

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

7. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(b) Movements in Carrying Amounts

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

	Land - freehold land	Land - vested in and under the control of Council	Total land	Buildings - non-specialised	Buildings - specialised	Total buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Tools	Total property, plant and equipment
	$	$	$	$	$	$	$	$	$	$	$
Balance at 1 July 2016	16,182,395	3,823,555	20,005,950	2,030,473	27,354,523	29,384,996	49,390,946	183,800	5,210,303	12,900	54,797,949
Additions	0	0	0	21,566	1,100,503	1,122,069	1,122,069	91,639	1,280,541	0	2,494,249
(Disposals)	0	0	0	0	(1,115)	(1,115)	(1,115)	0	(486,934)	0	(488,049)
Revaluation increments/ (decrements) transferred to revaluation surplus	709,605	0	709,605	(360,588)	1,014,777	654,189	1,363,794	0	0	0	1,363,794
Depreciation (expense)	0	0	0	(43,751)	(579,384)	(623,135)	(623,135)	(33,503)	(1,026,489)	(3,623)	(1,686,750)
Transfers	0	0	0	0	(5,484,404)	(5,484,404)	(5,484,404)	0	0	0	(5,484,404)
Carrying amount at 30 June 2017	16,892,000	3,823,555	20,715,555	1,647,700	23,404,900	25,052,600	45,768,155	241,936	4,977,421	9,277	50,996,789
Additions	0	0	0	0	420,746	420,746	420,746	76,620	1,684,599	0	2,181,965
(Disposals)	(470,000)	0	(470,000)	0	0	0	(470,000)	(13,899)	(178,541)	0	(662,440)
Depreciation (expense)	0	0	0	(32,297)	(475,904)	(508,201)	(508,201)	(44,995)	(856,245)	(1,792)	(1,411,233)
Transfers	0	0	0	0	49,286	49,286	49,286	0	0	0	49,286
Carrying amount at 30 June 2018	16,422,000	3,823,555	20,245,555	1,615,403	23,399,028	25,014,431	45,259,986	259,662	5,627,234	7,485	51,154,367

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

7. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Land and buildings					
Land - freehold land	2	Market approach using recent observable market data for similar properties	Independent registered valuers	June 2017	Price per hectare
Land - freehold land	3	Improvements to land valued using cost approach using depreciated replacement cost	Independent registered valuers	Jun 2017	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Land - vested in and under the control of Council	3	Improvements to land valued using cost approach using depreciated replacement cost	Independent registered valuers	June 2017	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Buildings - non-specialised	2	Market approach using recent observable market data for similar properties	Independent registered valuers	June 2017	Price per square metre
Buildings - non-specialised	3	Cost approach using depreciated replacement cost	Management valuation	Jun 2017	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Buildings - specialised	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2017	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Furniture and equipment	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2016	Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Plant and equipment					
- Independent/management valuation 2016	2	Market approach using recent observable market data for similar properties	Independent registered valuers and Management Valuation	June 2016	Price per item
- Independent/management valuation 2016	3	Cost approach using depreciated replacement cost	Independent registered valuers and Management Valuation	June 2016	Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Tools	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2016	Purchase 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 by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

8 (a). INFRASTRUCTURE

	2018	2017
	$	$
Infrastructure - Roads		
- Management valuation 2018 - level 3	123,238,866	0
- Management valuation 2015 - level 3	0	84,789,325
- Transfer to Plant and Equipment	0	(5,969)
Less: accumulated depreciation	0	(4,605,974)
	123,238,866	80,177,382
Infrastructure - Footpaths		
- Management valuation 2018 - level 3	133,337	0
- Management valuation 2015 - level 3	0	119,966
- Transfer from Parks	0	53,382
Less: accumulated depreciation	0	(5,552)
	133,337	167,796
Infrastructure - Parks and Ovals		
- Management valuation 2018 - level 3	13,011,444	14,301,366
- Transfer to Footpaths	0	(53,382)
Less: accumulated depreciation	0	(1,256,016)
	13,011,444	12,991,968
Infrastructure - Other		
- Management valuation 2018 - level 3	6,206,288	0
- Management valuation 2015 - level 3	0	1,340,266
- Additions after valuation at cost	0	987,574
- Transfer from Specialised and Non Specialised Buildings	0	5,484,404
Less: accumulated depreciation	0	(242,610)
	6,206,288	7,569,634
Infrastructure - Bridges		
- Management valuation 2018 - level 3	2,395,520	2,744,000
Less: accumulated depreciation	0	(208,708)
	2,395,520	2,535,292
Total infrastructure	144,985,455	103,442,072

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

8. INFRASTRUCTURE (CONTINUED)

(b) Movements in Carrying Amounts

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

	Infrastructure - Roads	Infrastructure - Footpaths	Infrastructure - Parks and Ovals	Infrastructure - Other	Infrastructure - Bridges	Total Infrastructure
	$	$	$	$	$	$
Balance at 1 July 2016	79,346,895	130,472	13,393,644	1,319,381	2,674,813	96,865,205
Additions	3,140,747	42,876	431,348	987,574	0	4,602,545
Depreciation (expense)	(2,310,260)	(5,552)	(833,024)	(221,725)	(139,521)	(3,510,082)
Transfers	0	0	0	5,484,404	0	5,484,404
Carrying amount at 30 June 2017	80,177,382	167,796	12,991,968	7,569,634	2,535,292	103,442,072
Additions	3,155,473	0	1,278,382	217,794	0	4,651,649
Revaluation increments/ (decrements) transferred to revaluation surplus	42,162,269	0	(268,751)	0	0	41,893,518
Revaluation (loss)/ reversals transferred to profit or loss	0	(27,525)	0	(1,100,575)	0	(1,128,100)
Depreciation (expense)	(2,335,190)	(6,934)	(990,155)	(352,347)	(139,772)	(3,824,398)
Transfers	78,932	0	0	(128,218)	0	(49,286)
Carrying amount at 30 June 2018	123,238,866	133,337	13,011,444	6,206,288	2,395,520	144,985,455

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

8. INFRASTRUCTURE (CONTINUED)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Infrastructure - Roads	3	Cost approach using depreciated replacement	Management Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3).
Infrastructure - Footpaths	3	Cost approach using depreciated replacement	Management Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3).
Infrastructure - Parks and Ovals	3	Cost approach using depreciated replacement	Management Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3).
Infrastructure - Other	3	Cost approach using depreciated replacement	Management Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3).
Infrastructure - Bridges	3	Cost approach using depreciated replacement	Management Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3).

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.

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

9. FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets
Each class of fixed assets within either property, plant and equipment or infrastructure, is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses

Initial recognition and measurement between mandatory revaluation dates
All assets are initially recognised at cost and subsequently revalued in accordance with the mandatory measurement framework

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Shire includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair value They are subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework

Revaluation
The fair value of fixed assets is determined at least every three years in accordance with the regulatory framework At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires property, plant and equipment to be shown at fair value

Increases in the carrying amount arising on revaluation of assets 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

Land under control
In accordance with *Local Government (Financial Management) Regulation 16(a)(ii)*, the Shire was required to include as an asset (by 30 June 2013), Crown Land operated by the local government as a golf course, showground, racecourse or other sporting or recreational facility of State or Regional significance.

Upon initial recognition, these assets were recorded at cost in accordance with AASB 116. They were then classified as Land and revalued along with other land in accordance with the other policies detailed in this Note

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY
Land under roads
In Western Australia, all land under roads is Crown Land, the responsibility for managing which, is vested in the local government.

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008 This accords with the treatment available in *Australian Accounting Standard AASB 1051 Land Under Roads* and the fact *Local Government (Financial Management) Regulation 16(a)(i)* prohibits local governments from recognising such land as an asset.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, *Local Government (Financial Management) Regulation 16(a)(i)* prohibits local governments from recognising such land as an asset

Whilst such treatment is inconsistent with the requirements of AASB 1051, *Local Government (Financial Management)* Regulation 4(2) provides, in the event of such an inconsistency the Local Government (Financial Management) Regulations prevail

Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the Shire

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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9. FIXED ASSETS (CONTINUED)

(a) Disposals of Assets

The following assets were disposed of during the year

	Actual Net Book Value	Actual Sale Proceeds	Actual Profit	Actual Loss	Budget Net Book Value	Budget Sale Proceeds	Budget Profit	Budget Loss
Plant and Equipment	$	$	$	$	$	$	$	$
Health								
Sale of 6GG	25,168	18,182	0	(6,986)	0	0	0	0
Community amenities								
Sale of 4GG	20,000	24,091	4,091	0	0	0	0	0
Sale of 8GG	31,657	24,091	0	(7,566)	0	0	0	0
Transport								
Tractor GG012	5,999	18,181	12,182	0	0	0	0	0
Kubota Mower GG034	17,987	5,914	0	(12,073)	0	0	0	0
Bostrl Pig Trailer GG6776	1,800	12,210	10,410	0	0	0	0	0
Ferrari Mower	4,125	4,545	420	0	0	0	0	0
Miscellaneous Plant Sales	226	2,194	1,968	0	0	0	0	0
Front End Loader GG016	66,685	67,500	815	0	0	0	0	0
100KVA Silenced Diesel Generator	13,899	2,000	0	(11,899)	0	0	0	0
Trailer GG6019	926	454	0	(472)	0	0	0	0
Toyota Van fwd Control Unit GG09	2,250	1,500	0	(750)	0	0	0	0
Hoe attachment for Kanga	1,718	636	0	(1,082)	0	0	0	0
	192,440	161,498	29,886	(40,828)	0	0	0	0
Land and Building								
Sale of Lot 20 Mooliabeenee Road	470,000	195,000	0	(275,000)	0	0	0	0
	662,440	376,498	29,886	(315,828)	0	0	0	0

(b) Depreciation

	2018	2017
	$	$
Buildings - non-specialised	32,297	43,751
Buildings - specialised	475,904	579,384
Furniture and equipment	44,995	33,503
Plant and equipment	856,245	1,026,489
Tools	1,792	3,623
Infrastructure - Roads	2,335,190	2,310,260
Infrastructure - Footpaths	6,934	5,552
Infrastructure - Parks and Ovals	990,155	833,024
Infrastructure - Other	352,347	221,725
Infrastructure - Bridges	139,772	139,521
	5,235,631	5,196,832

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

9. FIXED ASSETS (CONTINUED)

(b) Depreciation (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Depreciation

The depreciable amount of all fixed assets including buildings but excluding freehold land and vested land, 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

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

a) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset. For example, the gross carrying amount may be restated by reference to observable market data or it may be restated proportionately to the change in the carrying amount. The accumulated depreciation at the date of the revaluation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses; or

b) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset

Depreciation rates

Major depreciation periods used for each class of depreciable asset are:

Buildings - non-specialised	2 to 50 Years
Buildings - specialised	2 to 50 Years
Furniture and equipment	4 to 10 Years
Plant and equipment	5 to 15 Years
Tools	4 to 10 Years
Infrastructure - Footpaths	40 Years
Infrastructure - Parks and ovals	5 to 25 Years
Infrastructure - Bridges	50 to 100 Years
Infrastructure - Other	5 to 25 Years
Infrastructure - Car Parks (Sealed)	40 Years
Sealed roads and streets (reducing balance)	
formation	Not depreciated
pavement	50 Years
seal	
- bituminous seals	25 Years
- asphalt surfaces	25 Years
Gravel roads (reducing balance)	
formation	Not depreciated
pavement	50 Years
gravel sheet	12 Years
Formed roads - unsealed (reducing balance)	
formation	Not depreciated
pavement	50 Years
Footpaths - slab (reducing balance)	40 Years
Sewerage piping (reducing balance)	80 Years
Water supply piping and drainage systems (reducing balance)	85 Years

Depreciation (Continued)

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

An 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 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

SHIRE OF GINGIN
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10. REVALUATION SURPLUS

	2018 Opening Balance	2018 Revaluation Increment	2018 Revaluation (Decrement)	2018 Total Movement on Revaluation	2018 Closing Balance	2017 Opening Balance	2017 Revaluation Increment	2017 Revaluation (Decrement)	2017 Total Movement on Revaluation	2017 Closing Balance
	$	$	$	$	$	$	$	$	$	$
Revaluation surplus - Land and Buildings	28,326,128	0	0	0	28,326,128	26,962,334	1,363,794	0	1,363,794	28,326,128
Revaluation surplus - Plant and equipment	2,429,366	0	0	0	2,429,366	2,429,366	0	0	0	2,429,366
Revaluation surplus - Tools	62,540	0	0	0	62,540	62,540	0	0	0	62,540
Revaluation surplus - Infrastructure - Roads	66,046,298	42,162,269	0	42,162,269	108,208,567	66,046,298	0	0	0	66,046,298
Revaluation surplus - Infrastructure - Parks and Ovals	7,962,743	0	(268,751)	(268,751)	7,693,992	7,962,743	0	0	0	7,962,743
Revaluation surplus - Infrastructure - Bridges	2,744,000	0	0	0	2,744,000	2,744,000	0	0	0	2,744,000
	107,571,075	42,162,269	(268,751)	41,893,518	149,464,593	106,207,281	1,363,794	0	1,363,794	107,571,075

Movements on revaluation of fixed assets are not able to be reliably attributed to a program as the assets were revalued by class as provided for by AASB 116 Aus 40.1

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

11. TRADE AND OTHER PAYABLES

	2018	2017
	$	$
Current		
Sundry creditors	456,769	1,164,462
Accrued interest on long term borrowings	29,840	30,606
Accrued salaries and wages	45,466	0
ATO liabilities	98,274	144,639
Other	51,580	66,606
	681,929	1,406,313

SIGNIFICANT ACCOUNTING POLICIES

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect

Trade and other payables (Continued)

of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

12. INFORMATION ON BORROWINGS

(a) Repayments - Borrowings

Particulars	Interest Rates	Principal 1 July 2017	New Loans	Principal Repayments Actual	Principal Repayments Budget	Principal 30 June 2018 Actual	Principal 30 June 2018 Budget	Interest Repayments Actual	Interest Repayments Budget
		$	$	$	$	$	$	$	$
Health									
L 100 Gingin Medical Centre	6 51%	209,565	0	24,424	24,426	185,141	185,139	12,584	13,252
Housing									
L129 Aged Accommodation		0	0	0	0	0	700,000	0	0
Community amenities									
L111 Tip Rationalisation Site	6 49%	484,874	0	15,540	15,540	469,334	469,333	30,841	31,220
L127 Seabird Seawall Extension	2 51%	204,422	0	19,309	19,309	185,113	185,113	4,802	5,011
L128 Lancelin C/Park Assets	2 52%	0	200,000	18,892	18,900	181,108	181,100	4,222	2,500
Recreation and culture									
L114 Guilderton Country Club	7 14%	463,497	0	28,952	28,952	434,545	434,545	32,350	32,586
L119 LP C/Club & Gravile Centre	7 19%	8,446	0	8,446	8,446	0	0	390	459
L120 Regional Hardcourt Facility	6 68%	322,972	0	18,278	18,278	304,694	304,695	21,234	21,274
L124A Regional Hardcourt Facility	4 13%	312,625	0	18,599	18,599	294,026	294,027	12,664	12,721
L126 Swimming Pool Tiling	3 10%	136,990	0	13,416	13,416	123,574	123,574	3,974	4,144
Other property and services									
L93 Lancelin Angling and Aquatic	6 62%	10,391	0	10,391	10,391	0	0	399	399
L118 Office Extensions	7 19%	16,826	0	16,826	16,826	0	0	775	913
L123 Lot 44 Weld Street, Gingin	6 96%	212,826	0	13,426	13,426	199,400	199,401	14,389	14,583
		2,373,043	200,000	196,108	196,116	2,376,935	3,076,927	138,226	138,663

Self Supporting Loans	Interest Rates	Principal 1 July 2017	New Loans	Principal Repayments Actual	Principal Repayments Budget	Principal 30 June 2018 Actual	Principal 30 June 2018 Budget	Interest Repayments Actual	Interest Repayments Budget
		$	$	$	$	$	$	$	$
Recreation and culture									
L115 Guilderton Country Club	7 17%	13,453	0	13,453	13,453	0	0	618	728
Economic services									
L103 Gingin Sale Yards	5 92%	12,340	0	5,987	5,987	6,353	6,353	556	554
Other property and services									
L93 Lancelin Angling and Aquatic	6 62%	10,391	0	10,391	10,391	0	0	399	511
		36,184	0	29,831	29,831	6,353	6,353	1,573	1,893
		2,409,227	200,000	225,939	225,947	2,383,288	3,083,280	139,799	140,556

Self supporting loans are financed by payments from third parties
All other loan repayments were financed by general purpose revenue and with the Western Australian Treasury Corporation

Borrowings	2018	2017
	$	$
Current	205,444	207,047
Non-current	2,177,844	2,202,180
	2,383,288	2,409,227

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

12. INFORMATION ON BORROWINGS (CONTINUED)

(b) New Borrowings - 2017/18

Particulars/Purpose	Amount Borrowed Actual	Amount Borrowed Budget	Institution	Loan Type	Term Years	Total Interest & Charges	Interest Rate	Amount (Used) Actual	Amount (Used) Budget	Balance Unspent
	$	$				$	%	$	$	$
L128 Lancelin C/Park Assets	200,000	200,000	WATC	Debenture	5	14,120	2.52%	200,000	200,000	0
L129 Aged Accommodation	0	700,000	WATC	Debenture	10	0	3.00%	0	700,000	0
	200,000	900,000				14,120		200,000	900,000	0

(c) Unspent Borrowings

Particulars	Date Borrowed	Unspent Balance 1 July 17	Borrowed During Year	Expended During Year	Unspent Balance 30 June 18
		$	$	$	$
L128 Lancelin C/Park Assets	August 2017	0	200,000	(200,000)	0
		0	200,000	(200,000)	0

(d) Undrawn Borrowing Facilities

	2018	2017
	$	$
Credit Standby Arrangements		
Bank overdraft limit	500,000	500,000
Bank overdraft at balance date	0	0
Credit card limit	38,000	33,000
Credit card balance at balance date	(4,850)	(3,463)
Total amount of credit unused	533,150	529,537
Loan facilities		
Loan facilities - current	205,444	207,047
Loan facilities - non-current	2,177,844	2,202,180
Total facilities in use at balance date	2,383,288	2,409,227
Unused loan facilities at balance date	NIL	NIL

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

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

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

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 the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Borrowing costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

SHIRE OF GINGIN
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FOR THE YEAR ENDED 30TH JUNE 2018

13. PROVISIONS

	Provision for Annual Leave	Provision for Sick Leave	Provision for Long Service Leave	Total
	$	$	$	$
Opening balance at 1 July 2017				
Current provisions	307,144	39,446	266,065	612,655
Non-current provisions	0	39,598	222,899	262,497
	307,144	79,044	488,964	875,152
Additional provision	29,172	11,329	130,895	171,396
Amounts used	0	0	(65,538)	(65,538)
Balance at 30 June 2018	336,316	90,373	554,321	981,010
Comprises				
Current	336,316	39,851	460,460	836,627
Non-current	0	50,522	93,861	144,383
	336,316	90,373	554,321	981,010

Annual leave and current long service leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	Annual Leave	Sick Leave	Long Service Leave	Total
Current Provisions	$	$	$	$
Within 12 months of the end of the reporting period	291,564	6,202	28,731	326,497
More than 12 months after the end of the reporting period	44,752	33,649	431,729	510,130
	336,316	39,851	460,460	836,627

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

Short-term employee benefits

Provision is made for the Shire'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 Shire'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

The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position

Long-term employee benefits 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

Other long-term employee benefits (Continued)

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 Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire 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.

Provisions

Provisions are recognised when the Shire has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

14. NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows:

	2018 Actual	2018 Budget	2017 Actual
	$	$	$
Cash and cash equivalents	4,355,805	3,909,919	5,234,835
Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	(564,554)	97,958	1,680,740
Non-cash flows in Net result:			
Depreciation	5,235,631	4,381,636	5,196,832
(Profit)/loss on sale of asset	285,942	0	99,140
Loss on revaluation of fixed assets	1,128,100	0	0
Changes in assets and liabilities:			
(Increase)/decrease in receivables	100,101	565,423	(175,418)
(Increase)/decrease in inventories	(3,781)	0	7,767
Increase/(decrease) in payables	(724,384)	(100,000)	96,489
Increase/(decrease) in provisions	105,858	100,000	19,447
Grants contributions for the development of assets	(3,009,444)	(2,089,559)	(2,400,330)
Net cash from operating activities	2,553,469	2,955,458	4,524,667

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

15. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2018	2017
	$	$
Governance	7,539	4,940
General purpose funding	1,320,431	918,137
Law, order, public safety	2,081,888	2,272,804
Health	770,316	779,725
Education and welfare	2,748,643	2,812,030
Community amenities	1,966,593	2,241,616
Recreation and culture	32,001,296	33,449,229
Transport	126,591,178	83,733,662
Economic services	2,068,935	2,375,370
Other property and services	26,583,002	26,511,481
Unallocated	6,454,333	6,810,661
	202,594,154	161,909,655

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

16. CAPITAL AND LEASING COMMITMENTS

	2018	2017
	$	$
(a) Capital Expenditure Commitments		
Contracted for:		
- capital expenditure projects	126,108	129,778
- plant & equipment purchases	177,867	0
Payable:		
- not later than one year	303,975	129,778

The capital expenditure project outstanding at the end of the current reporting period represents the purchase of a new Grapple Rake and Extendable Jibs for Loader GG026 and the purchase of a replacement Isuzu Maintenance Truck GG060.
The capital expenditure relates to the Gingin Road Lancelin Pathways and Limestone Wall at the Gingin Recreation Centre.

(b) Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the accounts.

Payable:		
- not later than one year	51,514	27,711
- later than one year but not later than five years	65,150	106,297
- later than five years	0	0
	116,664	134,008

SIGNIFICANT ACCOUNTING POLICIES

Leases
Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the Shire, are classified as finance leases.

Finance leases are capitalised recording an asset and a liability at the lower of the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period

Leases (Continued)
Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over the lease term

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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17 CONTINGENT LIABILITIES

The Shire did not have any contingent liabilities.

18 RELATED PARTY TRANSACTIONS

Elected Members Remuneration

The following fees, expenses and allowances were paid to council members and/or the President.	2018 Actual $	2018 Budget $	2017 Actual $
Meeting Fees	79,000	79,000	78,000
President's allowance	16,000	16,000	15,800
Deputy President's allowance	4,000	4,000	3,950
Travelling expenses	12,522	12,000	15,485
Telecommunications allowance	23,678	18,180	18,540
Conferences/Training	18,797	0	10,059
	153,997	129,180	141,834

Key Management Personnel (KMP) Compensation Disclosure

The total of remuneration paid to KMP of the Shire during the year are as follows:	2018 $	2017 $
Short-term employee benefits	708,001	974,574
Post-employment benefits	95,180	123,146
Other long-term benefits	20,681	24,299
Termination benefits	1,678	42,434
	825,540	1,164,453

Short-term employee benefits
These amounts include all salary, paid leave, fringe benefits and cash bonuses awarded to KMP except for details in respect to fees and benefits paid to elected members which may be found above.

Post-employment benefits
These amounts are the current-year's estimated cost of providing for the Shire's superannuation contributions made during the year.

Other long-term benefits
These amounts represent long service benefits accruing during the year.

Termination benefits
These amounts represent termination benefits paid to KMP (Note: may or may not be applicable in any given year).

Transactions with related parties
Transactions between related parties, and the Shire 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 guaranties exist in relation to related parties at year end.

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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18. RELATED PARTY TRANSACTIONS (CONTINUED)

The following transactions occurred with related parties:	2018	2017
	$	$
Sale of goods and services	5,600	0
Purchase of goods and services	479,981	484,793
Amounts outstanding from related parties:		
Trade and other receivables	20	0
Amounts payable to related parties:		
Trade and other payables	0	3,000

Related Parties

The Shire'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 entity, directly or indirectly, including any elected member, are considered key management personnel.

ii. *Entities subject to significant influence by the Shire*
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.

iii. *Other related parties*
Other related parties include close family members of key management personnel and entities that are controlled by these key management personnel, individually or collectively with their close family members.

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

19. CONDITIONS OVER GRANTS/CONTRIBUTIONS

Grant/Contribution	Opening Balance [1] 1/07/16	Received [2] 2016/17	Expended [3] 2016/17	Closing Balance [1] 30/06/17	Received [2] 2017/18	Expended [3] 2017/18	Closing Balance 30/06/18
	$	$	$	$	$	$	$
Governance							
Shire Golf Day	0	0	0	0	818	(818)	0
Law, order, public safety							
Driver Revivor	554	0	0	554	0	0	554
Lower Coastal Fire Control	25,194	0	0	25,194	0	0	25,194
Redfield Park Fire Control	4,738	0	0	4,738	0	0	4,738
FESA Unspent Grant	0	8,675	0	8,675	0	0	8,675
Health							
Gingin Logo Plates	6,720	318	0	7,038	91	0	7,129
Gingin Ambulance	18,000	6,000	0	24,000	6,000	0	30,000
Lancelin Ambulance	0	15,000	0	15,000	18,000	0	33,000
Nabaroo Water	2,047	0	0	2,047	0	0	2,047
Medical Transfer Vehicle Donation	0	0	0	0	5	0	5
Education and welfare							
Community Bus Replacement	141,076	0	0	141,076	0	0	141,076
Lancelin Aged Accommodation Long Term Maintenance	79,445	5,500	0	84,945	5,500	(28,576)	61,869
Community amenities							
Coastal Hazard Risk Management Plan	47,122	0	(12,122)	35,000	0	(35,000)	0
Seabird Erosion Project	656,698	0	(637,343)	19,355	0	(9,998)	9,357
Seabird Progress Association Seawall Extension	18,182	0	(18,182)	0	0	0	0
Sovereign Hill POS	4,385	0	0	4,385	0	0	4,385
Price Lot 30 Planning Condition	23,000	0	0	23,000	0	0	23,000
Lancelin Sand Nourishment & Seabird Monitoring	22,500	0	(14,113)	8,387	2,307	0	10,694
Coastal Inundation	0	5,000	0	5,000	0	0	5,000

SHIRE OF GINGIN
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19. CONDITIONS OVER GRANTS/CONTRIBUTIONS (CONTINUED)

	Opening Balance [1] 1/07/16	Received [2] 2016/17	Expended [3] 2016/17	Closing Balance [1] 30/06/17	Received [2] 2017/18	Expended [3] 2017/18	Closing Balance 30/06/18
Recreation and culture							
Concept Plan for Granville Park Gingin	5,000	0	0	5,000	0	(2,150)	2,850
DOLG Unspent LA Off-Road	11,478	0	0	11,478	0	(7,980)	3,498
Edgar Subdivision	2,750	0	0	2,750	0	0	2,750
Gingin Swimming Pool	9,707	0	(9,707)	0	0	0	0
Gingin Swimming Pool	2,654	0	(2,654)	0	0	0	0
Lancelin Public Open Space	14,800	0	0	14,800	0	0	14,800
Transport							
Battle Axe LA3 & LA90	2,640	0	0	2,640	0	0	2,640
Bendigo Bank Contribution Towards Parking Area	2,251	0	0	2,251	0	0	2,251
Chitna Road	3,000	0	0	3,000	0	0	3,000
Cowalla Road Upgrade	16,000	0	0	16,000	0	0	16,000
Cullalla Road Upgrade	45,000	0	0	45,000	0	0	45,000
Dewar GB Roads	750	0	0	750	0	0	750
Donaldson Subdivision	2,500	0	0	2,500	0	0	2,500
Harris M Subdivision	1,280	0	0	1,280	0	0	1,280
Ledge Point Footpaths	38,020	0	0	38,020	0	0	38,020
Schofield - Cheriton and Brockman Streets	87,290	0	(9,275)	78,015	0	(78,015)	0
Teal Park Roads	1,181	0	0	1,181	0	0	1,181
Whakea Road Upgrade	107	0	0	107	0	0	107
Lancelin Footpaths	6,746	0	0	6,746	0	0	6,746
Main Roads Unspent Bridge Grant	0	190,000	0	190,000	0	0	190,000
Economic services							
Lancelin Ratepayers and Residents Bench	79	0	0	79	0	0	79
Gingin Railway Station Restricted Cash	0	0	0	0	5,731	0	5,731
Other property and services							
Wheatbelt Development Commission	225,000	0	(145,000)	80,000	0	(25,000)	55,000
Total	1,527,894	230,493	(848,396)	909,991	38,452	(187,537)	760,906

Notes:
(1) - Grants/contributions recognised as revenue in a previous reporting period which were not expended at the close of the previous reporting period

(2) - New grants/contributions which were recognised as revenues during the reporting period and which had not yet been fully expended in the manner specified by the contributor

(3) - Grants/contributions which had been recognised as revenues in a previous reporting period or received in the current reporting period and which were expended in the current reporting period in the manner specified by the contributor.

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

20. RATING INFORMATION

(a) Rates

RATE TYPE Differential general rate	Rate in $	Number of Properties	Value	Rate Revenue	Interim Rates	Back Rates	2018 Total Revenue	2017 Total Revenue	Budget Rate Revenue	Budget Interim Rate	Budget Back Rate	Budget Total Revenue
			$	$	$	$	$		$	$	$	$
Gross rental valuations												
GRV - Townsites & Other	0.083499	2,695	43,685,707	3,647,714	0	0	3,647,714	3,555,264	3,647,714	0	0	3,647,714
Unimproved valuations												
UV - Rural & Other	0.004504	423	288,743,000	1,300,498	0	0	1,300,498	1,280,409	1,300,498	25,000	10,000	1,335,498
UV - Intensive	0.008448	122	65,597,000	553,403	18,529	747	572,679	573,151	553,403	0	0	553,403
Sub-Total		3,240	397,935,707	5,501,615	18,529	747	5,520,891	5,408,823	5,501,615	25,000	10,000	5,536,615
Minimum payment	Minimum $											
Gross rental valuations												
GRV - Townsites & Other	997	872	8,711,778	869,384	0	0	869,384	861,420	869,384	0	0	869,384
	997	731	4,046,256	728,807	0	0	728,807	735,980	728,807	0	0	728,807
Unimproved valuations												
UV - Rural & Other	1,260	401	75,518,304	505,260	0	0	505,260	487,772	505,260	0	0	505,260
UV - Intensive	2,240	96	15,526,690	215,040	0	0	215,040	204,693	215,040	0	0	215,040
Sub-Total		2,100	101,803,028	2,318,491	0	0	2,318,491	2,289,865	2,318,491	0	0	2,318,491
		5,340	499,738,735	7,820,106	18,529	747	7,839,382	7,698,688	7,820,106	25,000	10,000	7,855,106
Discounts/concessions (refer note 20(b))							(94,284)	(95,527)				(95,000)
Total amount raised from general rate							7,745,098	7,603,161				7,760,106
Ex-gratia Rates							4,777	4,119				4,500
Interim Rates							0	0				0
Back Rates							0	0				0
Totals							7,749,875	7,607,280				7,764,606

SIGNIFICANT ACCOUNTING POLICIES

Rates

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates

SHIRE OF GINGIN
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20. RATING INFORMATION (Cont.)

(b) **Rate or Fee and Charge to which the Waiver or Concession is Granted**

Rate or Fee and Charge to which the Waiver or Concession is Granted	Type	Discount	Discount	2018 Actual	2018 Budget	2017 Actual
		%	$	$	$	$
Split Use Concession is a mix of non-intensive and intensive use on a property.	Concession	Based on the area of land on the property used for non-intensive purposes.		94,284	95,000	95,527
				94,284	95,000	95,527

Rate or Fee and Charge to which the Waiver or Concession is Granted	Circumstances in which the Waiver or Concession is Granted and to whom it was available	Objects of the Waiver or Concession	Reasons for the Waiver or Concession
	A concession is granted based on the area of land used for non-intensive rural purposes. The rates concession is calculated by determining the percentage of the property used for intensive purposes, the balance being non-intensive.	To ensure that the rates paid for a property appropriately reflect the use of the property, the concession is provided for split use differentially rated and rural properties where there is a mixed use of non-intensive and intensive use on that property and where less than 75% of the property is classified as 'Intensive Use'.	Property owners within the Shire carry on a variety of mixed uses on their land, with some using less than 75% of their land for non-intensive rural uses. The concession provides for these situations by ensuring the property owner only pays the relevant rates applicable to the use of the land.

SHIRE OF GINGIN
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20. RATING INFORMATION (Cont.)

(c) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge	Instalment Plan Interest Rate	Unpaid Rates Interest Rate
		$	%	%
Option One				
Single full payment	13 September 2017	0	0.00%	11.00%
Option Two				
First instalment	13 September 2017	0	5.50%	11.00%
Second instalment	15 January 2018	5	5.50%	11.00%
Option Three				
First instalment	13 September 2017	0	5.50%	11.00%
Second instalment	13 November 2017	5	5.50%	11.00%
Third instalment	15 January 2018	5	5.50%	11.00%
Fourth instalment	15 March 2018	5	5.50%	11.00%

	2018	2018 Budget	2017 Actual
	$	$	$
Interest on unpaid rates	117,018	98,000	100,440
Interest on instalment plan	27,321	27,000	26,586
Charges on instalment plan	19,730	20,000	19,240
Deferred Pensioner Rates Interest Earned	1,313	2,000	0
	165,382	147,000	146,266

SHIRE OF GINGIN
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21. NET CURRENT ASSETS

Composition of net current assets for the purposes of the Rate Setting Statement	2018 (30 June 2018 Carried Forward) $	2018 (1 July 2017 Brought Forward) $	2017 (30 June 2017 Carried Forward) $
Surplus 1 July 17 brought forward	1,264,407	1,931,792	1,931,792
CURRENT ASSETS			
Cash and cash equivalents			
Unrestricted	87,251	994,821	994,821
Restricted Cash	3,507,648	3,330,023	3,330,023
Restricted Cash	760,906	909,991	909,991
Receivables			
Rates outstanding	909,257	735,803	735,803
Sundry debtors	609,832	961,626	961,626
GST receivable	172,528	118,666	118,666
Loans receivable - clubs/institutions	18,339	41,113	41,113
Prepayments	23,577	79,727	79,727
Legal Costs - recovery of rates	129,810	74,778	74,778
Rubbish Fees	59,308	48,635	48,635
Inventories			
Fuel and materials	20,505	16,714	16,714
History books	9,989	9,999	9,999
LESS: CURRENT LIABILITIES			
Trade and other payables			
Sundry creditors	(456,769)	(1,164,462)	(1,164,462)
Accrued interest on long term borrowings	(29,840)	(30,606)	(30,606)
Accrued salaries and wages	(45,466)	0	0
ATO liabilities	(98,274)	(144,639)	(144,639)
Other	(51,580)	(66,606)	(66,606)
Current portion of long term borrowings	(205,444)	(207,047)	(207,047)
Provisions			
Provision for Annual Leave	(336,316)	(307,144)	(307,144)
Provision for sick leave	(39,851)	(39,446)	(39,446)
Provision for Long Service Leave	(460,460)	(266,065)	(266,065)
Unadjusted net current assets	4,584,950	5,095,881	5,095,881
Adjustments			
Less: Reserves - restricted cash	(3,507,648)	(3,330,023)	(3,330,023)
Less: Loans receivable - clubs/institutions	(18,339)	(41,113)	(41,113)
Add: Current portion of long term borrowings	205,444	207,047	207,047
Adjusted net current assets - surplus	1,264,407	1,931,792	1,931,792

Difference

There was no difference between the surplus/(deficit) 1 July 2017 brought forward position used in the 2018 audited financial report and the surplus/(deficit) carried forward position as disclosed in the 2017 audited financial report.

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

22. FINANCIAL RISK MANAGEMENT

The Shire's activities expose it to a variety of financial risks including price risk, credit risk, liquidity risk and interest rate risk. The Shire's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Shire.

The Shire does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by the finance area under policies approved by the Council.

The Shire held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2018	2017	2018	2017
	$	$	$	$
Financial assets				
Cash and cash equivalents	4,355,805	5,234,835	4,355,805	5,234,835
Receivables	2,068,033	2,209,246	2,068,033	2,209,246
	6,423,838	7,444,081	6,423,838	7,444,081
Financial liabilities				
Payables	681,929	1,406,313	681,930	1,406,313
Borrowings	2,383,288	2,409,227	2,737,231	2,801,421
	3,065,217	3,815,540	3,419,161	4,207,734

Fair value is determined as follows:
Cash and cash equivalents, receivables, payables - estimated to the carrying value which approximates net market value.

Borrowings estimate future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles.

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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22. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Cash and Cash Equivalents

The Shire's objective is to maximise its return on cash whilst maintaining an adequate level of liquidity and preserving capital. The finance area manages the cash portfolio. Council has an Investment Policy and the Policy is subject to review by Council. An Investment Report is provided to Council on a monthly basis setting out the make-up and performance of the portfolio.

Cash is subject to interest rate risk - the risk that movements in interest rates could affect returns.

Another risk associated with cash is credit risk – the risk that a contracting entity will not complete its obligations under a financial instrument resulting in a financial loss to the Shire.

The Shire manages these risks by diversifying its portfolio and only investing in investments authorised by Local Government (Financial Management) Regulation 19C.

	2018	2017
	$	$
Impact of a 1% [1] movement in interest rates on cash		
- Equity	43,558	52,348
- Statement of Comprehensive Income	43,558	52,348

Notes:
[1] Sensitivity percentages based on management's expectation of future possible interest rate movements.

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22. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Receivables

The Shire's major receivables comprise rates and annual charges and user charges and fees. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The Shire manages this risk by monitoring outstanding debt and employing debt recovery policies. It also encourages ratepayers to pay rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of the Shire to recover these debts as a secured charge over the land, that is, the land can be sold to recover the debt. The Shire is also able to charge interest on overdue rates and annual charges at higher than market rates, which further encourages payment.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

The Shire makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subject to a re-negotiation of repayment terms.

The profile of the Shire's credit risk at balance date was:

	2018	2017
Percentage of rates and annual charges	%	%
- Current	0%	0%
- Overdue	100%	100%
Percentage of other receivables		
- Current	77%	78%
- Overdue	23%	22%

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22. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Payables and borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Shire manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required.

The contractual undiscounted cash flows of the Shire's Payables and Borrowings are set out in the Liquidity Table below:

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
2018	$	$	$	$	$
Payables	681,929	0	0	681,929	681,929
Borrowings	336,225	1,297,208	1,531,855	3,165,288	2,383,288
	1,018,154	1,297,208	1,531,855	3,847,217	3,065,217
2017					
Payables	1,406,313	0	0	1,406,313	1,406,313
Borrowings	345,102	1,153,843	1,818,732	3,317,677	2,409,227
	1,751,415	1,153,843	1,818,732	4,723,990	3,815,540

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation.

The following tables set out the carrying amount, by maturity, of the financial instruments exposed to interest rate risk:

Year ended 30 June 2018	**<1 year**	**>1<2 years**	**>2<3 years**	**>3<4 years**	**>4<5 years**	**>5 years**	**Total**	**Weighted Average Effective Interest Rate**
Financial Ratios	$	$	55	$	$	$	$	%
Borrowings			56					
Fixed rate								
Long term borrowings	6,353	0	0	0	181,108	2,195,827	2,383,288	5.28%
Weighted average Effective interest rate	5.92%	0.00%	0.00%	0.00%	2.52%	5.51%		
Year ended 30 June 2017								
Borrowings								
Fixed rate								
Long term borrowings	49,116	12,340	0	0	0	2,347,771	2,409,227	5.87%
Weighted average Effective interest rate	7.04%	6.02%	0.00%	0.00%	0.00%	5.84%		

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23. TRUST FUNDS

Funds held at balance date over which the Shire has no control and which are not included in the financial statements are as follows:

	As at 1 July 2017	Amounts Received	Amounts Paid	As at 30 June 2018
	$	$	$	$
Bonds, Tenders etc	9,117	5,000	(1,630)	12,487
Car Parking Cash in Lieu	13,014	0	0	13,014
Community Groups	4,293	0	0	4,293
D Wedge Trust	6,315	12	0	6,327
Excavation Bonds	26,096	0	0	26,096
Footpath Bonds	5,982	0	0	5,982
Landscaping Bonds	49,767	0	0	49,767
Old Junction Hotel Restoration	1,743	0	0	1,743
Other Bonds/Trusts	21,457	0	(340)	21,117
Public Open Space	34,465	11,250	0	45,715
Rehabilitation Bonds	85,831	0	0	85,831
Second Hand Buildings	47,639	5,000	(5,000)	47,639
Staff Trust	16,880	40,568	(34,793)	22,655
Subdivision Bonds	207,138	0	0	207,138
Tree Planting Bonds	5,456	0	0	5,456
Trust Interest	0	3,775	(25)	3,750
	535,193	65,605	(41,788)	559,010

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24. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS FOR APPLICATION IN FUTURE PERIODS

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Shire.

Management's assessment of the new and amended pronouncements that are relevant to the Shire, applicable to future reporting periods and which have not yet been adopted are set out as follows:

	Title	Issued / Compiled	Applicable (1)	Impact
(i)	AASB 9 Financial Instruments (incorporating AASB 2014-7 and AASB 2014-8)	December 2014	1 January 2018	Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Shire, it is not anticipated the Standard will have any material effect.
(ii)	AASB 15 Revenue from Contracts with Customers	December 2014	1 January 2019	This Standard establishes principles for entities to apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The effect of this Standard will depend on the nature of future transactions the Shire has with those third parties it has dealings with. It may or may not be significant.
(iii)	AASB 16 Leases	February 2016	1 January 2019	Under AASB 16 there is no longer a distinction between finance and operating leases. Lessees will now bring to account a right-to-use asset and lease liability into the statement of financial position for all leases. Effectively this means the vast majority of operating leases as defined by the current AASB 117 Leases which currently do not impact the statement of financial position will be required to be capitalised on the statement of financial position when AASB 16 is adopted. Currently, operating lease payments are expensed as incurred. This will cease and will be replaced by both depreciation and interest charges. Based on the current number of operating leases held by the Shire, the impact is not expected to be significant.

Notes:
(1) Applicable to reporting periods commencing on or after the given date.

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24. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS FOR APPLICATION IN FUTURE PERIODS (CONTINUED)

	Title	Issued / Compiled	Applicable (1)	Impact
(iv)	AASB 1058 Income of Not-for-Profit Entities	December 2016	1 January 2019	These standards are likely to have a significant impact on the income recognition for NFP's. Key areas for consideration are: - Assets received below fair value; - Transfers received to acquire or construct non-financial assets; - Grants received; - Prepaid rates; - Leases entered into at below market rates; and - Volunteer services. Whilst it is not possible to quantify the financial impact (or if it is material) of these key areas until the details of future transactions are known, they will all have application to the Shire's operations.

Notes:
(1) Applicable to reporting periods commencing on or after the given date.

Adoption of New and Revised Accounting Standards

During the current year, the Shire adopted all of the new and revised Australian Accounting Standards and Interpretations which were compiled, became mandatory and which were applicable to its operations.

Whilst many reflected consequential changes associate with the amendment of existing standards, the only new standard with material application is as follows:

(i)	AASB 2016-4 Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities	1 January 2017
(ii)	AASB 2016-7 Amendments to Accounting Standards - Deferral of AASB 15 for Not-for-Profit Entities	1 January 2017

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25. OTHER SIGNIFICANT 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 Shire's operating cycle. In the case of liabilities where the Shire 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 Shire'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 Shire 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 statements 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 Shire contributes to a number of Superannuation Funds on behalf of employees. All funds to which the Shire contributes are defined contribution plans.

g) Fair value of assets and liabilities
Fair value is the price that the Shire 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) Fair value hierarchy
AASB 13 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 Shire 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 Shire 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 Shire 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.

i) Impairment of assets
In accordance with Australian Accounting Standards the Shire's cash generating non-specialised assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

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25. OTHER SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Where such an indicator 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.

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) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

For non-cash generating specialised assets that are measured under the revaluation model ,such as roads, drains, public buildings and the like, no annual assessment of impairment is required. Rather AASB 116.31 applies and revaluations need only be made with sufficient regularity to ensure the carrying value does not differ materially from that which would be determined using fair value at the ends of the reporting period.

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NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

26. ACTIVITIES/PROGRAMS

Shire operations as disclosed in these financial statements encompass the following service orientated activities/programs.

PROGRAM NAME	OBJECTIVE	ACTIVITIES
GOVERNANCE	To provide a decision making process for the efficient allocation of scarce resources	Includes the activities of members of Council and the administrative support available to the Council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific Council services
GENERAL PURPOSE FUNDING	To collect revenue to allow for the provision of services	Rates, general purpose government grants and interest revenue
LAW, ORDER, PUBLIC SAFETY	To provide services to help ensure a safer and environmentally conscious community	Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services
HEALTH	To provide an operational framework for environmental and community health	Inspection of food outlets and their control, noise control and waste disposal compliance
EDUCATION AND WELFARE	To provide services to disadvantaged persons, the elderly, children and youth	Maintenance of playgroup centre, aged care housing and Wangaree Community Centre. Provision and maintenance of youth services
HOUSING	To provide and maintain staff and other housing	Provision and maintenance of staff and other housing
COMMUNITY AMENITIES	To provide services required by the community	Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences
RECREATION AND CULTURE	To establish and effectively manage infrastructure and resource which will help the social well being of the community	Maintenance of public halls, civic centres, aquatic centre, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library and other cultural facilities
TRANSPORT	To provide safe, effective and efficient transport services to the community	Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc.
ECONOMIC SERVICES	To help promote the shire and its economic wellbeing	Tourism and area promotion including the maintenance and operation of a caravan park. Provosion of rural services including weed control, vermin control and standpipes
OTHER PROPERTY AND SERVICES	To monitor and control Shire's overheads operating accounts	Private works operation, plant repair and operation costs and engineering operation costs, administration costs allocated and other unclassified works and services

SHIRE OF GINGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

27. FINANCIAL RATIOS

	2018	2017	2016
Current ratio	1.61	1.80	1.52
Asset sustainability ratio	1.05	1.00	1.79
Debt service cover ratio	4.93	13.89	8.36
Operating surplus ratio	(0.33)	(0.06)	(0.11)
Own source revenue coverage ratio	0.59	0.73	0.78
Asset consumption ratio	0.71	0.80	0.97
Asset renewal funding ratio	1.47	1.07	0.46

The above ratios are calculated as follows:

Current ratio = current assets minus restricted assets / current liabilities minus liabilities associated with restricted assets

Asset sustainability ratio = capital renewal and replacement expenditure / depreciation expenses

Debt service cover ratio = annual operating surplus before interest and depreciation / principal and interest

Operating surplus ratio = operating revenue minus operating expenses / own source operating revenue

Own source revenue coverage ratio = own source operating revenue / operating expenses

Asset consumption ratio = depreciated replacement costs of depreciable assets / current replacement cost of depreciable assets

Asset renewal funding ratio = NPV of planned capital renewal over 10 years / NPV of required capital expenditure over 10 years

Notes:
Four of the ratios disclosed above were distorted by the following items:-

	2017/18	2016/17	2015/16
	$	$	$
Amount of Financial Assistance Grant received during the year relating to the subsequent year.	920,045	913,393	0
Amount of Financial Assistance Grant received in prior year relating to current year.	913,393	0	891,167
Loss on Infrastructure - Other	(1,100,575)	0	(113,273)

If the events detailed above did not occur, the impacted ratios in the 2018, 2017 and 2016 columns above would be as follows:

	2018	2017	2016
Current ratio	1.61	1.31	1.52
Debt service cover ratio	7.99	11.15	11.04
Operating surplus ratio	(0.23)	(0.14)	(0.02)
Own source revenue coverage ratio	0.63	0.73	0.78

MOORE STEPHENS

Level 15, Exchange Tower,
2 The Esplanade, Perth, WA 6000
PO Box 5785, St Georges Terrace,
WA 6831
T +61 (0)8 9225 5355
F +61 (0)8 9225 6181
www.moorestephens.com.au

INDEPENDENT AUDITOR'S REPORT TO THE COUNCILLORS OF THE SHIRE OF GINGIN

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the accompanying financial report of the Shire of Gingin (the Shire), which comprises the Statement of Financial Position as at 30 June 2018, Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and the Rate Setting Statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Statement by Chief Executive Officer.

In our opinion, the financial report of the Shire of Gingin:

a) is based on proper accounts and reports; and

b) fairly represents, in all material respects, the results of the operations of the Shire for the year ended 30 June 2018 and its financial position at the end of that period in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Shire in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the 'Code') that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Preparation

We draw attention to Note 1 to the financial report, which describes the basis of preparation. The financial report has been prepared for the purpose of fulfilling the Shire's financial reporting responsibilities under the Act. Regulation 16 of the Local Government (Financial Management) Regulations 1996 (Regulations), does not allow a local government to recognise some categories of land, including land under roads, as assets in the annual financial report. Our opinion is not modified in respect of this matter.

Responsibilities of the Chief Executive Officer and Council for the Financial Report

The Chief Executive Officer (CEO) of the Shire is responsible for the preparation and fair presentation of the annual financial report in accordance with the requirements of the Act, the Regulations and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards. The CEO is also responsible for such internal control as the CEO determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for assessing the Shire's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the State government has made decisions affecting the continued existence of the Shire.

The Council is responsible for overseeing the Shire's financial reporting process.

MOORE STEPHENS

**INDEPENDENT AUDITOR'S REPORT
TO THE COUNCILLORS OF
THE SHIRE OF GINGIN (CONTINUED)**

REPORT ON THE AUDIT OF THE FINANCIAL REPORT (CONTINUED)

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives of the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, international omissions, misrepresentation, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Shire's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the CEO.

- Conclude on the appropriateness of the CEO's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Shire's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report, as we cannot predict future events or conditions that may have an impact.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Council and the CEO regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

MOORE STEPHENS

**INDEPENDENT AUDITOR'S REPORT
TO THE COUNCILLORS OF
THE SHIRE OF GINGIN (CONTINUED)**

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the Local Government (Audit) Regulations 1996, we also report that:

a) All required information and explanations were obtained by us.

b) All audit procedures were satisfactorily completed in conducting our audit.

c) In our opinion, the asset consumption ratio and the asset renewal ratio included in the annual financial report were supported by verifiable information and reasonable assumptions.

MATTERS RELATING TO THE ELECTRONIC PUBLICATION OF THE AUDITED FINANCIAL REPORT

This auditor's report relates to the annual financial report of the Shire of Gingin for the year ended 30 June 2018 included on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

MOORE STEPHENS
CHARTERED ACCOUNTANTS

Date: 12 December 2018
Perth, WA

GREG GODWIN
PARTNER

11.2.2 YOUTH STRATEGY

File:	CSV/41
Author:	Jodie Mortadza – Coordinator Community Development and Services
Reporting Officer:	Ziggy Edwards – Acting Executive Manager Corporate and Community Services
Report Date:	18 December 2018
Refer:	Youth Services Report
Appendices:	1. Youth Strategy 2019-2023

DISCLOSURES OF INTEREST

Nil

PURPOSE

To consider approving the Youth Strategy as a public document.

BACKGROUND

The development of the Youth Services Strategy was an 'Action' (listed under Focus Area 'Community Wellbeing') in the Corporate Business Plan 2017-21 with the aim of considering the employment of a Youth Development Officer in the 2018-19 budget. This action was a response to the Strategic Community Plan (SCP) priority '1.1.2 Improve activities for children and young people'.

The Youth Services Report, which has informed the Youth Strategy, was prepared by the Shire's Club Development Officer and Coordinator Community Services and Engagement.

The report responded to the primary objectives listed below:

- Investigate what services and supports are currently available to youth within the Shire's region;
- Identify the gaps and needs of youth (with stakeholder input);
- Identify and create understanding of the barriers to youth engagement and participation in local communities within the Shire of Gingin;
- Determine the priorities of youth and what is important to them;
- Define the strategies and associated deliverables to respond to the identified needs; and
- Attain evidence to support employment of a Youth Development Officer and associated employment model.

This report was presented to Council at the Concept Forum on 1 June 2018 with a consensus that Council would consider supporting a Youth Officer position for one day per week. This position was confirmed via the inclusion of an allocation in Council's 2018/19 Budget adopted on 17 July 2018.

COMMENT

The 53 page comprehensive Youth Services Report has now been condensed to a 17 page Youth Strategy, with the intent that it will be available to the public via the Shire's website.

While the Youth Strategy was undertaken for the Shire of Gingin, the results are relevant and beneficial to a wide range of other stakeholders in considering how they can support and contribute to a youth-friendly community.

Council's support is now sought for the release of the Youth Strategy to the public. Public access to the document will inform and assist interested parties in building a better community for the Shire's young people aged 10 to 25 years.

STATUTORY ENVIRONMENT

Nil

POLICY IMPLICATIONS

Nil

BUDGET IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Shire of Gingin Strategic Community Plan 2017-2027
Shire of Gingin Corporate Business Plan 2018-2022

Focus Area	*Community Wellbeing*
Objective	*1. To support the Shire of Gingin community to be inclusive, vibrant and healthy through the Shire's service delivery.*
Outcome	*1.1 Inclusive* *Our community has access to a range of community programs, services and initiatives that support wellbeing and inclusion.*
Key Service Area	*Community Programs*
SCP Priority	*1.1.2 Improve activities for children and young people*
CBP Action	*1.1.2 – 02 Consider employing Youth Development Officer following development of Youth Services Strategy. 'Youth Development Officer to be considered for 18-19 and included in the Workforce Plan'*
Outcome	*1.2 Vibrant* *Our community can participate in a range of activities and events that celebrate and promote our unique lifestyle and heritage*
Key Service Area	*Community Programs*

SCP Priority	*1.2.1 Support Community Groups and Volunteers*
CBP Action	*Partnership and delivery of a range of community events*
Outcome	*1.3 Healthy & Safe* *Our community has access to quality health and community safety programs, services and initiatives that promote resilience*
SCP Priority	*1.3.1 Advocate for improved access to medical services*
CBP Action	*1.3.1-01 Work in Partnership with health providers to improve access to medical services with the Shire*
Focus Area	*Infrastructure and Development*
Objective	*3. To effectively manage growth and provide for community through the delivery of community infrastructure in a financially responsible manner.*
Outcome	*3.1 Development – New and existing developments meet the Shires Strategic Objectives and Outcomes*
Key Service Area	*Nil*
SCP Priority	*3.1.1 Support strategies that facilitate an increase in housing diversity*
CBP Action	*Support and facilitate developments that increase housing diversity*
Outcome	*3.2 Community Infrastructure* *The Shire provides for purpose community infrastructure in a financially responsible manner*
Key Service Area	*Community Infrastructure*
SCP Priority	*Improve the use and financial sustainability of community infrastructure*
CBP Action	*3.2.0-01 Expand and upgrade Community Facilities*
Outcome	*3.3 Connectively and Accessibility* *The Shire's community and infrastructure supports connectivity and accessibility*
Key Service Area	*Nil*
SCP Priority	*3.3.3 Advocate for improved telecommunications infrastructure*
CBP Action	*3.3.1-03 Improve community and public transport infrastructure and services*
CBP Action	*3.3.3-01 Advocate for improved telecommunications infrastructure*
Focus Area	*Economic Development*
Objective	*4. To support economic development through the Shire's service delivery*
Outcome	*4.3 Innovation* *Innovation is the foundation of economic growth across the Shire*
Key Service Area	*Nil*
SCP Priority	*Nil*
CBP Action	*4.3.1 – 01 Develop and implement and Economic Redevelopment Strategy and continue to support Economic Development programs*

VOTING REQUIREMENTS – SIMPLE MAJORITY

COUNCIL RESOLUTION/OFFICER RECOMMENDATION

MOVED: Councillor Court SECONDED: Councillor Johnson

That Council authorise the public release of the Shire of Gingin Youth Strategy 2019-2023.

CARRIED UNANIMOUSLY

APPENDIX 1

YOUTH
Shire of Gingin
Youth Strategy
2019 - 2023
Youth Strategy
2019 - 2023
SHIRE
GINGIN

Acknowledgement of Country
The Shire of Gingin is on Yued Nyoongar Country, whose ancestors and their descendants are the traditional owners of this country.
The Shire of Gingin acknowledges their living culture and their unique role in the life of this region.

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7. References 21

1. Executive Summary

The Shire of Gingin, like many other regional Local Government areas, has been experiencing migration of many young people to the metro area for studies and employment opportunities. While it is important that these young people grow their knowledge, skills and experience there are still a significant number of youth who stay in the Shire and also those who return. To support the return of young people it is imperative they feel valued, engaged, and part of the community while residing within the Shire.

Young people (youth aged 10 to 25) are integral to the sustainability of the Shire of Gingin's communities. Their presence contributes to vibrancy, activity, social interaction, employment, service provision (viability) and the future livelihood of the region. Youth, however, can also be vulnerable members of our community, and in most part rely on others for support (eg, financial, shelter/food, transport/accessibility, emotional, self-identity etc.). This in turn influences their transition to adulthood and resilience. The phrase 'it takes a village to raise a child' demonstrates the community responsibilities needed for the nurture of young people, their safety and fostering an environment in which to thrive. Taking this into account and understanding that youth needs may be diverse, the Shire of Gingin has seen the need for and supports the research and development of a Youth Strategy.

The Shire of Gingin's Youth Strategy has been undertaken with the aim to answer the two overarching questions:

i. What are the issues and needs of young people within the Shire of Gingin?
ii. What strategies need to be undertaken to address the identified youth needs/issues?

A comprehensive Youth Services Report was prepared to respond to the above questions to inform Council. The Youth Strategy is a summarised version of this Report.

In the development of the report both primary and secondary research was undertaken and included engagement of 166 young people aged 12 to 24 years and youth stakeholders, statistical data, and youth research.

Analysis of the collated data identified five key themes and strategies for forward focus:

1. Education, training and employment - *to support youth educational and development opportunities that build individual capacity, confidence and workforce participation;*
2. Community support and health services - *to support the health and well-being of youth through service access and a positive community environment with the Shire;*
3. Leisure, recreation and social life - *to foster a youth-friendly community through the support of youth activities, events and spaces;*
4. Housing and transport - *to support young people in housing and transport by building capacity and improving opportunities; and*
5. Engagement and communication - *to improve the engagement and communications with young people.*

In review of the Youth Services Report, Council have supported the employment of a Youth Officer for one day per week to respond to the above strategies and associated project deliverables listed in the Strategic Direction, pages 9 -15 for 2018-19. It is important to note that key themes and strategies are relevant to all youth stakeholders within the Shire of Gingin and therefore a collective and collaborative response will have the most impact to support a better environment for young people to engage, grow and experience.

2. Community Profile

2.1 Our Region

The Shire of Gingin is located in the Wheatbelt Region of Western Australia and is approximately 93km north of the Perth CBD. According to the 2016 ABS Census the Shire of Gingin's population was 5,217 people within a land area of 3,233km² and a population density of .02 person per hectare. From 2011 to 2016, the Shire of Gingin's population increased by 528 people (11.3%).

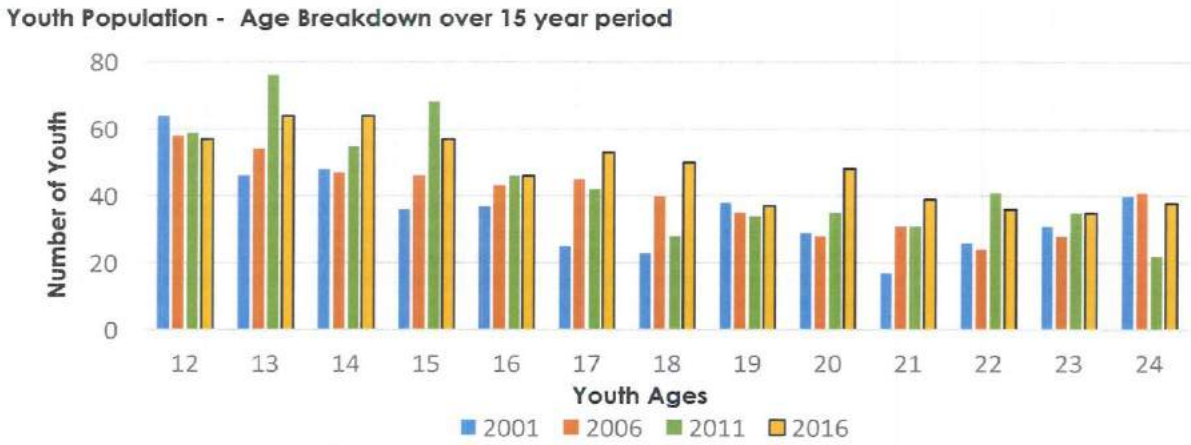
The following 2016 Census data provides a community overview of the Shire of Gingin. While this information may not be directly aligned with youth, it may have indirect relevance through details about the community in which they reside.

- Shire of Gingin's population has increased by 20.876% from 2006 – 2016. The youth population has increased by 20%.
- 44% of occupied households have children aged under the age of 15 years.
- 41% own their home outright, 34% pay a mortgage and 19% rent.
- Of the Shire's population aged 15 or over the highest level of school completed being year 12 is 36%, year 11 is 9.95%, year 10 31% and year 9 and 8 is 10.61%.
- For people aged 15 or over 50% are employed and 37% are not in the labour force (not seeking employment).
- The top three industries for employment are Agriculture, Forestry and Fishing at 29%; 10.77% Construction at 10.77% and Retail at 7%.
- 44% of private dwellings are unoccupied.
- 32.6% of the Shire of Gingin's working residents travel outside of the area to work.
- The Gingin District High School is the only secondary school within the Shire and in 2018 has 93 students.

2.2 Youth Profile

- According to the 2016 Census, young people aged from 12 to 24 years represent almost 12% of the Shire population.
- 13.4 % of children (0- 9 years) reside in the Shire of Gingin. This is indicative of the potential for growth within this Youth sector.
- Of the youth population, 12-14 years represented 29.647%; 15-17 years 25%; 18- 20 years 21.635% and 21-24 years 23.718%.
- Youth are almost evenly spread across the sub-regions[1] of Rural Gingin (34%), Upper Coastal (34%) and Lower Coastal (32%). The suburbs with the greatest number of young people were Woodridge (92); Gingin (91); Lancelin (84); Gabbadah (67); and Neergabby (47) respectively.
- 15% of young people migrate out of the Shire of Gingin as they seek employment and educational opportunities in larger centres.

[1]Shire of Gingin sub-regions are as follows:
Rural Gingin: includes Bambun, Beermullah, Boonanarring, Breera, Coonabidgee, Cowalla, Cullalla, Gingin, Ginginup, Granville, Lennard Brook, Mindarra, Moondah, Moore River National Park, Muckenburra, Neergabby, Orange Springs, Red Gully, Wanerie and Yeal.
Upper Coastal: includes Karakin, Lancelin, Ledge Point and Nilgen.
Lower Coastal: includes Breton Bay, Caraban, Gabbadah, Guilderton, Seabird, Wilbinga and Woodridge.
https://profile.id.com.au/s_gingin-lga/suburb-boundaries



As Census Statistics have limited breakdown with reference to aged based information, the following data is based on two age groups: 15 – 19 years and 20-24 years.

Marital Status	15-19 years	20-24 years
Registered Marriage	-	6.748%
Defacto	-	21.472%
Not married	100%	71.779%
Total Personal Weekly Income	**15-19 years**	**20-24 years**
Negative/Nil income	44.785%	12.565%
$1-$149	14.113%	2.094%
$150-$299	4.435%	9.948%
$300-$399	2.016%	5.236%
$400-$499	2.419%	3.665%
$500-$649	3.629%	13.089%
$650-$799	2.823%	17.801%
$800-$999	3.226%	14.136%
Not Stated	16.935%	7.33%

Volunteer for Org/Group	15-19 years	20-24 years
Volunteer	14.113%	12.042%
Not a Volunteer	63.71%	84.293%
Not Stated	18.549%	5.236%
Labour Force Status	**15-19 years**	**20-24 years**
Employed		
Full-time	13.71%	44.503%
Part-time	18.548%	16.532%
Away from work	1.21%	21.466%
Hours of Work Not Stated	2.016%	2.094%
Unemployed		
Looking for full-time work	3.629%	5.759%
Looking for part-time work	2.823%	1.57%
Not in the Labour Force	47.177%	17.801%
Not stated	7.661%	9.424%

3. Research

It is important to understand young people's transition to independence and adulthood in order to determine the types of support they may require. Youth needs vary depending on their age, family support, accessibility, economic factors and well-being.

In the development of the Youth Strategy, research was undertaken for the purposes of understanding youth development needs and barriers, as well as information relevant to the Shire and the Shire's youth. Below is a summary of the 11 key elements which are essential to youth support and development and fostering a youth-friendly community (by Mission Australia's Youth research and the Australian Research Alliance for Children and Youth (ARACY).) These were considered in the development for the Youth Strategy.

1. Inclusion and Connection

Youth need to feel welcomed and part of the community through inclusion and sense of belonging. The environment must also support the building of connections with not only their peers but all people within their community. This can be achieved through shared community spaces, their local community's support and provision of opportunities to develop bonds with the people who will support their growth.

2. Learning & Development

All young people ideally would have the best foundation for learning and development including a supportive environment that creates opportunities for their effective growth. This includes community attitudes towards learning, and encouragement and respect for the vast scope of individual capacity and strengths. Supporting learning and development also supports the young person's ability to participate as a valued member of society.

3. Safety

Takes into account actual and perceived safety needs. This includes personal safety such as within their home, their life, their community and public places and spaces. Keeping young people safe, and them feeling safe, is a responsibility of the whole of society.

4. Support & Resourced

Support is essential for young people, whether this be universal or more targeted support. Young people and those around them such as their peers, family and relatives must have access to services to meet their various needs. Services need to be high quality, holistic, collaborative, seeking continuous improvement and, most importantly, must listen to young people including how services can better meet their needs.

5. Actively Engaged

Provide opportunities for youth to participate, engage, have their voices heard and be actively involved in decisions affecting their lives. Invite youth to engage in areas of importance to them and that motivates them to get involved, remembering that they have a vast range of interest areas and views.

6. Valued and Diversity

Valuing youth and valuing their diversity is essential to their well-being and resilience. This includes their views, perspectives, identity, skills, interests, youthfulness and what they offer the community. This also includes valuing youth engagement, participation and their networks within the community. It takes into account that not 'all' young people are the same and one size does not fit all, therefore acknowledging that they may have diverse needs and not the same access to resources.

7. Healthy

Being healthy is a significant contributor to overall wellbeing, and this includes participating in activities such as sport. Health incorporates both physical and mental health. For young people to transition successfully into adulthood, all aspects of health are important.

8. Housed

A supportive and stable home environment is a particularly important aspect of a young person's life. It is essential for good physical and mental health, and has positive impacts on educational outcomes. Stable housing also provides a platform that can connect youth to other supports within the community, through schools or neighbours.

9. Economic Wellbeing

Young people require access to the essentials in life including good financial management skills. It is important for youth to have opportunities that offer pathways to economic participation, fulfilling employment goals and independent living.

10. Space

Spaces that are designed for youth, including community spaces that also support youth interests and engage youth in the planning and design considerations. Spaces include public and community spaces as well as service and business environments.

11. Time

Time is crucial to build rapport and relationships as is time to deliver on and respond to the youth challenges and needs. In saying this, the time pressures of young people and their families can be a significant factor in their ability to engage, participate, seek opportunities and build connections.

4. Engagement

Target Group

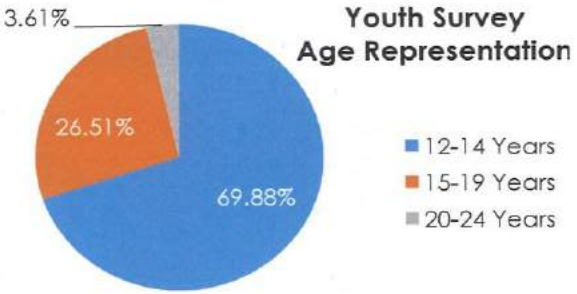
Youth aged in the 12 to 24-year-old age group were the target group for consultation. Youth whom reside within the Shire of Gingin were the primary focus for consultation, however youth who are visitors to the Shire (eg. students from other shires who attended local schools and holidaying families) were also able to participate.

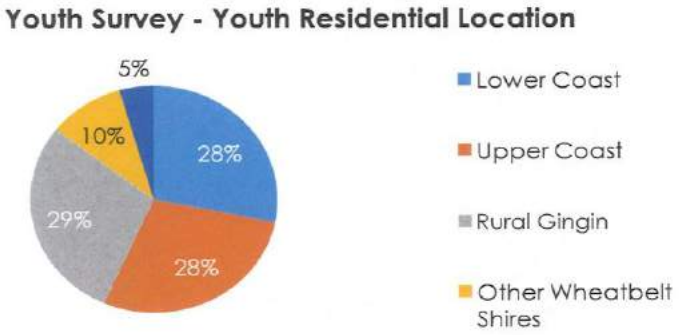
Engagement Methods

Two engagement activities were undertaken with the target group. The first being workshops to identify priorities and gather information about youth activities and services in their residential area. The second being a survey which consisted of multiple choice and written responses, and was made available to Gingin District High School, youth groups, school bus services and at a community event.

Participants

- The Gingin District High School workshops were attended by 40 young people (14-16 years).
- The Youth Survey was completed by 166 youth which equates to 26.6% of the 2016 Shire of Gingin Youth population (ABS Census).
- Genders were evenly divided amongst the respondents of the Survey.
- The age of respondents is represented in the adjacent graph.
- 60% of youth surveyed attended educational facilities outside of the Shire of Gingin. The remaining 40% attended Gingin District High School. In total 30 educational services are utilised by Shire of Gingin youth.
- Of the young people who participated in the Survey 9.64% had English as a second language; 3.01% were Aboriginal /Torres Strait Islander; 3.01% had a disability they need help with; 3.61% were a carer of someone who needed help; and 1.2% were a parent or guardian.
- Survey participants were asked what community they reside in. This graph depicts their responses.





5. Key Findings & Strategic Direction

Following are five tables that each represent the overarching themes raised in the project's development. Within each theme, sub-categories were identified and are tabled as follows:

- **Strategy:** the high level approach that summarises what needs to occur under that specific theme.
- **Identified Needs:** provides a summary of the key findings identified by youth for that theme and sub-category.
- **Broad Action:** overarching action that needs to be addressed to support the identified needs.
- **Intended Outcomes:** this ideally would be achieved by responding to the broad action.
- **Proposed Project Deliverables:** the Shire of Gingin has identified a number of project deliverables with the aim to undertake over a five year period should resourcing allow.
- **Shire Role:** refer below Key for explanation of each of the roles referred to in the five tables that follow.

KEY: Shire Role in Project Deliverables	
Lead Role	Lead role in the delivery (eg, project manager, service provider) in the delivery; potentially includes project planning, coordination, management, evaluation & reporting.
Support	Support role that provides assistance through coaching, guidance and some participation in the delivery (although not a lead role).
Facilitator	Enabler role that brings key players together and guides process, development etc. (is not directly involved in undertaking the deliverables).
Agent	Broker role that acts on behalf of others including advocacy, partnerships and negotiations.
Stakeholder	A role that is not defined in the above for example, financial contributor, participates as representative of the Shire etc.

It is important to note that this Strategy is potentially relevant and beneficial to other youth stakeholders for their planning consideration and response, which in turn may contribute to the youth needs of the region.

EDUCATION, TRAINING & EMPLOYMENT
Strategy 1: To support youth educational and development opportunities that build individual capacity, confidence and workforce participation.

Identified Needs	*Broad Actions*	*Intended Outcomes*	*Proposed Project Deliverables*	*Shire Role*
1.1 Subjects, Courses & Training Options: A greater range of subjects, courses, online learning and training options to cater for a wide range of interests and support further studies.	Exploring opportunities to support young people's diverse learning and development interests that contribute to personal and career goals.	Students have access to various subject/course choices and local learning opportunities to support diverse interests and career goals.	1.1.1 Youth Learning & Development Forum Connecting key stakeholders (including youth) to identify and explore learning/development opportunities to increase course range, life skills and hands-on learning.	Facilitator
			1.1.2 Youth-Led Projects Engaging youth to develop project, leadership and team skills through the planning, design, coordination and management of youth projects (eg, events, camps, youth engagement, communications etc.).	Service Provider/ Support
			1.1.3 School Chaplin Program (Gingin District High School) Shire to continue to support the School Chaplin program which assists with youth resilience, life skills, support and development.	Stakeholder
1.2 Learning Support: Provide learning support options that accommodate individual student needs and learning pace.	Supporting learning and development for all young people and their varying capacities, challenges and strengths.	Young people are provided various supported opportunities to learn and reach their full potential.	1.2.1 Student Council (Gingin District High School) Shire supports Student Council through mentoring and support.	Facilitator/ Stakeholder
			1.2.2 Alternative Learning Programs Connecting key stakeholders (including youth) to explore opportunities and program ideas for trial and implementation (eg, mentoring, tutors, online or hands on learning).	Facilitator
			1.2.3 Youth-Led Projects Engaging youth to develop project, leadership and team skills through the planning, design, coordination and management of youth projects (eg, events, camps, youth engagement, communications etc.).	Service Provider/ Support
1.3 Employment: Prepare young people for all types of work opportunities and encourage employers to seek young employees.	Building and advocating youth employment opportunities by building youth capacity and confidence in both youth and employers.	Young people are work-ready, motivated proactive employees and are sought after by local 'youth-friendly' employers.	1.3.1 Growing Youth Employment Connecting key stakeholders to identify challenges and implement integrated solutions.	Facilitator

COMMUNITY SUPPORT & HEALTH SERVICES Strategy 2: To support the health and well-being of youth through service access and a positive community environment within the Shire.				
Identified Needs	***Broad Actions***	***Intended Outcomes***	***Proposed Project Deliverables***	***Shire Role***
2.1 Medical and Health Services: Health, medical and hospital services that consider young people's experience, capacity and specific needs within their services.	Improving accessable youth-friendly medical and health services.	Youth friendly medical and health services, resources and information are accessible and relevant to youth across the Shire region.	2.1.1 Youth Communications Improving awareness and accessibility to youth services information and resources.	Service Provider
			2.1.2 Youth-Friendly Environments Engaging youth and stakeholders to develop and distribute an informative flyer on what makes a "Youth-Friendly" environment.	Support
2.2 Mental Health and Support Services: Affordable mental health and support services that cater specifically for young people that is accessible after hours, on weekends and promoted to youth.	Promoting and supporting accessible "youth friendly" mental health and support services for young people that is available when needed.	Accessible youth-friendly mental health and support services (including counselling, mediation and support groups etc.) are available across the Shire region.	2.2.1 Youth Support Services Connecting key stakeholders (including youth) to identify resources and specific gaps and ways to overcome and implement (eg, school presentations, community awareness, services' visits, support groups etc.).	Facilitator
			2.2.2 School Chaplin Program (Gingin District High School) Shire to continue to support the School Chaplin program which assists with youth resilience, life skills, support and development.	Stakeholder
2.3 Personal Safety and Bullying: Bullying is a problem both during and after school hours and needs to be effectively responded to with accessible support for those who have experienced bullying.	Fostering a community that actively discourages bullying and supports the development of youth resilience to bullying behaviours.	Bullying is significantly reduced through awareness, prevention and support within the community and youth environments.	2.3.1 Bullying Awareness Engaging key stakeholders to collaboratively improve understanding of bullying in a community and youth environment, and ways to overcome.	Facilitator /Agent

LEISURE, RECREATION & SOCIAL LIFE
Strategy 3: To foster a youth-friendly community through the support of youth activities, events and spaces.

Identified Needs	*Broad Actions*	*Intended Outcomes*	*Proposed Project Deliverables*	*Shire Role*
3.1 Youth Specific Space / Youth Activities A place young people can meet up that provides a variety of different activities that are accessible, affordable, support young people and is safe.	Creating opportunities to support a youth-friendly community including supporting youth activities and 'spaces'.	Youth have a wide range of accessible activities that target different interests, geographical areas and support youth focused 'spaces'.	3.1.1 Youth Stakeholder Network Identify all key youth stakeholders that are located within the Shire and external stakeholders to create a Youth Stakeholder Network (include sub-groups to focus on different needs and potential sub-regions).	Facilitator
			3.1.2 Youth Activities & Spaces Information Research and pool information of activities, spaces and annual events that are targeted at youth and make available through Youth communications.	Service provider
			3.1.3 Youth-Led Projects Engaging youth to develop project, leadership and team skills through the planning, design, coordination and management of youth projects.	Service provider/ Support
			3.1.4 Activity Trailer Explore the viability, funding and potential partnerships of a youth activity trailer that provides a pop-up space and resources for youth activities that can be loaned by services providers and community groups to engage youth.	Service Provider / Support
3.2 Events Entertainment and activities that are inclusive for all young people and are safe, affordable and support social connections.	Supporting events that target or cater for young people.	Youth are engaged in events that support their interests and enjoyment.	3.3.1 Events for Youth Reviewing existing Shire events and Shire supported events to assess opportunities to improve youth engagement (including both community events and youth events).	Service provider/ Support
			3.3.2 Youth-Led Projects Engaging youth to develop project, leadership and team skills through the planning, design, coordination and management of youth projects (eg, events, camps, youth engagement, communications etc.).	Service provider/ Support
			3.3.3 Youth Activities & Spaces Information Research and pool information of activities, spaces and annual events that are targeted at youth and make available through Youth communications.	Service provider
			3.3.4 Youth-Friendly Environments Engaging youth and stakeholders to develop and distribute an informative flyer on what makes a "Youth-Friendly" environment.	Support

HOUSING & TRANSPORT
Strategy 4: To support young people in housing and transport by building capacity and improving opportunities.

Identified Needs	*Broad Actions*	*Intended Outcomes*	*Proposed Project Deliverables*	*Shire Role*
4.1 Housing Affordable, accessible and safe housing options for young people that also offer support for those moving out of home for the first time.	Improving housing (accommodation) opportunities for young people.	Youth are better informed about accommodation and have more housing options available.	4.1.1 Growing Youth Accommodation Connecting key stakeholders to identify challenges and implement integrated solutions.	Facilitator
4.2 Transport Affordable and safe transport options that provide young people from all areas of town and out of town access to specific services, activities and places.	Exploring viable and affordable transport options that improve youth access and inclusion.	Youth have transport options available that contribute to accessibility and inclusion.	4.2.1 Transport for Youth Connecting key stakeholders to identify challenges and implement integrated solutions.	Support/ Facilitator
			4.2.2 Community Transport Review Research working community transport models (including Learner Driver programs) to explore what could potentially work within the Shire.	Service provider
4.3 Learner Drivers Inclusive support and assistance to accrue learner driver hours and to grow their awareness and skills to be a safe driver on country roads.	Supporting young people to be educated, informed and respectful new drivers through learning opportunities and experience.	Youth are safe and competent drivers.	4.3.1 Transport for Youth Connecting key stakeholders to identify challenges and implement integrated solutions.	Support/ Facilitator
			4.3.2 Community Transport Review Research working community transport models (including Learner Driver programs) to explore what could potentially work within the Shire.	Service provider

ENGAGEMENT & COMMUNICATIONS
Strategy 5: To improve the engagement and communications with young people

Identified Needs	*Broad Actions*	*Intended Outcomes*	*Proposed Project Deliverables*	*Shire Role*
5.1 Youth Engagement Youth are provided opportunities to be engaged to support their sense of belonging/ feeling part of community; having their voice heard (engagement in decisions that have potential to impact them) and engaged to support a youth-friendly community.	Directly engaging youth to obtain their input and involvement with purpose of fostering a youth-friendly community.	Youth are engaged in and feel their input and involvement is valued and contributes to a better place for young people.	5.1.1 Engaging Youth Inform youth and seek their input (and where appropriate involvement in planning/decision making) into existing and new Shire infrastructure that is aimed at or will be of interest to youth.	Service Provider
			5.1.2 Youth-Led Projects Engaging youth to develop project, leadership and team skills through the planning, design, coordination and management of youth projects (eg. events, camps, youth engagement, communications etc.).	Service Provider/ Support
			5.1.3 Youth-Friendly Environments Engaging youth and stakeholders to develop and distribute an informative flyer on what makes a "Youth-Friendly" environment such as youth engagement.	Support
			5.1.4 Student Council (Gingin District High School) Shire supports Student Council through mentoring and support.	Facilitator/ Stakeholder
5.2 Wi-Fi & Coverage Accessible free Wi-Fi and internet/phone coverage across the Shire.	Exploring potential options to improve digital access and connectivity for youth.	Youth have access to better digital connectivity.	5.2.1 Wi-Fi Access Exploring viability of free Wi-Fi at community spaces and other locations, and promoting accordingly.	Service-Provider
			5.2.2 Internet/Phone Coverage Seek youth input regarding issues with coverage to capture data for (regional) digital research and planning.	Support/ Stakeholder
			5.2.3 Youth-Friendly Environments Engaging youth and stakeholders to develop and distribute an informative flyer on what makes a "Youth-Friendly" environment such as Wi-Fi access.	Support

ENGAGEMENT & COMMUNICATIONS
Strategy 5: To improve the engagement and communications with young people

Identified Needs	*Broad Actions*	*Intended Outcomes*	*Proposed Project Deliverables*	*Shire Role*
5.3 Communications with Youth Improved and varied communication methods aimed at youth (eg, advertising and promotion).	Improving youth communications through diverse channels and design.	Youth are aware and informed of information that is of interest to them.	5.3.1 Informing Youth The communications strategies to ensure specific consideration of youth is included and challenges regarding reaching youth are responded to (eg, diverse means of channels used and promotional material is appealing to youth).	Service Provider
			5.3.2 Youth Communications Improving awareness and accessibility to youth services information and resources.	Service Provider
			5.3.3 Youth-Friendly Environments Engaging youth and stakeholders to develop and distribute an informative flyer on what makes a "Youth-Friendly" environment such as communicating with/reaching youth.	Support

6. Acknowledgments & Disclaimer

The Youth Strategy was developed with input from the local school, youth services and community groups.

The Shire of Gingin would like to thank the following stakeholders for their promotion, contribution and assistance in linking with the target group.

Gingin District High School –

Principal: Kevin Brady
Chaplain: Helena Donoghue
Secondary Science Teacher: Mrs Vis

City of Wanneroo – Youth Officer
City of Joondalup – Youth Officer
Lancelin Healthy Community Forum - Committee 2018

Bus Services –

Yanchep – Heather Dawe
Gingin – Kim Rule

Bendigo Bank
Gingin Football and Netball Club – Lynley Fewster
Lancelin Football and Netball Club – Simone McClean

Disclaimer

The information provided in this document has been obtained by consulting with youth from within the Shire of Gingin from January to March 2018.

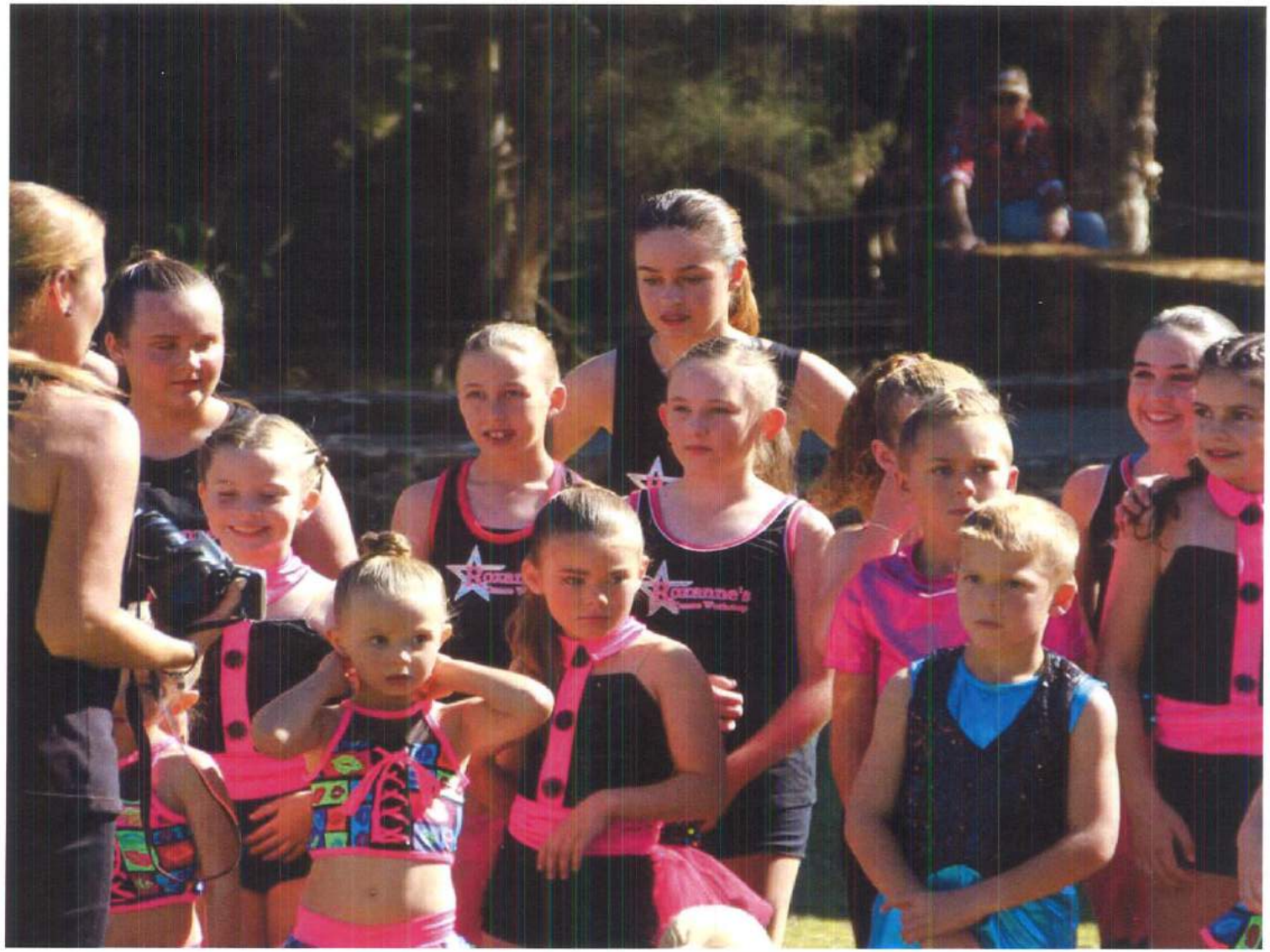
The key findings and information in this Strategy have been extracted from the Youth Services Report, which includes collation of feedback from the engagement participants and detailed research data.

While every effort has gone into presenting an accurate understanding of the key points of information, there may be some areas where interpretation may differ.

The Youth Strategy analysis conducted may have limitations involving quality and quantity of data collected and should be taken into consideration when viewing this report. While the accuracy of the Census 2011-2016 statistics could be questioned, it is not the intent of this report to do so and information is provided as general overview only.

The Shire of Gingin disclaims all liability to any person in respect of anything, and of the consequences of anything, done or omitted to be done by any such person in reliance, whether wholly or partially, upon any information presented in this publication.

For further information please contact the Shire of Gingin at Ph 9575 2211 or mail@gingin.wa.gov.au.



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11.2.3 POLICY 4.6 SHARK RESPONSE

File:	ENV/17
Author:	Jodie Mortadza – Coordinator Community Development And Services
Reporting Officer:	Ziggy Edwards – Acting Executive Manager Corporate And Community Services
Report Date:	18 December 2018
Refer:	Nil
Appendices:	1. Policy 4.6 Shark Response

DISCLOSURES OF INTEREST

Nil

PURPOSE

To consider adopting proposed Policy 4.6 Shark Response.

BACKGROUND

Proposed Policy 4.6 has been drafted in response to the increasing number of shark encounters and sightings along the Western Australian coastline.

It is deemed prudent for the Shire to take a proactive approach in supporting a safe beach environment for both our resident communities and visitors to our coastline by having a recognised position with respect to potential shark threats.

It is recognised that there are also a number of beach-based events not run by the Shire for which the risk management plans do not consider shark sightings/threats, or have unsatisfactory planned responses should these occur. As such, there needs to be a Shire response that is informative, accountable, aligns with best practice and has the capacity to override other non-authority based responses.

The Shire's Policy articulates the Shire's risk management response to a shark sighting which supports the safety of beach users and event applicants, who can then plan their event accordingly.

COMMENT

Policy 4.6 Shark Response is very similar in content to shark response policies adopted by a number of other local governments. The policy is supported by an operational beach closure procedure which will be implemented by the Shire's Ranger Services staff, and which aligns with the procedures defined by Surf Life Saving WA (in partnership with the Department of Primary Industries and Regional Development).

In general, the procedure sets out what action officers will take in responding to confirmed shark sightings and/or attacks.

The adoption of Policy 4.6 by Council and subsequent implementation of the supporting operational procedure is particularly pertinent with the impending summer holiday period and peak season for beach use in the Shire's coastal communities.

STATUTORY ENVIRONMENT

Local Government Act 1995
Part 2 – Constitution of local government
Division 2 – Local governments and councils of local governments
Section 2.7 – Role of council

Shire of Gingin Local Government Property Local Law 2004
Part 5 – Matters relating to particular local government property
Division 2 – Beaches
Clause 5.3 – Powers of surf life saving club members
Clause 5.4 – Authorising other persons

POLICY IMPLICATIONS

Council support for the Officer's recommendation will result in the adoption of Policy 4.6 Shark Response.

BUDGET IMPLICATIONS

The Shire of Gingin has Beach Closure signs which would be used to implement beach closures as required. Additional temporary warning signs (stating 'Caution Recent Shark Activity in This Area') are required to be purchased. These cost approx. $88 GST excl. each. As these would need to be displayed on the beach, car park and beach access points, it would be suggested that a minimum of four be purchased.

The funds for this project would need to be considered as a budget variation in the upcoming budget review.

STRATEGIC IMPLICATIONS

Shire of Gingin Strategic Community Plan 2017-2027

Focus Area	*Community Wellbeing*
Objective	*1. To support the Shire of Gingin community to be inclusive, vibrant and healthy through the Shire's service delivery.*
Outcomes	*1.3 Healthy & Safe* *Our community has access to quality health and community safety programs, services and initiatives that promote resilience*
Key Service Areas	*Nil*
Priorities	*Nil*

VOTING REQUIREMENTS – SIMPLE MAJORITY

OFFICER RECOMMENDATION

That Council adopt Policy 4.6 Shark Response as shown at Appendix 1.

COUNCIL RESOLUTION/OFFICER RECOMMENDATION

MOVED: Councillor Elgin SECONDED: Councillor Court

That Council adopt Policy 4.6 Shark Response as shown at Appendix 1.

CARRIED UNANIMOUSLY

APPENDIX 1

POLICY MANUAL

4.6 SHARK RESPONSE POLICY

OBJECTIVE

The purpose of this policy is to:

- Provide direction for responding to shark attacks and shark sightings, as well as the broader approach to safety warnings and information provided to the public.
- Guide the administration of the Shire of Gingin *Local Government Property Local Law 2004*, under which a sign may be erected to regulate, prohibit or restrict specific activities on the beach or in the water and the giving of directions to swimmers to leave the water if a shark is suspected of being in the vicinity of the beach.
- Provide a manageable response from a practicable and resource capacity perspective, while also giving the public the option of making an informed decision about personal safety with regards to entering the water after a confirmed shark sighting / attack.

POLICY STATEMENT

The Shire of Gingin is committed to providing a safe and welcoming place for residents and visitors.

The Shire's actions will be guided by the following considerations:

- Warning the public and closing beaches is a strategy to reduce the likelihood of shark human encounters however complete protection from sharks can never be guaranteed.
- Sharks are very mobile and are capable of travelling large distances in a short period of time.
- Authorised Persons should access credible information to inform response strategies – primarily from Water Police.

SCOPE

This policy applies to beach areas under the care, control and management of the Shire, excluding privately owned land and land under the jurisdiction of State or Federal departments or instrumentalities.

RESPONSIBILITY, REVIEW POSITION AND DATE

This policy must be reviewed every two years.

Responsibility of this policy rests with the Chief Executive Officer and Executive Management Team. Responsibility of the implementation of this Policy is Planning and Development (Ranger Services).

ASSOCIATED DOCUMENTS

The following procedures, references and/or guidelines support this policy:

- 4.1 Beach Closures Procedure

DEFINITIONS

Key terms and acronyms used in the policy, and their definitions:

- ***Authorised Person*** means a person authorised by the local government under section
  - 9.10 of the Local Government Act for the purpose of administering the Shire of Gingin local laws.
- ***District*** means the district of the local government.
- ***Confirmed Shark Sighting*** means a shark sighting reported to the Shire by the WA Government Shark Monitoring Network.
- ***Community:*** A specific geographical area, professional associations, a group with common interest, or even individuals who provide services to a specific location (Australian Safe Communities Foundation 2012).
- ***Shark Threat:*** in the context of this document, this implies that a shark has been sighted and/or a shark attack has taken place.

GOVERNANCE REFERENCES

Statutory Compliance	*Local Government Act 1995* s. 2.7(2)(b) *Shire of Gingin Local Government Property Local Law 2004* cl. 5.3, 5.4 and 5.5
Industry Compliance	N/A
Organisational Compliance	• Procedure 4.1 Beach Closures

POLICY ADMINISTRATION

Review Cycle	Every two years	**Next Review**	TBA
Department	Planning and Development		

Version	Decision Reference	Synopsis
1.		

11.2.4 LEASE BETWEEN SHIRE OF GINGIN AND NEERGABBY COMMUNITY ASSOCIATION - RESERVE 40239 (SL 12981 AND 12982) TELEPHONE ROAD, NEERGABBY

Location:	Swan Locations 12981 And 12982 (Reserve 40239) Telephone Road, Neergabby	
File:	A4355	
Author:	Cher Groves – Community Services and Events Officer	
Reporting Officer:	Ziggy Edwards – Acting Executive Manager Corporate & Community Services	
Report Date:	18 December 2018	
Refer:	12 April 1990	Item 49
	15 September 2009	Item 11.2.1
	18 March 2014	Item 11.1.2
Appendices:	1. Draft Lease document	

DISCLOSURES OF INTEREST

Nil

PURPOSE

To consider entering into a new lease agreement with the Neergabby Community Association Inc. (NCA) with respect to SL 12981 and 12982 (Reserve 40239) Telephone Road, Neergabby.

BACKGROUND

The Shire of Gingin holds Management Order H219989 over Reserve 40239 for the purpose of “Recreation”.

For many years, the NCA has maintained the area for the purpose of conducting community events. At its meeting on 12 April 1990, the then Council resolved to enter into a lease agreement with the NCA over the subject land, at a peppercorn rental, for a period of 21 years. In March 2013, the lease was renegotiated for a period of five (5) years with no further term.

The current lease agreement between the Shire of Gingin and the NCA expires on 31 December 2018.

COMMENT

The proposed new lease between the Shire of Gingin and the NCA has been negotiated in the format now employed by the Shire for lease arrangements involving community groups, including the standard lease term of two years with a two year further term.

The lease is subject to endorsement by the Minister for Lands as it relates to a reserve.

STATUTORY ENVIRONMENT

Local Government Act 1995
Part 3 – Functions of local governments
Division 3 – Executive functions of local governments
Section 3.58 – Disposing of property

Local Government (Functions and General) Regulations 1996
Part 6 – Miscellaneous
Clause 30 – Dispositions of property excluded from Act s. 3.58
In accordance with Regulation 30(b)(i), a disposition of land is an exempt disposition if the land is disposed of to a body, the objects of which are of a charitable, benevolent, religious, cultural, educational, recreational, sporting or other like nature.

POLICY IMPLICATIONS

Nil

BUDGET IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Nil

VOTING REQUIREMENTS – SIMPLE MAJORITY

COUNCIL RESOLUTION/OFFICER RECOMMENDATION

MOVED: Councillor Johnson SECONDED: Councillor Morton

That Council:

1. **Agree to enter into a lease agreement with the Neergabby Community Association Inc. with respect to Reserve 40239 Swan Locations 12981 and 12982) Telephone Road, Neergabby, for a period of two years with a further two year option in accordance with the lease document shown as Appendix 1; and**

2. **Authorise the Chief Executive Officer to execute the lease document on Council's behalf, subject to endorsement being received from the Minister for Lands.**

CARRIED UNANIMOUSLY

APPENDIX 1

LEASE AGREEMENT

SHIRE OF GINGIN

AND

NEERGABBY COMMUNITY ASSOCIATION INC.

DRAFT

CONDITIONS

Parties

Shire of Gingin – "The Lessor"

AND

Neergabby Community Association Inc. – "The Lessee"

Use

The premises is not to be used for any purpose other than that specified in **Item 6** of the Schedule.

The use of the premises must not cause a nuisance or inconvenience to the public or surrounding residents by virtue of activities or noise from the facility.

The Lessee is to provide prior written advice to the Lessor of all events held within the premises. The leased area is a Public Building meaning restrictions and conditions may be required.

The Lessee will not sell or supply liquor from the premises or allow liquor to be sold or supplied from the premises without the prior written consent of the Lessor and then only in accordance with the provisions of the *Liquor Control Act 1988*, *Health (Food Hygiene) Regulations 1993*, *Liquor Licensing Regulations 1989* and any other relevant written laws that may be in force from time to time.

Premises

That area of land and buildings located at portion of Lot 12981 and the whole of Lot 12982 Telephone Road, Neergabby as depicted on the plan included as **Annexure 1**.

Term

The term of the lease is set out at **Item 2** of the Schedule. The Lessee may request the Lessor to grant a renewal of this Agreement for the further term set out at **Item 3** of the Schedule by giving written notice at least one month prior to the expiry of the initial term.

Holding Over

If the Lessor consents to the Lessee continuing to occupy the Leased Area after the expiry date, after the end of any extended term or during a lease renewal negotiation period, the Lessee is a monthly Lessee of the Leased Area and

(a) the monthly tenancy may be terminated by either party giving to the other at least one month's notice which may expire on any day;
(b) the rent is the same rent payable immediately before the expiry date or after the end of any extended term; and
(c) all the other provisions of this Lease apply to the monthly tenancy except any option to extend this Lease.

Provision of Information

The Lessee agrees to provide to the Lessor:
(a) a copy of the Lessee's audited annual statement of accounts for each year;
(b) a copy of the Certificate of Currency or renewal certificate to be provided to the Lessor on an annual basis for each insurance policy, including Public Liability and Contents Insurance;
(c) written advise of any changes in its office holders or its rules of Association during the Term; and
(d) any information reasonably required by the Lessor.

RENT AND OTHER PAYMENTS

Rent

As specified in **Item 5** of the Schedule.

Outgoings

Electricity, gas, water, refuse collection and other consumable charges are the responsibility of the Shire.

Key Bond

The Lessee will pay a bond of $200.00 for a set of access keys to the premises prior to access being granted. If required, the bond may be withheld by the Lessor in the event that replacement of keys is required at the time of the Lessee vacating the premises.

The Lessee may request additional sets of access keys from the Lessor, if approved the Lessee is responsible for the cost of the additional access keys and to maintain a record of who is assigned the keys.

Building Bond

The Lessee will pay a building bond of $400.00 prior to gaining access to the premises. If required, the bond may be withheld by the Lessor to make good any repairs or minor maintenance that may be necessary at the time of the Lessee vacating the premises.

Insurance

Public liability insurance in accordance with **Item 7** of the Schedule shall be maintained by the Lessee. The Lessee shall also maintain adequate and sufficient contents insurance. A copy of the certificate of currency is to be provided to the Lessor upon commencement of the lease, illustrating the full term of cover.

All cover is to be renewed annually, with a certificate of currency or renewal certificate to be provided to the Lessor on an annual basis.

Insurance for personal property is the Lessee's responsibility. All policy and certificate details are to be made available on request.

Arrangement of and payment for all public liability insurance is the responsibility of the Lessee.

TERMINATION

The Lessor may terminate this agreement by providing three months' written notice to the Lessee if at any time the building is not being used in accordance with the requirements of **Item 6** of the Schedule, or maintained to the Lessor's requirements.

Under exceptional circumstances the Lessor may ask the Lessee to vacate the premises immediately.

The Lessor reserves the right to terminate the agreement in the event that the Lessee commits a breach of its obligations under the agreement and such breach is not rectified within one month of receiving written notice to do so from the Lessor.

Restore Premises

Upon termination of this agreement the Lessee must, at its expense, restore the premises to a condition satisfactory to the Lessor.

The Lessor will undertake an assessment and provide a checklist of items to be restored.

Property Inspections

The Lessor may conduct property inspections of the premises on an annual basis to ensure the appearance and the condition of the building is being maintained to the satisfaction of the Lessor and the *Health (Public Buildings) Regulations 1992*.

LESSEE'S RESPONSIBILITIES

Maintenance, Repair and Cleaning

The Lessee must strictly comply with the Maintenance and Cleaning Schedule included as **Annexure 2**.

Where the Lessee is responsible for any damage to the premises, such damage is to be promptly repaired, at the Lessee's expense, to the satisfaction of the Lessor.

Report to Council

The Lessee must report all vandalism, defects and pollution to the Lessor within 24 hours of any such occurrence being identified.

To report any issues please email mail@gingin.wa.gov.au or send via post to PO Box 510, GINGIN WA 6503. If urgent please telephone 9575 2211 during office hours.

Alterations

No alterations, additions or improvements are to be made to the premises without the written consent from the Lessor.

Alterations, additions or improvements to the premises may result in a Lease Variation as project costs, including ongoing maintenance, may be the responsibility of the Lessee.

The Lessee may not remove any trees, shrubs or hedges without first consulting with and obtaining the approval of the Lessor, except where necessary for urgent safety reasons.

There is a requirement under the *Land Administration Act 1997*, Section 18 (Crown land transactions that need Minister's approval) for the consent of the Minister for Lands for any alterations or further negotiations on this lease document.

Securing the Premises

The Lessee is to ensure the premises are appropriately secured at all times. Where an alarm is present the alarm should be activated and the Lessor supplied with access codes.

Lessor's Right of Reasonable Entry

The Lessee must permit the Lessor or its authorised representative/s to enter the premises for the following purposes:

- in the event of an emergency;
- to undertake property inspections to ensure compliance with the terms of this Agreement;
- to carry out routine repairs or other work necessary to maintain the premises in good condition; and
- to carry out Capital Project works.

Hiring of the Premises

The Lessor acknowledges that the Lessee manages the hiring out of the premises to third parties. Hire fees be set as part of the Schedule of Fees and Charges in the Lessor's annual budget.

Records of all income derived from hire charges shall be forwarded to the Lessor on a quarterly basis. Said income can be retained by the Lessee as a management fee, less the Goods and Services Tax (GST) which is payable to the Lessor. Records will be used to provide quarterly provision of consumables.

The Lessee is to provide prior written advice to the Lessor of all events held within the premises. The leased area is a Public Building meaning restrictions and conditions may be required.

The Lessee will not sell or supply liquor from the premises or allow liquor to be sold or supplied from the premises without the prior written consent of the Lessor and then only in accordance with the provisions of the *Liquor Control Act 1988, Health (Food Hygiene) Regulations 1993, Liquor Licensing Regulations 1989* and any other relevant written laws that may be in force from time to time.

Fire Mitigation

(a) Fire Prevention – Without limiting any other provision of this Lease, the Lessee must in relation to the Leased Area promptly comply with:

i. the *Bush Fires Act 1954* and any other laws relating to the prevention and control of fires; and
ii. all proper directions concerning fire prevention and control given to the Lessee by the Lessor or any Authority.

(b) Fire Control – The Lessee must immediately :
i. notify the Lessor as soon as a fire is detected on the Leased Area; and
ii. take all reasonable and safe action which the Lessee is able to take to try to extinguish any unauthorised or uncontrolled fire on the Leased Area.

(c) Authorised Fires – The Lessee must not do anything which causes or may cause a fire on the Leased Area unless the fire is:
i. not prohibited by law or by a direction of the Lessor or an Authority; and
ii. the fire is not dangerous and is properly controlled so that it cannot become dangerous.

(d) Liability for Fires – The Lessee is responsible for and must pay or reimburse the Lessor for all Liabilities as a result of any fire which starts on the Leased Area unless the Lessee can prove to the reasonable satisfaction of the Lessor that the fire:
i. was not caused by the Lessee's negligent or unlawful act or omission or the Lessee's default under this Lease; or
ii. was started by a cause beyond the Lessee's reasonable control.

(e) Risk Management Plan – Due to the nature of activities of the Lessee a Risk Management Plan may be required for certain activities and/or events undertaken within the leased premises. This may be an additional condition of this lease agreement as specified in accordance with **Item 8**.

(f) Failure to comply can lead to immediate termination of this lease.

Smoking on Premises

The Lessee must not smoke or permit a person to smoke within the leased premises.

Comply with Legislation and Statutory Obligations

The Lessee must promptly comply with all statutes and local laws from time to time in force relating to the premises.

The Lessee must apply for, obtain and maintain in force all consents, approvals, authorities, licenses and permits required under any statute for the use of the premises.

The Lessee must not allow a person to carry out any harmful, offensive or illegal act within or around the premises.

Work within Premises

The Lessee must carry out works in accordance with Work Safe (WA) practices, being mindful of the risk to health and fire hazards.

Any works must not cause a nuisance or inconvenience to the public or surrounding residents by virtue of activities or noise from the facility.

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Behaviour

The Lessee is not to allow any anti-social behaviour in or around the premises including but not limited to loud music, foul language, drunken behaviour, uncontrollable parties, fighting, acts of physical violence and unwanted entry onto neighbouring properties.

Noise Restrictions apply from 7pm to 7am.

INDEMNITY

Indemnity

The Lessee indemnifies, and shall keep indemnified, the Minister for Lands and the Lessor from and against all actions, claims, costs, proceedings, suits and demands whatsoever which may at any time be incurred or suffered by the Lessor or brought, maintained or made against the Lessor in respect of:

(a) any loss whatsoever (including loss of use);

(b) injury or damage of, or to, any kind of property or thing; and

(c) the death of, or injury suffered by, any person,

except to the extent that such loss or damage arises out of a negligent or wrongful act or omission of the Lessor, or its servants, agents, contractors or invitees.

Obligations Continuing

The obligations of the Lessee to indemnify the Lessor:

(a) are unaffected by the obligation of the Lessee to take out insurance, and the obligations of the Lessee to indemnify are paramount, however if insurance money is received by the Lessor for any of the obligations set out in this clause then the Lessee's obligations will be reduced by the extent of such payment.

(b) continue after the expiration or earlier determination of this Lease in respect of any act, deed, matter or thing occurring or arising as a result of an event which occurs before the expiration or earlier determination of this Lease.

Release

(1) The Lessee:

(a) agrees to occupy and use the Premises at the risk of the Lessee; and

(b) releases to the full extent permitted by law, the Lessor from:

(i) any liability which may arise in respect of any accident or damage to property, the death of any person, injury to any person, or illness suffered by any person, occurring on the Premises or arising from the Lessee's use or occupation of the Premises by; and

(ii) loss of or damage to the Premises or personal property of the Lessee;

except to the extent that such loss or damage arises out of a negligent or wrongful act or omission of the Lessor, or its servants, agents, contractors or invitees.

(2) The release by the Lessee continues after the expiration or earlier determination of this Lease in respect of any act, deed, matter or thing occurring or arising as a result of an event which occurs before the expiration or earlier determination of this Lease.

Limit of Lessor's liability

(1) The Lessor will not be liable for loss, damage or injury to any person or property in or about the Premises however occurring, except to the extent that such loss or damage arises out of a negligent or wrongful act or omission of the Lessor, or its servants, agents, contractors or invitees.

(2) The Lessor will not be liable for any failure to perform and observe any of the Lessor's Covenants due to any cause beyond the Lessor's control.

DISPUTES

a) Referral of Dispute: Phase 1

Except as otherwise provided any dispute arising out of this Lease is to be referred in the first instance in writing to the Lessor's Representative as nominated in writing by the Lessor from time to time (the Lessor's Representative) who shall convene a meeting within 15 days of receipt of such notice from the Lessee or such other period of time as is agreed to by the parties between the Lessor and a nominated representative of the Lessee for the purpose of resolving the dispute (the Original Meeting).

b) Referral of Dispute: Phase 2

In the event the dispute is not resolved in accordance with **Disputes - clause A** of this Lease then the dispute shall be referred in writing to the Chief Executive Officer (CEO) of the Lessor who shall convene a meeting within 15 days of the Original Meeting or such other date as is agreed to by the parties between the CEO and the President of the Lessee for the purpose of resolving the dispute.

c) Appointment of Arbitrator: Phase 3

In the event the dispute is not resolved in accordance with **Disputes - clause B** of this Lease then the dispute shall be determined by an independent arbitrator as agreed to by both parties, and the Lessor and the Lessee may each be represented by a legal practitioner, or otherwise as each party determines appropriate.

d) Payment of Amounts Payable to Date of Award

The Lessee must pay the Amounts Payable without deduction to the date of the award of the Arbitrator or the date of an agreement between the Parties whichever event is the earlier, and if any money paid by the Lessee is not required to be paid within the terms of the award of the Arbitrator or by agreement between the Lessor and the Lessee then the Lessor will refund to the Lessee the monies paid.

SCHEDULE

ITEM 1: LAND

Swan Location 12981 on Deposited Plan 211940, being land comprised in Certificate of Title Volume 3111 Folio 350 and Swan Location 12982 on Deposited Plan 219940, being land comprised in Certificate of Crown Land Title Volume 3111 Folio 351 – Reserve 40239.

PREMISES

The land and buildings contained within the area as crosshatched, shown in **Annexure 1**.

ITEM 2: TERM

Two years

ITEM 3: FURTHER TERM

Two years

ITEM 4: COMMENCEMENT DATE

1 January 2019

ITEM 5: RENT

One dollar (peppercorn) per annum.

ITEM 6: USE

Social and recreational activities of the Neergabby Community Association Inc. and all uses reasonably ancillary to that purpose.

ITEM 7: PUBLIC LIABILITY INSURANCE

Minimum $10,000,000.00

ITEM 8: ADDITIONAL TERMS AND CONDITIONS

8.1 Camping associated with a function held within the lease area is permitted, subject to the written approval of the Lessor.

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It is acknowledged that the Shire of Gingin and the Neergabby Community Association Inc. agree on the above conditions and responsibilities.

Signed on behalf of the Shire of Gingin:

_____ _____

AARON COOK **DATE**
CHIEF EXECUTIVE OFFICER

Signed on behalf of the Neergabby Community Association Inc.:

_____ _____

SIGNATURE **DATE**

_____ _____

PRINT NAME **OFFICE HELD**

MINISTER FOR LANDS CONSENT:

Consent under section 18 of the *Land Administration Act 1997* as per approval correspondence included as **Annexure 3.**

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Annexure 1 – Plan of Premises

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Annexure 2 – Maintenance and Cleaning

The following outlines the cleaning, maintenance and repair obligations of the Lessee for buildings that are leased under this Lease Agreement. This is to be read and adhered to in conjunction with the Lease Agreement.

The Lessor's expectation is that the Lessee is responsible for the cleaning, maintenance and repair of damage as a result of the use of the leased area.

Lessee Responsibilities:

INTERNAL

The interior of the building is to be maintained in a clean and tidy condition at all times and within the terms of the Lease, is to be kept free of dirty marks, cobwebs and vermin.

Internal	Lessee Responsibilities
Windows	To be kept clean, free from any marks and cobwebs. To be lockable and operable.
Doors	To be kept clean, free from any marks, damage and cobwebs. To be lockable and operable. Any door closers or other devices fitted should be maintained in good working order. **NOTE:** Locks are not to be changed without the prior approval of the Lessor. Locks must be keyed to Lessor's Master Key System.
Walls	To be kept clean, free from any marks, damage and cobwebs.
Ceilings	To be kept clean, free of cobwebs and cleaned of any temporary decoration. Penetrations for appliances such as air conditioning vents shall be kept clean and in good working order. **NOTE:** Any water damage or sagging to be reported to the Lessor.
Floors	To be kept clean and regularly maintained in accordance with the requirements of the type of surface i.e. carpets to be vacuumed regularly and steam cleaned annually, hard floors to be swept and mopped. Hard floors to be stripped back and resealed as required by the lessor. In kitchen areas, relevant Health requirements should be strictly complied with.
Cupboards	To be regularly cleaned with all doors, latches, drawers and shelves being in good working order. To be free from any marks or food residue.
Built in Joinery: (benches, cabinets)	To be regularly cleaned and free of debris.
Electrical Fittings	All electrical fittings such as power points, light switches and light fittings to be kept clean and in good working order and undertake testing of Residual Current Devices in accordance with *AS/NZS 3760-2010 In service safety inspection and testing of electrical equipment.* Replace light globes and fluorescent light tubes which may fail.

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Fire Fighting Equipment and Exit Signs	To ensure Fire Fighting Equipment is not tampered with or removed from designated area. Lessee is responsible for costs incurred for replacement, mis-use, tampered or lost Fire Fighting Equipment. A clear path or access should be maintained with no obstruction within 1 meter of firefighting equipment. The Lessee is responsible for notifying the Lessor if the Fire Evacuation Exit Signs are not in good working order.
Rubbish Bins	All rubbish is to be placed in the outside Rubbish Bins in the designated bin areas / enclosures.
Security Systems	The Lessee to pay all costs associated with the installation and ongoing monitoring of the security system. To be maintained in accordance with the supplier's instructions. Provide evidence of regular annual maintenance (maintenance Report) by a licensed provider. All Telecommunications and any other fees are to be met by the Lessee. Lessee to provide Access Keys and alarm codes to the Lessor.
Sinks, Basins, Pedestal Pans & Cisterns	To be maintained in a clean and operable condition.
Toilets & Showers	To be kept in a clean and operable condition at all times. Additional consumables, after usage of quarterly provision (i.e. toilet paper, paper towels) are the responsibility of the Lessee. All walls and floor surfaces to be kept cleaned and undamaged. **NOTE:** Excluding designated Public Toilets.
Stove, Fans, Refrigerators, Heaters, & other White Goods	All to be kept clean and operated in accordance with the manufacture's requirements.
Air Conditioning	To be kept clean and operated in accordance with the manufacture's requirements.
Gas Appliances	To be kept clean and operated in accordance with the manufacture's requirements.

EXTERNAL

The whole of the exterior of the building is to be kept in a clean and tidy condition free from cobwebs, leaves and debris/litter.

In particular, the following items must be given attention:

External	Lessee Responsibilities
Windows	To be kept clean, operable and lockable at all times.

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Doors	To be kept clean, free from any marks, damage and cobwebs. To be lockable and operable. Any door closers or other devices fitted should be maintained in good working order. **NOTE:** Locks are not to be changed or altered. All locks are keyed to Lessor's Master Key System. Lessee is responsible for the costs of lost keys and associated replacement.
Security Screens	To be kept clean and firmly fixed. Any cobwebs to be regularly removed.
Walls	To be kept clean, free from any marks, damage and cobwebs.
Verandah	To be kept clean and free from cobwebs. To be kept clean, tidy and free from litter, rubbish, leaves and debris.
Eaves	To be kept clean and free from cobwebs.
Pathways	To be kept clear of rubbish and to be swept regularly. Vegetation surrounding the building not to be damaged or removed.
Light Fittings	To be kept clean and free from cobwebs. Replace all light globes which may fail.
Signs	Any signs installed by the Lessee, located on the building are to be regularly maintained and kept in a safe condition. Signs that may become damaged are to be replaced immediately. Any approvals or licences for signs are to be kept current.
Outdoor Sponsorship Signs	To be maintained to not less than the standard outlined above. Sponsorship Signs require approval of the Lessor before being installed.
Surrounds	To be kept clean, tidy and free from litter, rubbish, leaves and debris.
Rubbish Bins	Rubbish bins are to be kept neat and clean. To be placed in the designated areas. Bin enclosures to be kept clear of all rubbish and secured.

Lessor Responsibilities

The Lessor will undertake mowing, fertilising, removal of garden debris and tree maintenance.

Internal / External	Lessor Responsibilities
Gutter Cleaning	To maintain and clean guttering of natural product, including leaves, twigs and soil.
Fire Protection Equipment	To service and replace fire equipment as required.
Building Structural Repairs	To maintain and repair the building structure from wear and tear.
External Drainage	To repair external drainage infrastructure failure.
Redecoration	To redecorate as required.

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Air conditioning	The annual maintenance report is to be undertaken by a licensed provider.
Stove, Fans, Refrigerators, Heaters, & other White Goods	All items to be tested and tagged by a licensed provided in accordance with *AS/NZS 3760-2010 In service safety inspection and testing of electrical equipment.*
Sinks, Basins, Pedestal Pans & Cisterns	Clearing of all blockages and repairs to fittings.
Toilets & Showers	To clear all blockages. Replacement and repair of fittings such as taps, roll dispensers and coat hangers. A quarterly provision of consumables (i.e. toilet paper, paper towels) will be provided subject to usage (as reported on a quarterly basis plus a "group use" allocation).

THIS HAS BEEN LEFT BLANK INTENTIONALLY

Annexure 3 – Minister for Lands Consent

END OF DOCUMENT

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11.2.5 LEASE BETWEEN SHIRE OF GINGIN AND OCEAN FARM COMMUNITY & RECREATION ASSOCIATION INC. - LOT 4021 (708) OCEAN FARM DRIVE, NILGEN (RESERVE 53272)

Location:	Lot 4021 Ocean Farm Drive, Nilgen (Reserve 53272)
File:	A4433
Author:	Cher Groves – Community Service and Events Officer
Reporting Officer:	Ziggy Edwards – Acting Executive Manager Corporate & Community Services
Report Date:	18 December 2018
Refer:	N/A
Appendices:	1. Draft Lease Document

DISCLOSURES OF INTEREST

Nil

PURPOSE

To consider entering into a new lease agreement with the Ocean Farm Community and Recreation Association Inc. (OFCRA) for the Ocean Farm Community Hall and tennis courts located at Lot 4021 (708) Ocean Farm Drive, Nilgen.

BACKGROUND

The OFCRA has acted as the management body for the Ocean Farm Community Hall for approximately 20 years. The Association has also managed the adjoining tennis court facility since its establishment in 2006. Both facilities are located on Lot 4021, which forms part of Reserve 35092 (vested in the Shire of Gingin for the purpose of 'Public Recreation').

In August 2017 Administration submitted a request to the Department of Planning, Lands and Heritage to have Lot 4021 excised from Reserve 35092 and created as a new Reserve 53272, for "Community Purposes". This process was finalised in June 2018, with a management order being issued to the Shire of Gingin, including power to lease provisions for up to 21 years. This was completed in June 2018.

As Council would be aware, there are many instances throughout the Shire where Shire infrastructure has been managed, on a long-standing basis, by community organisations. In recent years the Administration has been working towards formalising these arrangements via the establishment of lease agreements. There is currently no formal lease agreement in place with respect to the Ocean Farm Hall and tennis courts.

COMMENT

The proposed lease agreement between the Shire of Gingin and the OFCRA has been negotiated in the format now employed by the Shire for lease arrangements involving community groups, including the standard lease term of two years with a further two year term.

Endorsement by the Minister for Lands is required given that the lease related to reserve land, and this endorsement has been received.

STATUTORY ENVIRONMENT

Local Government Act 1995
Part 3 – Functions of local governments
Division 3 – Executive functions of local governments
Section 3.58 – Disposing of property

Local Government (Functions and General) Regulations 1996
Part 6 – Miscellaneous
Clause 30 – Dispositions of property excluded from Act s. 3.58
In accordance with Regulation 30(b)(i), a disposition of land is an exempt disposition if the land is disposed of to a body, the objects of which are of a charitable, benevolent, religious, cultural, educational, recreational, sporting or other like nature.

POLICY IMPLICATIONS

Nil

BUDGET IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Nil

VOTING REQUIREMENTS – SIMPLE MAJORITY

COUNCIL RESOLUTION/OFFICER RECOMMENDATION

MOVED: Councillor Johnson SECONDED: Councillor Rule

That Council:

1. **Agree to enter into a lease agreement with the Ocean Farm Community and Recreation Association Inc. with respect to the Ocean Farm Community Hall and tennis courts located on Reserve 53272 (Lot 4021) Ocean Farm Drive, Nilgen, for a period of two years with a further two year option in accordance with the lease document shown as Appendix 1; and**

2. **Authorise the Chief Executive Officer to execute the lease document on Council's behalf.**

CARRIED UNANIMOUSLY

APPENDIX 1

LEASE AGREEMENT

SHIRE OF GINGIN

AND

OCEAN FARM COMMUNITY & RECREATION ASSOCIATION INC.

DRAFT

CONDITIONS

Parties

Shire of Gingin – "The Lessor"

AND

Ocean Farms Community & Recreation Association Inc. – "The Lessee"

Use

The premises is not to be used for any purpose other than that specified in **Item 6** of the Schedule.

The use of the premises must not cause a nuisance or inconvenience to the public or surrounding residents by virtue of activities or noise from the facility.

The Lessee is to provide prior written advice to the Lessor of all events held within the premises. The leased area is a Public Building meaning restrictions and conditions may be required.

The Lessee will not sell or supply liquor from the premises or allow liquor to be sold or supplied from the premises without the prior written consent of the Lessor and then only in accordance with the provisions of the *Liquor Control Act 1988*, *Health (Food Hygiene) Regulations 1993*, *Liquor Licensing Regulations 1989* and any other relevant written laws that may be in force from time to time.

Premises

That area of land and buildings crosshatched, as located at 708 Ocean Farm Drive, Nilgen as depicted on the plan included as **Annexure 1**.

Term

The term of the lease is set out at **Item 2** of the Schedule. The Lessee may request the Lessor to grant a renewal of this Agreement for the further term set out at **Item 3** of the Schedule by giving written notice at least one month prior to the expiry of the initial term.

Holding Over

If the Lessor consents to the Lessee continuing to occupy the Leased Area after the expiry date, after the end of any extended term or during a lease renewal negotiation period, the Lessee is a monthly Lessee of the Leased Area and

(a) the monthly tenancy may be terminated by either party giving to the other at least one month's notice which may expire on any day;
(b) the rent is the same rent payable immediately before the expiry date or after the end of any extended term; and
(c) all the other provisions of this Lease apply to the monthly tenancy except any option to extend this Lease.

Provision of Information

The Lessee agrees to provide to the Lessor:
(a) a copy of the Lessee's audited annual statement of accounts for each year;
(b) a copy of the Certificate of Currency or renewal certificate to be provided to the Lessor on an annual basis for each insurance policy, including Public Liability and Contents Insurance;
(c) written advise of any changes in its office holders or its rules of Association during the Term; and
(d) any information reasonably required by the Lessor.

RENT AND OTHER PAYMENTS

Rent

As specified in **Item 5** of the Schedule.

Outgoings

Electricity, gas, water, refuse collection and other consumable charges are the responsibility of the Shire.

Key Bond

The Lessee will pay a bond of $200.00 for a set of access keys to the premises prior to access being granted. If required, the bond may be withheld by the Lessor in the event that replacement of keys is required at the time of the Lessee vacating the premises.

The Lessee may request additional sets of access keys from the Lessor, if approved the Lessee is responsible for the cost of the additional access keys and to maintain a record of who is assigned the keys.

Building Bond

The Lessee will pay a building bond of $400.00 prior to gaining access to the premises. If required, the bond may be withheld by the Lessor to make good any repairs or minor maintenance that may be necessary at the time of the Lessee vacating the premises.

Insurance

Public liability insurance in accordance with **Item 7** of the Schedule shall be maintained by the Lessee. The Lessee shall also maintain adequate and sufficient contents insurance. A copy of the certificate of currency is to be provided to the Lessor upon commencement of the lease, illustrating the full term of cover.

All cover is to be renewed annually, with a certificate of currency or renewal certificate to be provided to the Lessor on an annual basis.

Insurance for personal property is the Lessee's responsibility. All policy and certificate details are to be made available on request.

Arrangement of and payment for all public liability insurance is the responsibility of the Lessee.

TERMINATION

The Lessor may terminate this agreement by providing three months' written notice to the Lessee if at any time the building is not being used in accordance with the requirements of **Item 6** of the Schedule, or maintained to the Lessor's requirements.

Under exceptional circumstances the Lessor may ask the Lessee to vacate the premises immediately.

The Lessor reserves the right to terminate the agreement in the event that the Lessee commits a breach of its obligations under the agreement and such breach is not rectified within one month of receiving written notice to do so from the Lessor.

Restore Premises

Upon termination of this agreement the Lessee must, at its expense, restore the premises to a condition satisfactory to the Lessor.

The Lessor will undertake an assessment and provide a checklist of items to be restored.

Property Inspections

The Lessor may conduct property inspections of the premises on an annual basis to ensure the appearance and the condition of the building is being maintained to the satisfaction of the Lessor and the *Health (Public Buildings) Regulations 1992*.

LESSEE'S RESPONSIBILITIES

Maintenance, Repair and Cleaning

The Lessee must strictly comply with the Maintenance and Cleaning Schedule included as **Annexure 2**.

Where the Lessee is responsible for any damage to the premises, such damage is to be promptly repaired, at the Lessee's expense, to the satisfaction of the Lessor.

Report to Council

The Lessee must report all vandalism, defects and pollution to the Lessor within 24 hours of any such occurrence being identified.

To report any issues please email mail@gingin.wa.gov.au or send via post to PO Box 510, GINGIN WA 6503. If urgent please telephone 9575 2211 during office hours.

Alterations

No alterations, additions or improvements are to be made to the premises without the written consent from the Lessor.

Alterations, additions or improvements to the premises may result in a Lease Variation as project costs, including ongoing maintenance, may be the responsibility of the Lessee.

The Lessee may not remove any trees, shrubs or hedges without first consulting with and obtaining the approval of the Lessor, except where necessary for urgent safety reasons.

There is a requirement under the *Land Administration Act 1997*, Section 18 (Crown land transactions that need Minister's approval) for the consent of the Minister for Lands for any alterations or further negotiations on this lease document.

Securing the Premises

The Lessee is to ensure the premises are appropriately secured at all times. Where an alarm is present the alarm should be activated and the Lessor supplied with access codes.

Lessor's Right of Reasonable Entry

The Lessee must permit the Lessor or its authorised representative/s to enter the premises for the following purposes:

- in the event of an emergency;
- to undertake property inspections to ensure compliance with the terms of this Agreement;
- to carry out routine repairs or other work necessary to maintain the premises in good condition; and
- to carry out Capital Project works.

Hiring of the Premises

The Lessor acknowledges that the Lessee manages the hiring out of the premises to third parties. Hire fees be set as part of the Schedule of Fees and Charges in the Lessor's annual budget.

Records of all income derived from hire charges shall be forwarded to the Lessor on a quarterly basis. Said income can be retained by the Lessee as a management fee, less the Goods and Services Tax (GST) which is payable to the Lessor. Records will be used to provide quarterly provision of consumables.

The Lessee is to provide prior written advice to the Lessor of all events held within the premises. The leased area is a Public Building meaning restrictions and conditions may be required.

The Lessee will not sell or supply liquor from the premises or allow liquor to be sold or supplied from the premises without the prior written consent of the Lessor and then only in accordance with the provisions of the *Liquor Control Act 1988, Health (Food Hygiene) Regulations 1993, Liquor Licensing Regulations 1989* and any other relevant written laws that may be in force from time to time.

Fire Mitigation

(a) Fire Prevention – Without limiting any other provision of this Lease, the Lessee must in relation to the Leased Area promptly comply with:

i. the *Bush Fires Act 1954* and any other laws relating to the prevention and control of fires; and
ii. all proper directions concerning fire prevention and control given to the Lessee by the Lessor or any Authority.

(b) Fire Control – The Lessee must immediately :
i. notify the Lessor as soon as a fire is detected on the Leased Area; and
ii. take all reasonable and safe action which the Lessee is able to take to try to extinguish any unauthorised or uncontrolled fire on the Leased Area.

(c) Authorised Fires – The Lessee must not do anything which causes or may cause a fire on the Leased Area unless the fire is:
i. not prohibited by law or by a direction of the Lessor or an Authority; and
ii. the fire is not dangerous and is properly controlled so that it cannot become dangerous.

(d) Liability for Fires – The Lessee is responsible for and must pay or reimburse the Lessor for all Liabilities as a result of any fire which starts on the Leased Area unless the Lessee can prove to the reasonable satisfaction of the Lessor that the fire:
i. was not caused by the Lessee's negligent or unlawful act or omission or the Lessee's default under this Lease; or
ii. was started by a cause beyond the Lessee's reasonable control.

(e) Risk Management Plan – Due to the nature of activities of the Lessee a Risk Management Plan may be required for certain activities and/or events undertaken within the leased premises. This may be an additional condition of this lease agreement as specified in accordance with **Item 8**.

(f) Failure to comply can lead to immediate termination of this lease.

Smoking on Premises

The Lessee must not smoke or permit a person to smoke within the leased premises.

Comply with Legislation and Statutory Obligations

The Lessee must promptly comply with all statutes and local laws from time to time in force relating to the premises.

The Lessee must apply for, obtain and maintain in force all consents, approvals, authorities, licenses and permits required under any statute for the use of the premises.

The Lessee must not allow a person to carry out any harmful, offensive or illegal act within or around the premises.

Work within Premises

The Lessee must carry out works in accordance with Work Safe (WA) practices, being mindful of the risk to health and fire hazards.

Any works must not cause a nuisance or inconvenience to the public or surrounding residents by virtue of activities or noise from the facility.

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Behaviour

The Lessee is not to allow any anti-social behaviour in or around the premises including but not limited to loud music, foul language, drunken behaviour, uncontrollable parties, fighting, acts of physical violence and unwanted entry onto neighbouring properties.

Noise Restrictions apply from 7pm to 7am.

INDEMNITY

Indemnity

The Lessee indemnifies, and shall keep indemnified, the Minister for Lands and the Lessor from and against all actions, claims, costs, proceedings, suits and demands whatsoever which may at any time be incurred or suffered by the Lessor or brought, maintained or made against the Lessor in respect of:

(a) any loss whatsoever (including loss of use);

(b) injury or damage of, or to, any kind of property or thing; and

(c) the death of, or injury suffered by, any person,

except to the extent that such loss or damage arises out of a negligent or wrongful act or omission of the Lessor, or its servants, agents, contractors or invitees.

Obligations Continuing

The obligations of the Lessee to indemnify the Lessor:

(a) are unaffected by the obligation of the Lessee to take out insurance, and the obligations of the Lessee to indemnify are paramount, however if insurance money is received by the Lessor for any of the obligations set out in this clause then the Lessee's obligations will be reduced by the extent of such payment.

(b) continue after the expiration or earlier determination of this Lease in respect of any act, deed, matter or thing occurring or arising as a result of an event which occurs before the expiration or earlier determination of this Lease.

Release

(1) The Lessee:

(a) agrees to occupy and use the Premises at the risk of the Lessee; and

(b) releases to the full extent permitted by law, the Lessor from:

(i) any liability which may arise in respect of any accident or damage to property, the death of any person, injury to any person, or illness suffered by any person, occurring on the Premises or arising from the Lessee's use or occupation of the Premises by; and

(ii) loss of or damage to the Premises or personal property of the Lessee;

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except to the extent that such loss or damage arises out of a negligent or wrongful act or omission of the Lessor, or its servants, agents, contractors or invitees.

(2) The release by the Lessee continues after the expiration or earlier determination of this Lease in respect of any act, deed, matter or thing occurring or arising as a result of an event which occurs before the expiration or earlier determination of this Lease.

Limit of Lessor's liability

(1) The Lessor will not be liable for loss, damage or injury to any person or property in or about the Premises however occurring, except to the extent that such loss or damage arises out of a negligent or wrongful act or omission of the Lessor, or its servants, agents, contractors or invitees.

(2) The Lessor will not be liable for any failure to perform and observe any of the Lessor's Covenants due to any cause beyond the Lessor's control.

DISPUTES

a) Referral of Dispute: Phase 1

Except as otherwise provided any dispute arising out of this Lease is to be referred in the first instance in writing to the Lessor's Representative as nominated in writing by the Lessor from time to time (the Lessor's Representative) who shall convene a meeting within 15 days of receipt of such notice from the Lessee or such other period of time as is agreed to by the parties between the Lessor and a nominated representative of the Lessee for the purpose of resolving the dispute (the Original Meeting).

b) Referral of Dispute: Phase 2

In the event the dispute is not resolved in accordance with **Disputes - clause A** of this Lease then the dispute shall be referred in writing to the Chief Executive Officer (CEO) of the Lessor who shall convene a meeting within 15 days of the Original Meeting or such other date as is agreed to by the parties between the CEO and the President of the Lessee for the purpose of resolving the dispute.

c) Appointment of Arbitrator: Phase 3

In the event the dispute is not resolved in accordance with **Disputes - clause B** of this Lease then the dispute shall be determined by an independent arbitrator as agreed to by both parties, and the Lessor and the Lessee may each be represented by a legal practitioner, or otherwise as each party determines appropriate.

d) Payment of Amounts Payable to Date of Award

The Lessee must pay the Amounts Payable without deduction to the date of the award of the Arbitrator or the date of an agreement between the Parties whichever event is the earlier, and if any money paid by the Lessee is not required to be paid within the terms of the award of the Arbitrator or by agreement between the Lessor and the Lessee then the Lessor will refund to the Lessee the monies paid.

SCHEDULE

ITEM 1: LAND

Lot 4021 on Plan 012036 (part Reserve 53272), being the land in Certificate of Crown Title Volume 3143 Folio 696.

PREMISES

The land and buildings contained within the area as crosshatched, shown in **Annexure 1**.

COMMON AREA

Common use areas exist within M4201 Ocean Farm Drive, Nilgen which is to be shared with the other users, including car parking areas and access roads.

ITEM 2: TERM

Two years

ITEM 3: FURTHER TERM

Two years

ITEM 4: COMMENCEMENT DATE

1 August 2018

ITEM 5: RENT

One dollar (peppercorn) per annum.

ITEM 6: USE

Social and recreational activities of the Ocean Farms Community & Recreation Association Inc. and all uses reasonably ancillary to that purpose.

Lot M4201 Ocean Farm Drive, Nilgen is used by multiple groups, scheduled events must be forwarded to other user groups so that event conflict can be minimised.

ITEM 7: PUBLIC LIABILITY INSURANCE

Minimum $10,000,000.00

ITEM 8: ADDITIONAL TERMS AND CONDITIONS

8.1 The Lessee has shared access (with other users) to an area of "land in common" that includes the car parking area. The access road to the emergency services buildings is to be kept clear at all times.

It is acknowledged that the Shire of Gingin and the Ocean Farms Community & Recreation Association Inc. agree on the above conditions and responsibilities.

Signed on behalf of the Shire of Gingin:

AARON COOK
CHIEF EXECUTIVE OFFICER

DATE

Signed on behalf of the Ocean Farms Community & Recreation Association Inc.:

SIGNATURE

DATE

PRINT NAME

OFFICE HELD

MINISTER FOR LANDS CONSENT:

Consent under section 18 of the *Land Administration Act 1997* as per approval correspondence included as **Annexure 3.**

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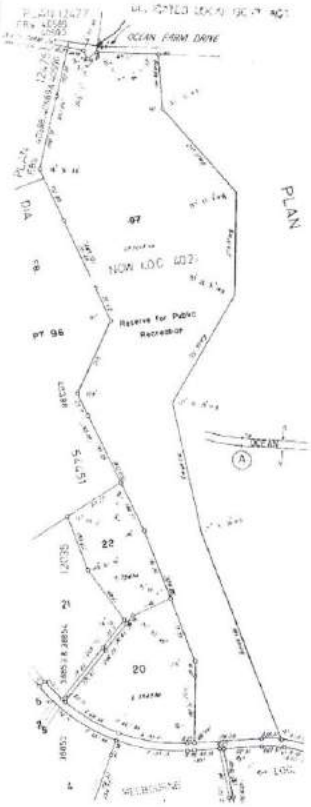
Annexure 1 – Plan of Premises

Leased Area

Reserve 53272 – Crossed pink area - inset area.



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Annexure 2 – Maintenance and Cleaning

The following outlines the cleaning, maintenance and repair obligations of the Lessee for buildings that are leased under this Lease Agreement. This is to be read and adhered to in conjunction with the Lease Agreement.

The Lessor's expectation is that the Lessee is responsible for the cleaning, maintenance and repair of damage as a result of the use of the leased area.

Lessee Responsibilities:

INTERNAL

The interior of the building is to be maintained in a clean and tidy condition at all times and within the terms of the Lease, is to be kept free of dirty marks, cobwebs and vermin.

Internal	Lessee Responsibilities
Windows	To be kept clean, free from any marks and cobwebs. To be lockable and operable.
Doors	To be kept clean, free from any marks, damage and cobwebs. To be lockable and operable. Any door closers or other devices fitted should be maintained in good working order. **NOTE:** Locks are not to be changed without the prior approval of the Lessor. Locks must be keyed to Lessor's Master Key System.
Walls	To be kept clean, free from any marks, damage and cobwebs.
Ceilings	To be kept clean, free of cobwebs and cleaned of any temporary decoration. Penetrations for appliances such as air conditioning vents shall be kept clean and in good working order. **NOTE:** Any water damage or sagging to be reported to the Lessor.
Floors	To be kept clean and regularly maintained in accordance with the requirements of the type of surface i.e. carpets to be vacuumed regularly and steam cleaned annually, hard floors to be swept and mopped. Hard floors to be stripped back and resealed as required by the lessor. In kitchen areas, relevant Health requirements should be strictly complied with.
Cupboards	To be regularly cleaned with all doors, latches, drawers and shelves being in good working order. To be free from any marks or food residue.
Built in Joinery: **(benches, cabinets)**	To be regularly cleaned and free of debris.
Electrical Fittings	All electrical fittings such as power points, light switches and light fittings to be kept clean and in good working order and undertake testing of Residual Current Devices in accordance with *AS/NZS 3760-2010 In service safety inspection and testing of electrical equipment.* Replace light globes and fluorescent light tubes which may fail.
Fire Fighting	To ensure Fire Fighting Equipment is not tampered with or removed from designated

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Equipment and Exit Signs	area. Lessee is responsible for costs incurred for replacement, mis-use, tampered or lost Fire Fighting Equipment. A clear path or access should be maintained with no obstruction within 1 meter of firefighting equipment. The Lessee is responsible for notifying the Lessor if the Fire Evacuation Exit Signs are not in good working order.
Rubbish Bins	All rubbish is to be placed in the outside Rubbish Bins in the designated bin areas / enclosures.
Security Systems	The Lessee to pay all costs associated with the installation and ongoing monitoring of the security system. To be maintained in accordance with the supplier's instructions. Provide evidence of regular annual maintenance (maintenance Report) by a licensed provider. All Telecommunications and any other fees are to be met by the Lessee. Lessee to provide Access Keys and alarm codes to the Lessor.
Sinks, Basins, Pedestal Pans & Cisterns	To be maintained in a clean and operable condition.
Toilets & Showers	To be kept in a clean and operable condition at all times. Additional consumables, after usage of quarterly provision (i.e. toilet paper, paper towels) are the responsibility of the Lessee. All walls and floor surfaces to be kept cleaned and undamaged.
• **Stove, Fans, Refrigerators, Heaters, & other White Goods**	All to be kept clean and operated in accordance with the manufacture's requirements.

EXTERNAL

The whole of the exterior of the building is to be kept in a clean and tidy condition free from cobwebs, leaves and debris/litter.

In particular, the following items must be given attention:

External	Lessee Responsibilities
Windows	To be kept clean, operable and lockable at all times.
Doors	To be kept clean, free from any marks, damage and cobwebs. To be lockable and operable. Any door closers or other devices fitted should be maintained in good working order. **NOTE:** Locks are not to be changed or altered. All locks are keyed to Lessor's Master Key System. Lessee is responsible for the costs of lost keys and associated replacement.

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Security Screens	To be kept clean and firmly fixed. Any cobwebs to be regularly removed.
Walls	To be kept clean, free from any marks, damage and cobwebs.
Verandah	To be kept clean and free from cobwebs. To be kept clean, tidy and free from litter, rubbish, leaves and debris.
Eaves	To be kept clean and free from cobwebs.
Pathways	To be kept clear of rubbish and to be swept regularly. Vegetation surrounding the building not to be damaged or removed.
Light Fittings	To be kept clean and free from cobwebs. Replace all light globes which may fail.
Signs	Any signs installed by the Lessee, located on the building are to be regularly maintained and kept in a safe condition. Signs that may become damaged are to be replaced immediately. Any approvals or licences for signs are to be kept current.
Outdoor Sponsorship Signs	To be maintained to not less than the standard outlined above. Sponsorship Signs require approval of the Lessor before being installed.
Surrounds	To be kept clean, tidy and free from litter, rubbish, leaves and debris.
Rubbish Bins	Rubbish bins are to be kept neat and clean. To be placed in the designated areas. Bin enclosures to be kept clear of all rubbish and secured.

Lessor Responsibilities

The Lessor will undertake mowing, fertilising, weed control, edging, whipper snipping, removal of garden debris and tree maintenance.

Internal / External	Lessor Responsibilities
Gutter Cleaning	To maintain and clean guttering of natural product, including leaves, twigs and soil.
Fire Protection Equipment	To service and replace fire equipment as required.
Building Structural Repairs	To maintain and repair the building structure from wear and tear.
External Drainage	To repair external drainage infrastructure failure.
Redecoration	To redecorate as required.
Air conditioning	The annual maintenance report is to be undertaken by a licensed provider.
Stove, Fans, Refrigerators, Heaters, & other White Goods	All items to be tested and tagged by a licensed provided in accordance with *AS/NZS 3760-2010 In service safety inspection and testing of electrical equipment.*

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Sinks, Basins, Pedestal Pans & Cisterns	Clearing of all blockages and repairs to fittings.
Toilets & Showers	To clear all blockages. Replacement and repair of fittings such as taps, roll dispensers and coat hangers. A quarterly provision of consumables (i.e. toilet paper, paper towels) will be provided subject to usage (as reported on a quarterly basis plus a "group use" allocation).

THIS HAS BEEN LEFT BLANK INTENTIONALLY

Annexure 3 – Minister for Lands Consent

Department of **Planning, Lands and Heritage**

GOVERNMENT OF WESTERN AUSTRALIA

Our ref: 01703-1977 Job No. 181819
Enquiries: Lily Sutomo
Tel: (08) 6552 4616 Fax 6552 4417
Email: lily.sutomo@dplh.wa.gov.au

LAND USE MANAGEMENT

17 August 2018

Cher Groves
Community Development Officer
Shire of Gingin
7 Brockman Street
GINGIN WA 6503

By email only: cdso@gingin.wa.gov.au

Dear Cher

MINISTERIAL CONSENT UNDER SECTION 18 OF THE LAA – PROPOSED LEASE OVER PTN RESERVE 53272 BEING PTN LOT 4021 ON PLAN 12036 BETWEEN SHIRE OF GINGIN AND OCEAN FARM COMMUNITY & RECREATION ASSOCIATION INC.

Thank you for your email dated 2 August 2018 seeking the permission of the Minister for Lands (Minister) to lease portion of Reserve 53272 being portion of Lot 4021 on Plan 12036 for the purpose of "Social and recreational activities of the Ocean Farms Community & Recreation Association Inc. and all uses reasonably ancillary to that purpose" for a term of two years with an option for a further term of two years commencing on 1 August 2018.

Reserve 53272 is set aside for the purpose of "Community Purposes" with a MO to the Town of Shire of Gingin with power to lease for any term not exceeding 21 years subject to the consent of the Minister.

In accordance with section 18 of the *Land Administration Act 1997* (LAA) the Minister's approval is granted to the proposed lease provided to the Department of Planning, Lands and Heritage (DPLH) by email on 17 August 2018 on condition that the final lease document executed by the parties is on the same terms as that provided to DPLH with that email. If the final document executed by the parties is not on the approved terms, then it may be void under section 18 of the LAA.

Please note that this approval is for the purposes of section 18 of the LAA only and does not constitute an endorsement as to the terms and effect of the document. DPLH cannot provide any advice in respect of the proposed lease and recommends that each party obtain their own independent advice as to their rights and obligations under the document.

This approval is subject to the registration requirements of the *Transfer of Land Act 1893*. You will need to provide a copy of this letter to Landgate if the documents are to be lodged for registration at Landgate.

Gordon Stephenson House, 140 William Street Perth Western Australia 6000 PO Box 1221 West Perth Western Australia 6872
Telephone (08) 6551 8002 Facsimile (08) 6552 4417 Freecall: 1800 735 784 (Country only)
Email: info@dplh.wa.gov.au Website: www.dplh.wa.gov.au
ABN: 68 565 723 484

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Should you have any enquiries please don't hesitate to contact me on the above details.

Yours sincerely

LILY SUTOMO
SENIOR STATE LAND OFFICER - DELIVERY
LANDS

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END OF DOCUMENT

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11.2.6 MONTHLY FINANCIAL STATEMENT AND LIST OF PAID ACCOUNTS

File:	FIN/25
Reporting Officer:	Ziggy Edwards – Acting Executive Manager Corporate and Community Services
Report Date:	18 December 2018
Refer:	Nil
Appendices:	1. Statement of Financial Position – 31 October 2018 2. Statement of Financial Position – 30 November 2018

DISCLOSURES OF INTEREST

Nil

COMMENT

The Statements of Financial Position for the periods ending 31 October 2018 and 30 November 2018 are provided as Appendix 1 and 2.

The List of Paid Accounts for the period to 30 November 2018 is presented in accordance with the following summary of activity:

PAYMENT TYPE	**$**
Municipal	
EFT	925,242.72
Cheque	10,402.86
Direct Debit	140,836.11
Total (Municipal)	**1,076,481.69**
Trust	**2,509.10**
Bank Statement	
Bank Fees and Charges	3,688.60
Wages and Salaries	254,306.68
Police Licensing	84,777.15
LA Office Rent	643.38
Messages on Hold	573.58
Total (Bank Statement)	**343,989.39**
TOTAL EXPENDITURE	**1,420,471.08**

A detailed payment schedule has been provided to Councillors and can be made available to the public at the Shire's Gingin Administration Centre and Lancelin Office upon request.

STATUTORY ENVIRONMENT

Local Government Act 1995
Part 6 – Financial management
Division 3 – Reporting on activities and finance
Section 6.4 – Financial report

Local Government (Financial Management) Regulations 1996
Part 4 – Financial reports – s.6.4
Regulation 34 – Financial activity statement required each month (Act s.6.4)

POLICY IMPLICATIONS

Nil

BUDGET IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Shire of Gingin Strategic Community Plan 2017-2027

Focus Area	*Governance*
Objective	*5. To demonstrate effective leadership, governance and advocacy on behalf of community*
Outcome	*5.1 Values* *Our Organisational/business values are demonstrated in all that we do.*
Key Service Area	*Financial Management*
Priorities	*Nil*

VOTING REQUIREMENTS – SIMPLE MAJORITY

COUNCIL RESOLUTION/OFFICER RECOMMENDATION

MOVED: Councillor Elgin SECONDED: Councillor Johnson

That Council:

1. Endorse the Statement of Financial Position as at 31 October 2018;

2. Endorse the Statement of Financial Position as at 30 November 2018; and

3. Endorse the List of Paid Accounts for the period ending 30 November 2018

CARRIED UNANIMOUSLY

APPENDIX 1

MONTHLY FINANCIAL REPORT

(Containing the Statement of Financial Activity)

FOR THE PERIOD OF 1 JULY 2018 TO 31 OCTOBER 2018

LOCAL GOVERNMENT ACT 1995

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATION 1996

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SHIRE OF GINGIN

For the period 1 July to 31 October 2018

Key Information

Report Purpose:

This report is prepared to meet the requirements of Local Government (Financial Management) Regulations 1996, Regulation 34.

Items of Significance:

The material variance adopted by the City/Town/Shire of Gingin for the 2018/19 year is $10,000 or 10% whichever is the greater. The following selected items have been highlighted due to the amount of the variance to the budget or due to the nature of the revenue/expenditure.

Note: The Statements are prepared based on all transactions recorded at the time of preparation and may vary due to transactions being processed for the reporting period after the date of preparation.

Prepared by: Ziggy Edwards
Date Prepared: 8/12/2018

Shire of Gingin Monthly Statement of Financial Activity
1 July to 31 October 2018

Statement of Financial Activity by Program

	Current Annual Budget	Current YTD Budget	YTD Actual	Var. $	Var. %	Timing/Permanent	Comments
OPENING FUNDING SURPLUS (DEFICIT)	1,509,994	1,509,994	1,105,430	(404,564)	(26.79)%	Permanent	Variance relates to adjustment for Leave Liability not included in Budget Calculation
REVENUE FROM OPERATING ACTIVITIES							
GENERAL PURPOSE FUNDING	1,121,521	373,824	285,184	(88,640)	(23.71)%	Timing	
GENERAL PURPOSE FUNDING - RATES	7,937,123	7,919,115	7,892,178	(26,937)	(0.34)%		
GOVERNANCE	50	16	0	(16)	(100.00)%	Timing	
LAW ORDER PUBLIC SAFETY	567,488	189,132	325,353	136,221	72.02%	Timing	BRPC Grant Funded by DFES in full
EDUCATION & WELFARE	105,500	35,164	30,975	(4,189)	(11.91)%	Timing	
HEALTH	316,848	105,604	219,036	113,432	107.41%	Timing	Includes Voluntary Fly Levy raised which will vary
HOUSING	22,200	7,392	8,145	753	10.19%	Timing	
COMMUNITY AMENITIES	1,491,573	1,373,629	1,567,181	193,552	14.09%	Timing	
RECREATION & CULTURE	234,708	78,204	47,104	(31,100)	(39.77)%	Timing	
TRANSPORT	179,057	59,680	208,808	149,128	249.88%	Timing	
ECONOMIC SERVICES	1,687,847	562,576	418,128	(144,448)	(25.68)%	Timing	
OTHER PROPERTY & SERVICES	325,550	108,508	166,374	57,866	53.33%	Timing	
TOTAL REVENUE	13,989,465	10,812,844	11,168,466	355,622	3.29%		
EXPENDITURE FROM OPERATING ACTIVITIES							
GENERAL PURPOSE FUNDING	(359,061)	(119,672)	(159,755)	(40,083)	(33.49)%	Timing	
GOVERNANCE	(1,086,849)	(362,184)	(371,373)	(9,189)	(2.54)%	Timing	
LAW ORDER PUBLIC SAFETY	(1,516,634)	(505,128)	(444,171)	60,957	12.07%	Timing	
EDUCATION & WELFARE	(213,405)	(74,513)	(48,155)	26,358	35.37%	Timing	
HEALTH	(808,727)	(272,516)	(250,858)	21,658	7.95%	Timing	
HOUSING	(40,509)	(14,846)	(8,670)	6,176	41.60%	Timing	
COMMUNITY AMENITIES	(2,798,660)	(939,383)	(592,521)	346,862	36.92%	Timing	
RECREATION & CULTURE	(3,233,764)	(1,103,846)	(652,829)	451,017	40.86%	Timing	
TRANSPORT	(4,481,577)	(1,500,102)	(763,111)	736,991	49.13%	Timing	
ECONOMIC SERVICES	(1,466,484)	(493,964)	(370,486)	123,478	25.00%	Timing	
OTHER PROPERTY & SERVICES	(602,530)	(209,739)	(150,299)	59,440	28.34%	Timing	
TOTAL EXPENSES	(16,608,200)	(5,595,893)	(3,812,227)	1,783,666	31.87%		
OPENING ACTIVITIES EXCLUDED FROM BUDGET							
ADJUST BACK DEPRECIATION	4,333,416	1,444,416	0	(1,444,416)	(100.00)%	Timing	
NON-CASH ADJUSTMENT	0	0	22	-22			
ADJUST (PROFIT)/LOSS ON ASSET DISPOSALS	119,132	39,728	0	(74,728)	(188.10)%	Timing	

Shire of Gingin Monthly Statement of Financial Activity
1 July to 31 October 2018

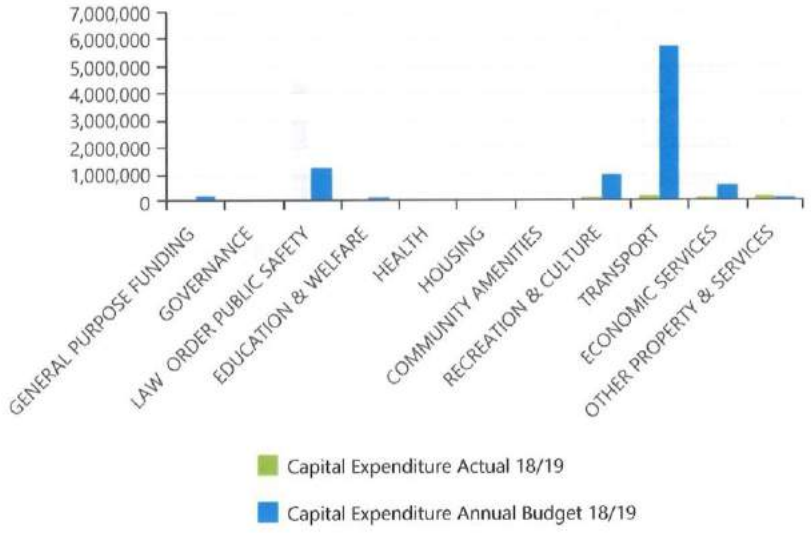
	Current Annual Budget	Current YTD Budget	YTD Actual	Var. $	Var. %	Timing/Permanent	Comments
AMOUNT ATTRIBUTABLE TO OPERATING ACTIVITIES	1,833,813	6,701,095	7,321,239	620,144	9.25%		
INVESTING ACTIVITIES							
NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS	5,006,278	1,802,072	1,337,937	(464,135)	(25.76)%	Timing	
PROCEEDS FROM DISPOSAL OF ASSETS	128,455	42,808	35,000	(7,808)	(18.24)%	Timing	
PURCHASE LAND AND BUILDINGS	(916,207)	(250,012)	(181,926)	68,086	27.23%	Timing	
PURCHASE INFRASTRUCTURE ASSETS - ROADS	(4,705,611)	(1,566,220)	(70,907)	1,495,313	95.47%	Timing	
PURCHASE INFRASTRUCTURE ASSETS - PARKS	(666,540)	(218,824)	(165,640)	53,184	24.30%	Timing	
PURCHASE PLANT AND EQUIPMENT	(1,479,675)	(493,196)	(27,825)	465,371	94.36%	Timing	
PURCHASE FURNITURE AND EQUIPMENT	(116,880)	(38,948)	(19,811)	19,137	49.14%	Timing	
PURCHASE FOOTPATHS	(200,000)	(66,664)	(106,690)	(40,026)	(60.04)%	Timing	
PURCHASE OTHER INFRASTRUCTURE	(54,000)	(17,992)	(9,783)	8,209	45.63%	Timing	
PURCHASE INFRASTRUCTURE SEWERAGE	(400,000)	(133,332)	0	133,332	100.00%	Timing	
AMOUNT ATTRIBUTABLE TO INVESTING ACTIVITIES	(3,404,180)	(940,308)	790,355	1,730,663	184.05%		
FINANCING ACTIVITIES							
PROCEEDS FROM NEW DEBENTURES	455,740	141,664	0	(141,664)	(100.00)%	Timing	
PROCEEDS FROM SELF-SUPPORTING LOANS	6,353	2,116	0	(2,116)	(100.00)%	Timing	
TRANSFERS TO RESERVES (RESTRICTED ASSETS)	(193,602)	(64,504)	(4,673)	59,831	92.76%	Timing	
TRANSFERS FROM RESERVES (RESTRICTED ASSETS)	564,858	128,208	0	(128,208)	(100.00)%	Timing	
ADVANCES FROM COMMUNITY GROUPS							
REPAYMENT OF DEBENTURES	(205,446)	(67,750)	(66,997)	753	1.11%		
SELF-SUPPORTING LOANS RAISED	(55,740)	(8,332)	0	8,332	100.00%	Timing	
PROCEEDS FROM ADVANCES	11,986	3,992	5,902	1,910	47.85%	Timing	
RESTRICTED CASH	(523,777)	(189,592)	15,000	204,592	107.91%	Timing	
AMOUNT ATTRIBUTABLE TO FINANCING ACTIVITIES	60,372	(54,198)	(50,768)	3,430	6.33%		
CLOSING FUNDING SURPLUS(DEFICIT)	0	7,216,583	9,201,278	1,949,673	27.02%		

Shire of Gingin Financial Statement of Activity
1 July 2018 to 31 October 2018

Acquisition of Assets & Other Non-Capital Expenditure

By Program

	Capital Expenditure Actual 18/19	Capital Expenditure Annual Budget 18/19
GENERAL PURPOSE FUNDING	4,673	183,990
GOVERNANCE	0	2,500
LAW ORDER PUBLIC SAFETY	13,548	1,205,400
EDUCATION & WELFARE	1,003	105,000
HEALTH	12,821	28,066
HOUSING	127	0
COMMUNITY AMENITIES	19,987	74,362
RECREATION & CULTURE	125,012	971,580
TRANSPORT	213,205	5,718,286
ECONOMIC SERVICES	138,905	571,610
OTHER PROPERTY & SERVICES	172,675	132,907
TOTAL	701,956	8,993,701

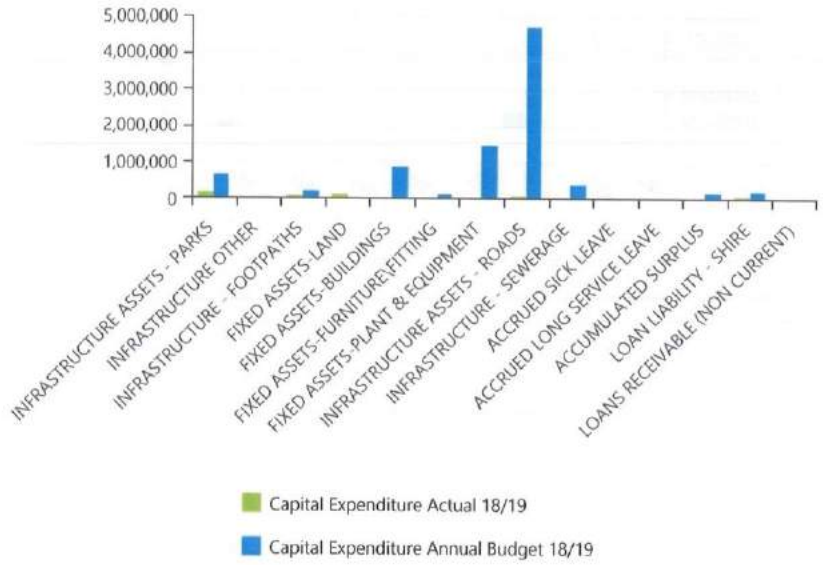


Shire of Gingin Financial Statement of Activity
1 July 2018 to 31 October 2018

Acquisition of Assets & Other Non-Capital Expenditure (cont.)

By Category

	Capital Expenditure Actual 18/19	Capital Expenditure Annual Budget 18/19
ACCRUED SICK LEAVE	3,641	0
ACCRUED LONG SERVICE LEAVE	44,063	0
LOAN LIABILITY - SHIRE	66,997	205,446
FIXED ASSETS-LAND	119,152	40,000
FIXED ASSETS-BUILDINGS	62,774	876,207
FIXED ASSETS-FURNITURE\FITTING	19,811	116,880
FIXED ASSETS-PLANT & EQUIPMENT	27,825	1,479,675
INFRASTRUCTURE ASSETS - ROADS	70,907	4,705,611
INFRASTRUCTURE ASSETS - PARKS	165,640	666,540
INFRASTRUCTURE OTHER	9,783	54,000
INFRASTRUCTURE - FOOTPATHS	106,690	200,000
LOANS RECEIVABLE (NON CURRENT)	0	55,740
INFRASTRUCTURE - SEWERAGE	0	400,000
ACCUMULATED SURPLUS	4,673	193,602
TOTAL	701,956	8,993,701



Shire of Gingin Monthly Financial Statement of Activity
1 July to 31 October 2018

Disposal of Assets

Disposal of Assets	Annual Budget	Actuals
05 LAW ORDER PUBLIC SAFETY		
SALE OF ASSETS		
05118010 Sale Of Vehicles (Fire)		-35,000
05318015 Sale Of Ranger's D/Cab Utility 4wd GG073	15,000	
05318020 Sale Of Ranger's D/Cab Utility 4wd GG074	15,000	
Total SALE OF ASSETS	30,000	-35,000
LOSS ON SALE OF ASSETS		
05307400 Loss On Sale Of Assets	-26,798	
Total LOSS ON SALE OF ASSETS	-26,798	
Total 05 LAW ORDER PUBLIC SAFETY	3,202	-35,000
12 TRANSPORT		
SALE OF ASSETS		
12318203 Sale of Husqvana Mower Mower GG095	4,000	
12318918 Sale of Mitsubishi Bobtail GG060	25,455	
12318929 Sale of Kanga GG040	2,000	
12318945 Sale GG061 - Ford Utility	2,000	
12318954 Sale of Mitsubishi Canter Truck GG048	25,000	
12318960 Sale of Bomag Roller GG029	40,000	
Total SALE OF ASSETS	98,455	
LOSS ON SALE OF ASSETS		
12307400 Loss On Sale Of Assets	-92,334	
Total LOSS ON SALE OF ASSETS	-92,334	
Total 12 TRANSPORT	6,121	
TOTAL	9,323	-35,000

Shire of Gingin Statement of Financial Activity
1 July to 31 October 2018

Information on Borrowings

Loan	Opening Balance	New Loan	Principal (Actuals)	Principal (Budget)	Principal Outstanding (Actual)	Principal Outstanding (Budget)	Interest (Actuals)	Interest (Budget)
100 GG Medical Centre	185,141		12,821	13,033	172,320	172,108	6,026	5,818
103 GG Sale Yards	6,354		3,129	3,177	3,224	3,177	188	144
111 Wannamal West Road	469,334		8,150	8,283	461,184	461,051	15,230	15,098
114 Guilderton Country Club Extensions	434,545		0	0	434,545	434,545	0	0
120 Regional Hardcourt Facility	304,695		0	0	304,695	304,695	0	0
123 Lot 44 Weld St	199,400		7,066	7,189	192,334	192,211	6,939	6,816
124A Regional Hardcourt Facility	294,026		0	0	294,026	294,026	0	0
126 Loan 126 Gingin Aquatic Centre Tiling	123,574		6,865	6,918	116,709	116,656	1,915	1,862
127 Seabird Seawall Extension	185,113		9,837	9,899	175,276	175,214	2,323	2,262
128 Lancelin Caravan Park Assets	181,108		19,130	19,251	161,978	161,849	2,282	2,161
131 Guilderton Caravan Park Waste Water	0	400,000	0	0	0	400,000	0	0
TOTAL	2,383,287	400,000	66,997	67,747	2,316,292	2,715,540	34,903	34,161

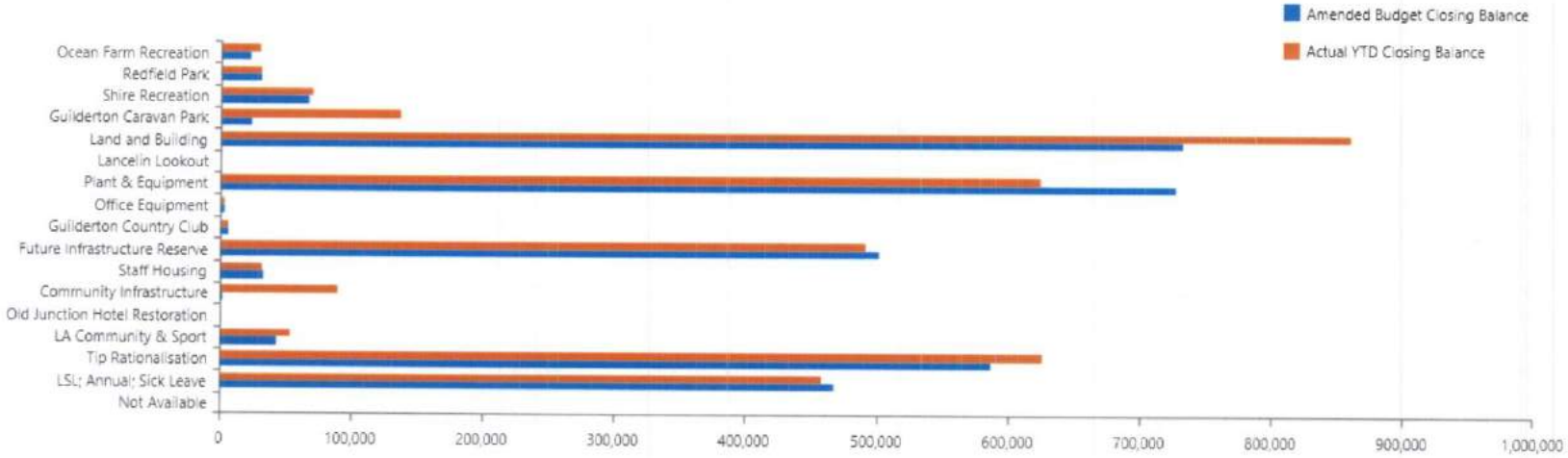
Shire of Gingin Statement of Financial Activity
1 July to 31 October 2018

Cash- Backed Reserves

Reserve	Opening Balance	Amended Budget Interest Earned	Actual Interest Earned	Amended Budget Transfers-In (+)	Actual Transfers-In (+)	Amended Budget Transfers-Out (-)	Actual Transfers-Out (-)	Amended Budget Closing Balance	Actual YTD Closing Balance
01 LSL; Annual; Sick Leave and Staff Contingency	457,923	10,015	610					467,938	**458,533**
02 Office Equipment Reserve	2,841	342	4					3,183	**2,845**
03 Plant and Equipment Reserve	623,669	2,989	831	100,000				726,658	**624,500**
04 Lancelin Lookout Reserve									
05 Land and Buildings Reserve	858,805	17,852	1,144	8,600		152,900		732,357	**859,949**
06 Guilderton Caravan Park Reserve	137,226	1,198	183			115,000		23,424	**137,409**
07 Shire Recreation Development Reserve	69,861	23,989	93			27,302		66,548	**69,955**
08 Redfield Park Reserve	30,366	581	40					30,947	**30,406**
09 Ocean Farm Recreation Reserve	30,068	714	40			7,635		23,147	**30,108**
10 Tip Rationalisation Reserve	625,112	13,608	833			52,000		586,720	**625,945**
11 Lancelin Community Sport and Recreation Reserve	53,292	956	71			10,960		43,288	**53,363**
12 Old Junction Hotel Reserve									
13 Community Infrastructure	89,201	1,707	119			89,061		1,847	**89,319**
14 Staff Housing Reserve	32,383	620	43					33,003	**32,426**
15 Future Infrastructure Reserve	491,055	10,375	654					501,430	**491,710**
16 Guilderton Country Club Reserve	5,846	56	8					5,902	**5,854**
TOTAL	3,507,648	85,002	4,673	108,600		454,858		3,246,392	**3,512,321**

Shire of Gingin Statement of Financial Activity
1 July to 31 October 2018

Year-to-date Reserve Balances



Shire of Gingin Statement of Financial Activity
1 July to 31 October 2018

Net Current Assets

	Actual YTD (18/19)	Balance Forwarded
CURRENT ASSETS		
Cash - Unrestricted	5,095,928	87,251
Cash - Restricted Reserves	3,512,321	3,507,648
Cash - Restricted General	760,906	760,906
Rates - Current	3,738,047	1,098,376
Sundry Debtors	668,624	805,936
Inventories	104,797	30,494
Total Current Assets:	**13,880,623**	**6,290,611**
LESS: CURRENT LIABILITIES		
Payables	(189,283)	(652,090)
Employee Provisions	(947,900)	(995,603)
Accrued Interest on Loans	(29,840)	(29,840)
Long Term Borrowings (Current)	(138,446)	(205,444)
Total Current Liabililties:	**(1,305,470)**	**(1,882,977)**
Total	**12,575,153**	**4,407,635**
Less: Cash - Restricted Reserves	(3,512,321)	(3,507,648)
Add: Current Portion of Debentures	138446	205444
NET CURRENT ASSET POSITION	**9,201,278**	**1,105,430**

Shire of Gingin Statement of Financial Activity
1 July to 31 October 2018

Rating Information

Rating Information	Rates - Property Count	Rateable Value	General Rate	Minimum Rate	Interim Rate	Ex Gratia Rates	Other	TOTAL
_ Not Available								
03010005 Grv - Townsites 8.5169	1,761	28,789,481	2,451,971					2,451,971
03010006 Grv - Other 8.5169	957	15,379,672	1,309,871					1,309,871
03010010 Uv - Rural 0.4960	454	272,021,000	1,349,224					1,349,224
03010015 Uv - Other 0.4960	1	2,800,000	13,888					13,888
03010018 Uv - Intensive 0.8821	123	63,980,000	564,368					564,368
03010025 Grv - Townsites @ $1017	870	6,627,132		884,790				884,790
03010026 Grv - Other @ $1017	718	3,971,566		730,206				730,206
03010030 Uv - Rural @ $1285	377	68,663,490		458,745				458,745
03010035 Uv - Other @ $1285	3	653,000		29,555				29,555
03010038 Uv - Intensive @ $2285	93	15,279,185		212,505				212,505
03010045 Interim Rates					-2,680			-2,680
03010046 Interims - Back Rates					-21,359			-21,359
03010078 Concession - Intensive							-88,906	-88,906
Total _ Not Available	5,357	478,164,526	5,689,322	2,315,801	-24,039		-88,906	7,892,178
TOTAL	5,357	478,164,526	5,689,322	2,315,801	-24,039		-88,906	7,892,178

Shire of Gingin Statement of Financial Activity
1 July to 31 October

Trust Funds

Trust Type	Opening Balance	Amount Received	Amount Paid	Closing Balance
CAR PARKING CASH IN LIEU	13,013.71			13,013.71
BOND	12,487.04			12,487.04
COMMUNITY GROUPS TRUST	4,292.94			4,292.94
DOROTHY WEDGE TRUST	6,326.70			6,326.70
EXCAVATION BONDS	26,095.92			26,095.92
FOOTPATH/CROSSOVER BONDS	5,981.80			5,981.80
LANDSCAPING BOND	49,767.08			49,767.08
OLD JUNCTION HOTEL TRUST	1,742.94			1,742.94
OTHER BONDS/TRUSTS	21,117.04	1,137.20	(444.36)	21,809.88
PUBLIC OPEN SPACE	45,715.17			45,715.17
REHABILITATION BONDS	85,831.51			85,831.51
SUBDIVISION BONDS	207,138.50			207,138.50
SECOND HAND DWELLINGS BONDS	47,638.50			47,638.50
STAFF TRUST	22,655.23	20,466.00	(2,750.00)	40,371.23
TRUST INTEREST	3,749.90	1,313.10		5,063.00
TREE PLANTING BONDS	5,456.22			5,456.22
TOTAL	559,010.20	22,916.30	(3,194.36)	578,732.14

APPENDIX 2

MONTHLY FINANCIAL REPORT

(Containing the Statement of Financial Activity)

FOR THE PERIOD OF 1 JULY 2018 TO 30 NOVEMBER 2018

LOCAL GOVERNMENT ACT 1995

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATION 1996

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SHIRE OF GINGIN

For the period 1 July to 30 November 2018

Key Information

Report Purpose:

This report is prepared to meet the requirements of Local Government (Financial Management) Regulations 1996, Regulation 34.

Items of Significance:

The material variance adopted by the City/Town/Shire of Gingin for the 2018/19 year is $10,000 or 10% whichever is the greater. The following selected items have been highlighted due to the amount of the variance to the budget or due to the nature of the revenue/expenditure.

Note: The Statements are prepared based on all transactions recorded at the time of preparation and may vary due to transactions being processed for the reporting period after the date of preparation.

Prepared by: Ziggy Edwards
Date Prepared: 9/12/2018

Shire of Gingin Statement of Financial Activity
1 July to 30 November 2018

Statement of Financial Activity by Program

	Current Annual Budget	Current YTD Budget	YTD Actual	Var. $	Var. %		Timing/ Permanent	Comments
OPENING FUNDING SURPLUS (DEFICIT)	1,509,994	1,509,994	1,105,430	(404,564)	(26.79)%	▼	Permanent	Variance relates to adjustment for Leave Liability not included in Budget Calculation
REVENUE FROM OPERATING ACTIVITIES								
GENERAL PURPOSE FUNDING	1,121,521	467,280	529,371	62,091	13.29%	▲	Timing	
GENERAL PURPOSE FUNDING - RATES	7,937,123	7,921,363	7,891,167	(30,196)	(0.38)%			
GOVERNANCE	50	20	0	(20)	(100.00)%		Timing	
LAW ORDER PUBLIC SAFETY	567,488	236,415	341,483	105,068	44.44%	▲	Timing	BRPC Grant Funded by DFES in full
EDUCATION & WELFARE	105,500	43,955	38,073	(5,882)	(13.38)%			
HEALTH	316,848	132,005	237,566	105,561	79.97%	▲	Timing	Includes Voluntary Fly Levy raised which will vary
HOUSING	22,200	9,240	9,945	705	7.63%		Timing	
COMMUNITY AMENITIES	1,491,573	1,388,363	1,593,609	205,246	14.78%	▲	Timing	
RECREATION & CULTURE	234,708	97,755	63,805	(33,950)	(34.73)%	▼	Timing	
TRANSPORT	179,057	74,600	214,940	140,340	188.12%	▲	Timing	
ECONOMIC SERVICES	1,687,847	703,220	535,765	(167,455)	(23.81)%	▼	Timing	
OTHER PROPERTY & SERVICES	325,550	135,635	394,519	258,884	190.87%	▲	Timing	
TOTAL REVENUE	13,989,465	11,209,851	11,850,242	640,391	5.71%			
EXPENDITURE FROM OPERATING ACTIVITIES								
GENERAL PURPOSE FUNDING	(359,061)	(149,590)	(174,645)	(25,055)	(16.75)%	▼		
GOVERNANCE	(1,086,849)	(452,730)	(423,041)	29,689	6.56%			
LAW ORDER PUBLIC SAFETY	(1,516,634)	(640,056)	(543,511)	96,545	15.08%	▲	Timing	
EDUCATION & WELFARE	(213,405)	(90,414)	(56,984)	33,430	36.97%	▲	Timing	
HEALTH	(808,727)	(338,203)	(299,619)	38,584	11.41%	▲		
HOUSING	(40,509)	(17,579)	(8,967)	8,612	48.99%		Timing	
COMMUNITY AMENITIES	(2,798,660)	(1,169,531)	(744,725)	424,806	36.32%	▲	Timing	
RECREATION & CULTURE	(3,233,764)	(1,375,024)	(854,686)	520,338	37.84%	▲	Timing	

Shire of Gingin Statement of Financial Activity
1 July to 30 November 2018

	Current Annual Budget	Current YTD Budget	YTD Actual	Var. $	Var. %		Timing/ Permanent	Comments
TRANSPORT	(4,481,577)	(1,873,130)	(897,511)	975,619	52.08%	▲	Timing	
ECONOMIC SERVICES	(1,466,484)	(615,002)	(471,365)	143,638	23.36%	▲	Timing	
OTHER PROPERTY & SERVICES	(602,530)	(257,855)	(185,303)	72,552	28.14%	▲	Timing	
TOTAL EXPENSES	(16,608,200)	(6,979,114)	(4,660,357)	2,318,757	33.22%	▲	Timing	
OPENING ACTIVITIES EXCLUDED FROM BUDGET								
ADJUST BACK DEPRECIATION	4,333,416	1,805,520	0	(1,805,520)	(100.00)%	▼	Timing	
ADJUST (PROFIT)/LOSS ON ASSET DISPOSALS	119,132	49,660	0	(84,660)	(170.48)%	▼	Timing	
NON-CASH ADJUSTMENT	0	0	1,208	(18,510)	(34.59)%	▼	Timing	
AMOUNT ATTRIBUTABLE TO OPERATING ACTIVITIES	1,833,813	6,085,917	7,154,885	1,068,968	17.56%	▲		
INVESTING ACTIVITIES								
NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS	5,006,278	2,002,590	1,733,727	(268,863)	(13.43)%	▼	Timing	
PROCEEDS FROM DISPOSAL OF ASSETS	128,455	53,510	35,000	(18,510)	(34.59)%	▼	Timing	
PURCHASE LAND AND BUILDINGS	(916,207)	(314,253)	(187,206)	127,047	40.43%	▲	Timing	
PURCHASE INFRASTRUCTURE ASSETS - ROADS	(4,705,611)	(1,958,622)	(367,085)	1,591,537	81.26%	▲	Timing	
PURCHASE INFRASTRUCTURE ASSETS - PARKS	(666,540)	(274,780)	(179,815)	94,965	34.56%	▲	Timing	
PURCHASE PLANT AND EQUIPMENT	(1,479,675)	(616,495)	(29,615)	586,880	95.20%	▲	Timing	
PURCHASE FURNITURE AND EQUIPMENT	(116,880)	(48,685)	(21,102)	27,583	56.66%	▲		
PURCHASE FOOTPATHS	(200,000)	(83,330)	(106,690)	(23,360)	(28.03)%	▼	Timing	
PURCHASE OTHER INFRASTRUCTURE	(54,000)	(22,490)	(25,182)	(2,692)	(11.97)%		Timing	
PURCHASE INFRASTRUCTURE SEWERAGE	(400,000)	(166,665)	0	166,665	100.00%	▲	Timing	
AMOUNT ATTRIBUTABLE TO INVESTING ACTIVITIES	(3,404,180)	(1,429,220)	852,033	2,281,253	159.62%	▲		
FINANCING ACTIVITIES								
PROCEEDS FROM NEW DEBENTURES	455,740	177,080	0	(177,080)	(100.00)%	▼	Timing	
PROCEEDS FROM SELF-SUPPORTING LOANS	6,353	2,645	0	(2,645)	(100.00)%		Timing	

Shire of Gingin Statement of Financial Activity
1 July to 30 November 2018

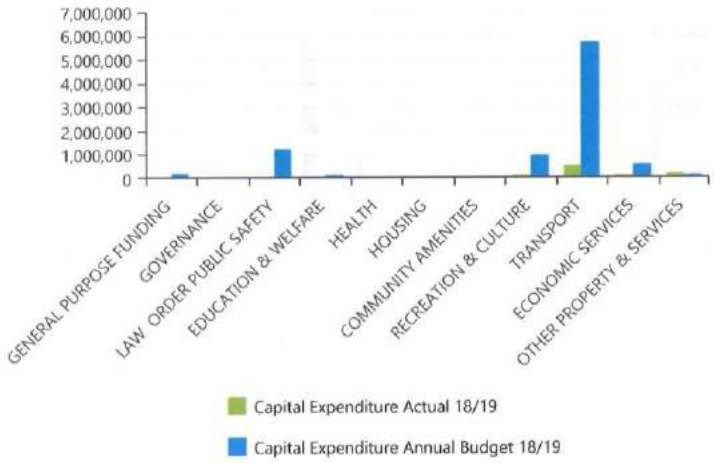
	Current Annual Budget	Current YTD Budget	YTD Actual	Var. $	Var. %		Timing/ Permanent	Comments
TRANSFERS TO RESERVES (RESTRICTED ASSETS)	(193,602)	(80,630)	(27,239)	53,391	66.22%	▲	Timing	
TRANSFERS FROM RESERVES (RESTRICTED ASSETS)	564,858	182,786	0	(182,786)	(100.00)%	▼	Timing	
REPAYMENT OF DEBENTURES	(205,446)	(83,279)	(82,253)	1,026	1.23%			
SELF-SUPPORTING LOANS RAISED	(55,740)	(10,415)	0	10,415	100.00%	▲	Timing	
PROCEEDS FROM ADVANCES	11,986	4,990	5,902	912	18.28%		Timing	
RESTRICTED CASH	(523,777)	(236,990)	15,045	252,035	106.35%	▲	Timing	
AMOUNT ATTRIBUTABLE TO FINANCING ACTIVITIES	60,372	(43,813)	(88,545)	(44,732)	(102.10)%	▼		
CLOSING FUNDING SURPLUS(DEFICIT)	0	6,122,878	9,060,012	2,900,926	47.38%	▲		

Shire of Gingin Financial Statement of Activity
1 July 2018 to 30 November 2018

Acquisition of Assets & Other Non-Capital Expenditure

By Program

	Capital Expenditure Actual 18/19	Capital Expenditure Annual Budget 18/19
GENERAL PURPOSE FUNDING	27,239	183,990
GOVERNANCE	1,291	2,500
LAW ORDER PUBLIC SAFETY	13,548	1,205,400
EDUCATION & WELFARE	1,231	105,000
HEALTH	12,821	28,066
HOUSING	127	0
COMMUNITY AMENITIES	19,987	74,362
RECREATION & CULTURE	155,693	971,580
TRANSPORT	526,572	5,718,286
ECONOMIC SERVICES	138,905	571,610
OTHER PROPERTY & SERVICES	176,477	132,907
TOTAL	1,073,690	8,993,701

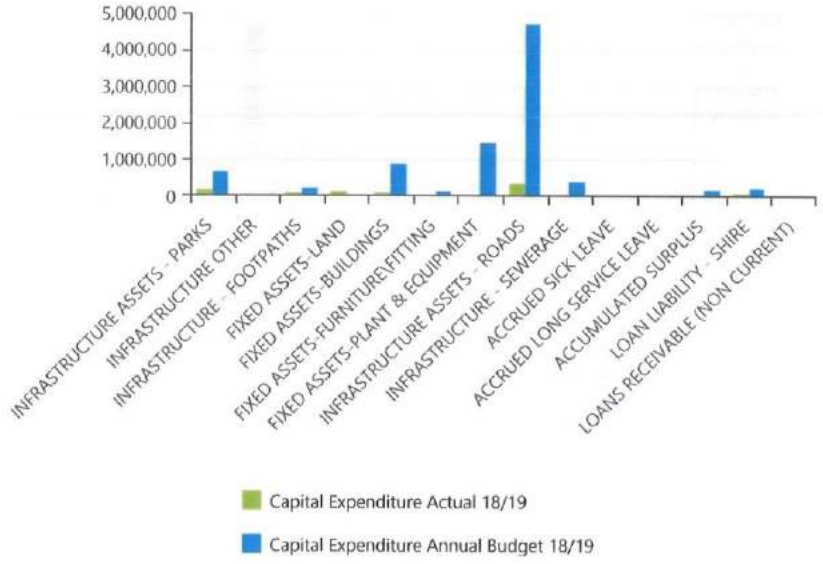


Shire of Gingin Financial Statement of Activity
1 July 2018 to 30 November 2018

Acquisition of Assets & Other Non-Capital Expenditure (cont.)

By Category

	Capital Expenditure Actual 18/19	Capital Expenditure Annual Budget 18/19
ACCRUED SICK LEAVE	3,641	0
ACCRUED LONG SERVICE LEAVE	44,063	0
LOAN LIABILITY - SHIRE	82,253	205,446
FIXED ASSETS-LAND	119,192	40,000
FIXED ASSETS-BUILDINGS	68,014	876,207
FIXED ASSETS-FURNITURE\FITTING	21,102	116,880
FIXED ASSETS-PLANT & EQUIPMENT	29,615	1,479,675
INFRASTRUCTURE ASSETS - ROADS	367,085	4,705,611
INFRASTRUCTURE ASSETS - PARKS	179,815	666,540
INFRASTRUCTURE OTHER	25,182	54,000
INFRASTRUCTURE - FOOTPATHS	106,690	200,000
LOANS RECEIVABLE (NON CURRENT)	0	55,740
INFRASTRUCTURE - SEWERAGE	0	400,000
ACCUMULATED SURPLUS	27,239	193,602
TOTAL	1,073,890	8,993,701



Shire of Gingin Statement of Financial Activity
1 July to 30 November 2018

Disposal of Assets

Disposal of Assets	Annual Budget	Actuals
05 LAW ORDER PUBLIC SAFETY		
SALE OF ASSETS		
05118010 Sale Of Vehicles (Fire)		-35,000
05318015 Sale Of Ranger's D/Cab Utility 4wd GG073	15,000	
05318020 Sale Of Ranger's D/Cab Utility 4wd GG074	15,000	
Total SALE OF ASSETS	30,000	-35,000
LOSS ON SALE OF ASSETS		
05307400 Loss On Sale Of Assets	-26,798	
Total 290 LOSS ON SALE OF ASSETS	-26,798	
Total 05 LAW ORDER PUBLIC SAFETY	3,202	-35,000
12 TRANSPORT		
SALE OF ASSETS		
12318203 Sale of Husqvana Mower Mower GG095	4,000	
12318918 Sale of Mitsubishi Bobtail GG060	25,455	
12318929 Sale of Kanga GG040	2,000	
12318945 Sale GG061 - Ford Utility	2,000	
12318954 Sale of Mitsubishi Canter Truck GG048	25,000	
12318960 Sale of Bomag Roller GG029	40,000	
Total SALE OF ASSETS	98,455	
LOSS ON SALE OF ASSETS		
12307400 Loss On Sale Of Assets	-92,334	
Total LOSS ON SALE OF ASSETS	-92,334	
Total 12 TRANSPORT	6,121	
TOTAL	9,323	-35,000

Shire of Gingin Statement of Financial Activity
1 July to 30 November 2018

Information on Borrowings

Loan	Opening Balance	New Loan	Principal (Actuals)	Principal (Budget)	Principal Outstanding (Actual)	Principal Outstanding (Budget)	Interest (Actuals)	Interest (Budget)
100 GG Medical Centre	185,141		12,821	13,033	172,320	172,108	6,026	5,818
103 GG Sale Yards	6,354		3,129	3,177	3,224	3,177	188	144
111 Wannamal West Road	469,334		8,150	8,283	461,184	461,051	15,230	15,098
114 Guilderton Country Club Extensions	434,545		15,256	15,529	419,289	419,016	15,513	15,241
120 Regional Hardcourt Facility	304,695		0	0	304,695	304,695	0	0
123 Lot 44 Weld St	199,400		7,066	7,189	192,334	199,276	6,939	6,816
124A Regional Hardcourt Facility	294,026		0	0	294,026	294,026	0	0
126 Loan 126 Gingin Aquatic Centre Tiling	123,574		6,865	6,918	116,709	116,656	1,915	1,862
127 Seabird Seawall Extension	185,113		9,837	9,899	175,276	175,214	2,323	2,262
128 Lancelin Caravan Park Assets	181,108		19,130	19,251	161,978	161,849	2,282	2,161
131 Guilderton Caravan Park Waste Water	0	400,000	0	0	0	400,000	0	0
TOTAL	2,383,287	400,000	82,253	83,279	2,301,034	2,701,011	50,417	49,402

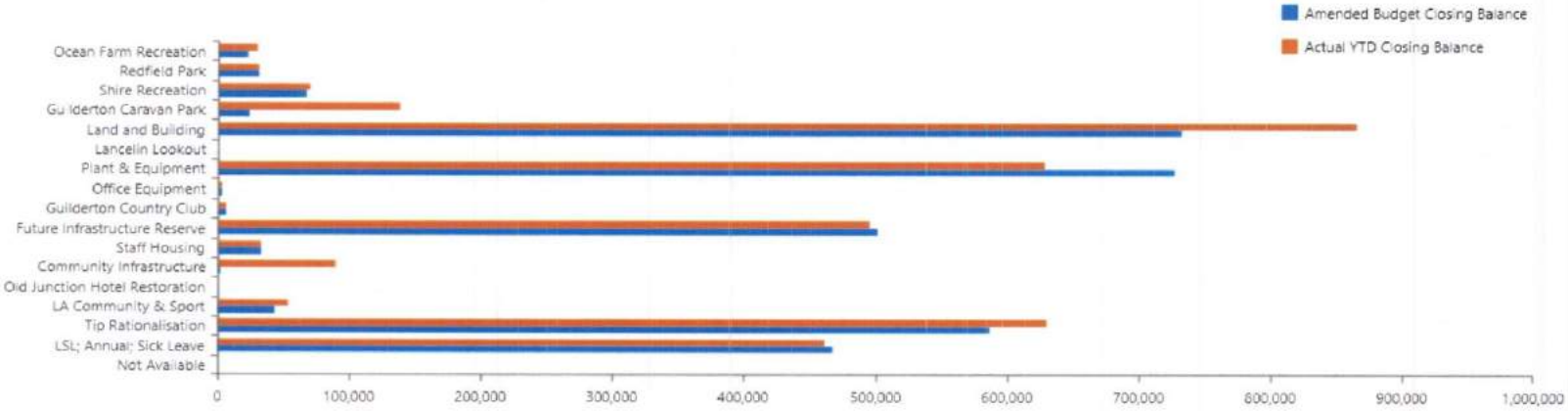
Shire of Gingin Statement of Financial Activity
1 July to 30 November 2018

Cash-Backed Reserves

Reserve	Opening Balance	Amended Budget Interest Earned	Actual Interest Earned	Amended Budget Transfers-In (+)	Actual Transfers-In (+)	Amended Budget Transfers-Out (-)	Actual Transfers-Out (-)	Amended Budget Closing Balance	Actual YTD Closing Balance
01 LSL; Annual; Sick Leave and Staff Contingency	457,923	10,015	3,556					467,938	**461,479**
02 Office Equipment Reserve	2,841	342	22					3,183	**2,863**
03 Plant and Equipment Reserve	623,669	2,989	4,843	100,000				726,658	**628,512**
04 Lancelin Lookout Reserve									
05 Land and Buildings Reserve	858,805	17,852	6,669	8,600		152,900		732,357	**865,474**
06 Guilderton Caravan Park Reserve	137,226	1,198	1,066			115,000		23,424	**138,292**
07 Shire Recreation Development Reserve	69,861	23,989	543			27,302		66,548	**70,404**
08 Redfield Park Reserve	30,366	581	236					30,947	**30,601**
09 Ocean Farm Recreation Reserve	30,068	714	234			7,635		23,147	**30,302**
10 Tip Rationalisation Reserve	625,112	13,608	4,854			52,000		586,720	**629,967**
11 Lancelin Community Sport and Recreation Reserve	53,292	956	414			10,960		43,288	**53,706**
12 Old Junction Hotel Reserve									
13 Community Infrastructure	89,201	1,707	693			89,061		1,847	**89,893**
14 Staff Housing Reserve	32,383	620	251					33,003	**32,634**
15 Future Infrastructure Reserve	491,055	10,375	3,813					501,430	**494,869**
16 Guilderton Country Club Reserve	5,846	56	45					5,902	**5,892**
TOTAL	3,507,648	85,002	27,239	108,600		454,858		3,246,392	**3,534,888**

Shire of Gingin Statement of Financial Activity
1 July to 30 November 2018

Year-to-date Reserve Balances



Shire of Gingin Statement of Financial Activity
1 July to 30 November 2018

Net Current Assets

	Actual YTD (18/19)	Balance Forwarded
CURRENT ASSETS		
Cash - Unrestricted	5,908,404	87,251
Cash - Restricted Reserves	3,534,888	3,507,648
Cash - Restricted General	760,906	760,906
Rates - Current	3,082,933	1,098,376
Sundry Debtors	357,760	805,936
Inventories	129,562	30,494
Total Current Assets:	**13,774,452**	**6,290,611**
LESS: CURRENT LIABILITIES		
Payables	(201,812)	(652,090)
Employee Provisions	(947,900)	(995,603)
Accrued Interest on Loans	(29,840)	(29,840)
Long Term Borrowings (Current)	(123,191)	(205,444)
Total Current Liabililties:	**(1,302,743)**	**(1,882,977)**
Total	**12,471,709**	**4,407,635**
Less: Cash - Restricted Reserves	(3,534,888)	(3,507,648)
Add: Current Portion of Debentures	123,191	205,444
NET CURRENT ASSET POSITION	**9,060,012**	**1,105,430**

Shire of Gingin Statement of Financial Activity
1 July to 30 November 2018

Rating Information

Rating Information		Rates - Property Count	Rateable Value	General Rates	Minimum Rates	Interim Rates	Ex Gratia Rates	Other	TOTAL
03010005 Grv - Townsites	8.5169	1,761	28,789,481	2,451,971					2,451,971
03010006 Grv - Other	8.5169	957	15,379,672	1,309,871					1,309,871
03010010 Uv - Rural	0.4960	454	272,021,000	1,349,224					1,349,224
03010015 Uv - Other	0.4960	1	2,800,000	13,888					13,888
03010018 Uv - Intensive	0.8821	123	63,980,000	564,368					564,368
03010025 Grv - Townsites	@ $1017	870	6,627,132		884,790				884,790
03010026 Grv - Other	@ $1017	718	3,971,566		730,206				730,206
03010030 Uv - Rural	@ $1285	377	68,663,490		458,745				458,745
03010035 Uv - Other	@ $1285	3	653,000		29,555				29,555
03010038 Uv - Intensive	@ $2285	93	15,279,185		212,505				212,505
03010045 Interim Rates						-3,691			-3,691
03010046 Interims - Back Rates						-21,359			-21,359
03010078 Concession - Intensive								-88,906	-88,906
TOTAL		5,357	478,164,526	5,689,322	2,315,801	-25,051		-88,906	7,891,167

Shire of Gingin Statement of Financial Activity
1 July to 30 November 2018

Trust Funds

Trust Type	Opening Balance	Amount Received	Amount Paid	Closing Balance
CAR PARKING CASH IN LIEU	13,013.71			13,013.71
BOND	12,487.04			12,487.04
COMMUNITY GROUPS TRUST	4,292.94			4,292.94
DOROTHY WEDGE TRUST	6,326.70			6,326.70
EXCAVATION BONDS	26,095.92			26,095.92
FOOTPATH/CROSSOVER BONDS	5,981.80			5,981.80
LANDSCAPING BOND	49,767.08			49,767.08
OLD JUNCTION HOTEL TRUST	1,742.94			1,742.94
OTHER BONDS/TRUSTS	21,117.04	1,309.00	(456.46)	21,969.58
PUBLIC OPEN SPACE	45,715.17			45,715.17
REHABILITATION BONDS	85,831.51			85,831.51
SUBDIVISION BONDS	207,138.50			207,138.50
SECOND HAND DWELLINGS BONDS	47,638.50			47,638.50
STAFF TRUST	22,655.23	25,114.00	(5,950.00)	41,819.23
TRUST INTEREST	3,749.90	1,654.78		5,404.68
TREE PLANTING BONDS	5,456.22			5,456.22
TOTAL	559,010.20	28,077.78	(6,406.46)	580,681.52

11.3. PLANNING AND DEVELOPMENT

11.3.1 SHIRE OF GINGIN LOCAL PLANNING SCHEME NO. 9 - SCHEME AMENDMENT NO. 20 LOT 39 (NO. 56) HOY ROAD, COONABIDGEE FINAL ADOPTION

File:	LND/684
Applicant:	Altus Planning
Location:	Lot 39 (No. 56) Hoy Road, Coonabidgee
Owner:	Shadowline Pty Ltd & Bluegum Holdings Pty Ltd
Zoning:	Rural Industry
WAPC No:	N/A
Author:	Kylie Bacon – Acting Executive Manager Planning and Development
Reporting Officer:	Aaron Cook – Chief Executive Officer
Report Date:	18 December 2018
Refer:	21 November 2017 Item 11.3.1 21 August 2018 Item 11.3.1
Appendices:	1. Location Plan and Aerial 2. Scheme Documents 3. Schedule of Submissions

DISCLOSURES OF INTEREST

Nil

PURPOSE

To consider final adoption of proposed Scheme Amendment No. 20 to Local Planning Scheme No. 9 (LPS 9) to:

1. Introduce into Schedule 2 – Additional Uses the following:

No.	Description of lands	Additional use	Conditions
24	Lot 39 (No. 56) Hoy Road, Coonabidgee.	Resource Recovery Centre – premises other than a waste disposal facility used for the recovery of resources from waste.	1. All development on the site shall be subject to application to the local authority for approval to commence development. 2. The proposal is limited to the sorting and processing of cardboard, newspaper, aluminium cans, steel cans, liquid paperboard, plastics (numbers 1-5) and glass. 3. Other recyclable materials for sorting and processing may be considered at the discretion of the local authority.

2. Amend the scheme maps accordingly.

BACKGROUND

Section 75 of the *Planning and Development Act 2005* allows a local government authority to amend its local planning scheme with the approval of the Minister for Planning. Council at its meeting on 21 August 2018 resolved to initiate Scheme Amendment No. 20 for the purposes of advertising.

This amendment is considered to be a "standard amendment", as the proposal will have a minimal impact on land in the Scheme area that is not the subject of the amendment, and will not result in any significant environmental, social, economic or governance impacts on land in the Scheme area.

The subject land is zoned Rural Industry under LPS 9 with frontage to Hoy Road. It has an area of approximately 2.17 hectares (ha) and is located in the locality of Coonabidgee. The subject land lies approximately 64km to the north-east of the Perth Central Business District and approximately 5km west of the Gingin townsite.

Specifically, the subject land is bounded by:

- Hoy Road to the north;
- Lot 39 (No. 62) Hoy Road to the east, which is currently being used to store transportable buildings that have returned from mine sites;
- Lot 40 (No. 46) Hoy Road to the west which exists with two outbuildings; and
- A vacant Crown Allotment measuring approximately 72.84ha to the south.

The subject land currently operates as a concrete batching plant and comprises of a precast concrete shed/warehouse, a transportable/demountable office building, numerous water tanks and associated hard stand areas.

The surrounding locality is commonly known as Frogmore Rural Industrial Area.

The Applicant is proposing a Scheme Amendment for the Additional Use of a Resource Recovery Centre (RRC) to allow for the operation of a Material Recovery Facility (MRF) on the subject land. Specifically, the MRF will be used to sort the comingled recycling product that Avon Waste collects from the Shire and surrounding municipal areas. The purpose of these collections is to divert recyclable material from entering landfill.

It is proposed that all activities will be conducted within the existing tilt up concrete shed that was formerly used by Tuss Concrete (now KPRM Pty Ltd). It is envisaged that Avon Waste will be processing approximately 90 tonnes per week of comingled material, consisting of cardboard, newspaper, aluminium cans, steel cans, liquid paperboard, plastics (numbers 1-5) and glass. All sorting will be done inside enclosed air-conditioned rooms.

It is proposed that the MRF will operate Monday to Friday, 8:00am to 4:00pm, although expectations are that the current volumes will only require the MRF to operate 2-3 days per week. It is also anticipated that the facility will employ ten (10) people.

Site plans are attached as **Appendix 1.** A copy of the Scheme Amendment is attached as **Appendix 2**.

COMMENT

Community Consultation

The proposal was advertised in accordance with Regulation 47 of the *Planning and Development (Local Planning Schemes) Regulations 2015* for a period of 42 days. This included writing to the surrounding landowners within approximately 500 metres from the subject lot, placing a sign on the site and advertisement in the West Australian newspaper.

Furthermore, the required state agencies were advertised to, including referral to the Environmental Protection Authority (EPA) who advised that the proposed scheme amendment should not be assessed under Part IV Division 3 of the *Environmental Protection Act 1986* (the Act) and that it was not deemed necessary to provide any advice or recommendations.

The Shire has received two submissions from the community and three responses from state agencies all providing general comment, including the one from the EPA. A Schedule of Submissions is attached as **Appendix 3.**

Planning Assessment

Local Planning Scheme No. 9 (LPS 9):

The subject land is currently zoned 'Rural Industry' pursuant to the Shire's LPS 9.

The proposal under LPS 9 is considered to be defined as a 'Landfill Site'. Pursuant to Table 1 – Zoning Table of LPS 9, 'Landfill Site' is an 'X' (not permitted) use within the 'Rural Industry' zone.

Schedule 1, Section 2 of LPS 9 provides a series of land use definitions and defines 'Landfill Site' as follows:

"landfill site" *means land where waste including Landfill Classes I to V as defined within the Department of Environmental Protection (Department of Environment and Conservation) document titled Landfill Waste Classification and Waste Definitions 1996 (as amended) is stored, processed, recycled or buried;*

Whilst it is maintained that the intended operations fall within the above all-encompassing definition for 'Landfill Site', the Shire acknowledges the proposal's point of difference in that the MRF does not have the same impacts, particularly in terms of its visual presentation, dust, odour and other environmental aspects of a landfill site in its traditional sense of a rubbish tip.

Isolating the proposed additional use to 'Resource Recovery Centre' as defined in Schedule 1, Part 6, clause 39 of the Regulations will achieve the applicant's intent and remove any negative connotations and ambiguity with regards to the use of the 'Landfill Site' definition.

The Regulations define a Resource Recovery Centre as follows:

'Means premises other than a waste disposal facility used for the recovery of resources from waste'.

Clause 3.2.5 of LPS9 provides the following objective for the 'Rural Industry' zone:

The objective of the Rural Industry Zone is to:

(a) provide for a range of industrial land uses on rural-living sized lots where people can work and live on the same property.

The subject lot is currently being used by KPRM Pty Ltd (formerly Tuss Concrete) as a concrete batching plant, which will also continue to operate from part of the subject land.

The Applicant's operations will be conducted entirely within the existing concrete tilt up shed, which has walls with a thickness of approximately 200mm and will only operate on weekdays between the hours of 8.00am and 4.00pm.

The permissible uses outlined in the Zoning Table for the Rural Industry zone allow for uses with similar or greater amenity impacts upon the locality than that of this proposal. Buffer distances between industrial and sensitive land uses are further explained in more detail below.

The proposed scheme amendment is considered to be consistent with the objectives of the 'Rural Industry' zone and specific provisions of the proposal are conditioned to ensure that other variations of what is associated with the processing of waste is not permitted.

Parking and Traffic Implications

In terms of vehicle movements, 3-4 truck movements (rigid 6x4 configuration collection vehicles) are anticipated each day. It should be noted, however, that these vehicle movements are already occurring as the trucks are currently stored at the subject land overnight. Therefore, the proposal will not result in any additional truck movements. Under the proposed development, these trucks will enter the site full, unload into the shed and then park up for the night. One semi-trailer load will also visit the site three times per week, carrying contents from the York facility.

Table 3 of LPS 9 outlines the parking requirements for various uses defined within the Scheme. There is no stated minimum parking requirement for RRC. Notwithstanding this, clause 4.7.2.5 states that where there is no provision made in Table 3 for the number of car parking spaces required for a particular use, the requirement shall be determined by the local government.

In this regard, the subject land currently exists with 38 car parking spaces (two of which are marked for 'Disabled Parking Only'. Given the Applicant's operations will employ ten people and will attract few visitors, if any, the existing parking arrangement is considered sufficient with approximately 28 bays remaining available for the continuation of the concrete batching plant.

Shire of Gingin's Local Planning Strategy 2012

In accordance with Figure 2 of the Shire's Local Planning Strategy from February 2012 ('the Strategy'), the subject land is contained within the 'Rural Industry' zone, consistent with LPS 9. There is otherwise no further express reference to the 'Rural Industry' zone within the Strategy.

Environmental Protection Authority Separation Distances between Industrial and Sensitive Land Uses No. 3

The Environmental Protection Authority Separation Distances between Industrial and Sensitive Land Uses No. 3 June 2005 (EPA Separation Distances) requires the following separation distances between the proposed use and the closest habitable dwelling.

Industry	Description of Industry	Buffer Distance (Metres)
Waste Depot	Premises on which waste is stored or sorted, pending final disposal or re-use.	200m
Waste – Resource Recovery Plant	Premises on which solid waste is stored, reprocessed, treated or discharged.	case by case

The proposed RRC fits across the two industries identified in the table above.

The closest lawful habitable dwelling is located north of the subject lot (Lot 55 Hoy Road) and is approximately 170 metres away.

Whilst it is acknowledged that there are, and the zoning allows for, residences within the 'Rural Industry' zone, the majority (if not all) of the residents are associated with industrial operations occurring within the zone. They therefore have different amenity expectations to those in true rural/rural residential areas.

Furthermore, these residents would also understand any potential health and wellbeing impacts associated with the area and would reside elsewhere if they were particularly sensitive to these.

The RRC is being located inside an existing outbuilding on the subject lot and is not considered to result in a detrimental impact to the surrounding area, nor is the proposed amendment considered to be contrary to the zone objectives.

State Planning Policy No. 3.7 – Planning in Bushfire Prone Areas (SPP 3.7)

SPP 3.7 provides a foundation for land use planning to address bushfire risk management. The subject lot is designated as being bushfire prone.

Accordingly, the Applicant has engaged the services of Bushfire Prone Planning to prepare a Bushfire Management Plan ('BMP') for the site. The existing outbuilding where the proposed MRF is being located designates a rating of BAL 19.

The BMP states that the proposed development can achieve compliance with the Bushfire Protection Criteria, subject to the measures contained within the document.

STATUTORY ENVIRONMENT

Planning and Development Act (2005)
Planning and Development (Local Planning Schemes) Regulations 2015
Shire of Gingin Local Planning Scheme No.9
Shire of Gingin Local Planning Strategy

State Planning Policy No. 3.7 – Planning in Bushfire Prone Areas (SPP 3.7)

Environmental Protection Authority Separation Distances between Industrial and Sensitive Land Uses No. 3 June 2005

POLICY IMPLICATIONS

Nil

BUDGET IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Shire of Gingin Strategic Community Plan 2017-2027

Focus Area	*Natural Environment*
Objective	*2. To develop the Shire's capacity to support the conservation of natural assets and undertake sustainable resource management*
Outcome	*2.2 Sustainable Resource Management* *The Shire practises sustainable resource management within its operations and supports the community to do the same*
Key Service Areas	*Waste Services*
Priorities	*2.2.1 Improve Waste Services and support the Western Australian Waste Strategy*

VOTING REQUIREMENTS – SIMPLE MAJORITY

COUNCIL RESOLUTION/OFFICER RECOMMENDATION

MOVED: Councillor Johnson SECONDED: Councillor Rule

That Council:

1. **Resolve, pursuant to Section 87 of the *Planning and Development Act 2005*, to give final approval to Scheme Amendment No. 20 and to amend Shire of Gingin Local Planning Scheme No. 9 without modification in accordance with Regulation 50(3) of the *Planning and Development (Local Planning Schemes) Regulations 2015* by introducing into Schedule 2 – Additional Uses the following:**

No.	Description of lands	Additional use	Conditions
24	Lot 39 (No. 56) Hoy Road, Coonabidgee.	Resource Recovery Centre – premises other than a waste disposal facility used for the recovery of resources from waste.	1. All development on the site shall be subject to application to the local authority for approval to commence development. 2. The proposal is limited to the sorting and processing of cardboard, newspaper, aluminium cans, steel cans, liquid paperboard, plastics (numbers 1-5) and glass. 3. Other recyclable materials for sorting and processing may be considered at the discretion of the local authority.

2. **Agree to amend the scheme maps accordingly;**

3. **Resolve, pursuant to Regulation 35(2) of the *Planning and Development (Local Planning Schemes) Regulations 2015*, that Local Planning Scheme Amendment No. 20 is a standard scheme amendment in accordance with Regulation 34 of the Regulations, as the proposal will have a minimal impact on land in the Scheme area that is not the subject of the amendment, and will not result in any significant environmental, social, economic or governance impacts on land in the Scheme area.**

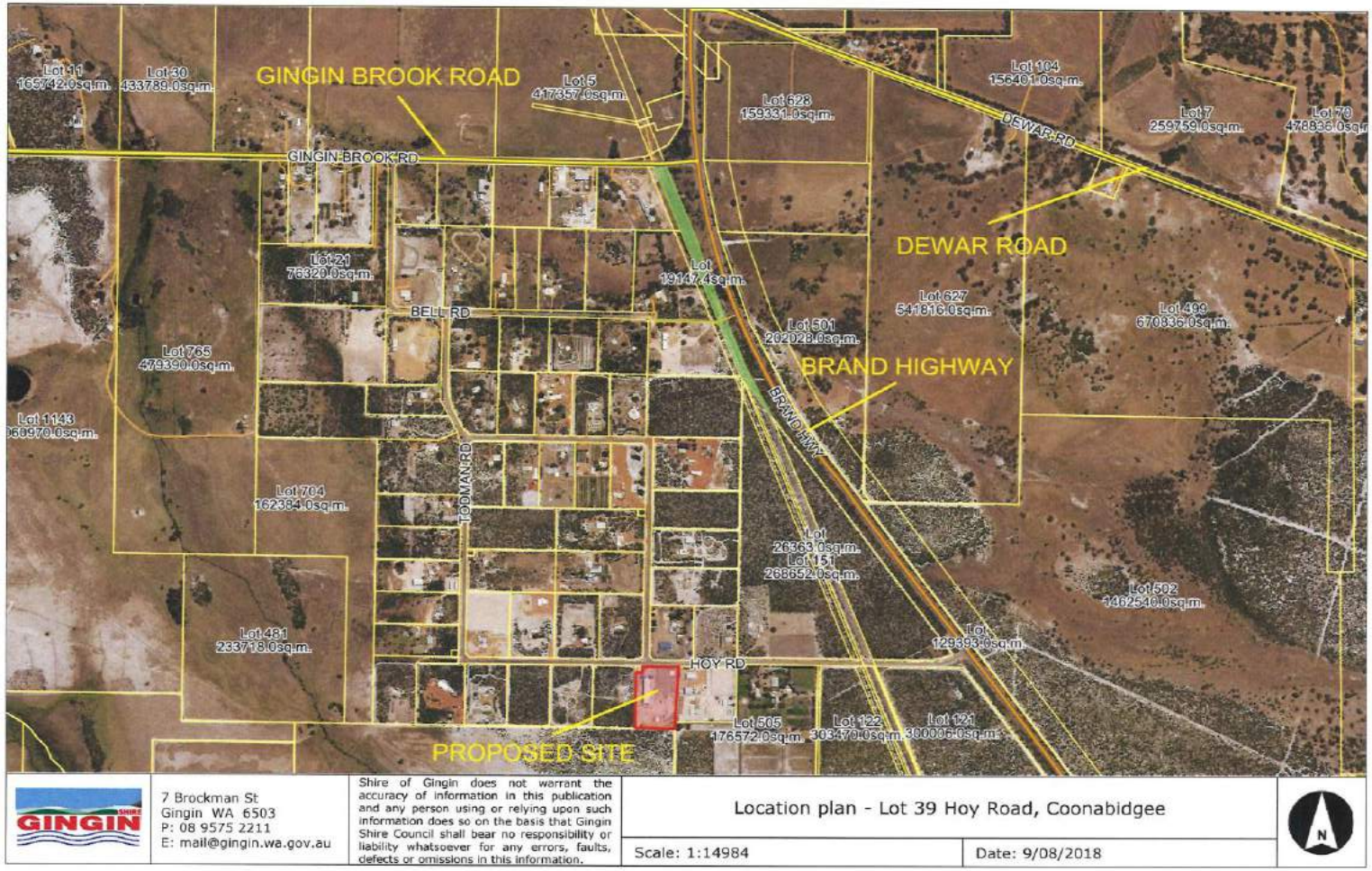
4. **Authorise the affixing of the Common Seal to and endorse the signing of the amendment documentation.**

5. **Pursuant to Regulation 58 of the Regulations, provide Local Planning Scheme Amendment No. 20 to the Western Australian Planning Commission.**

6. **Advise the Applicant and landowner/s accordingly.**

CARRIED UNANIMOUSLY

APPENDIX 1


GINGIN BROOK ROAD
GINGIN BROOK RD
DEWAR ROAD
DEWAR RD
BRAND HIGHWAY
BRAND HWY
BELL RD
TODMAN RD
HOY RD
PROPOSED SITE
Lot 11 165742.0sq.m.
Lot 30 433789.0sq.m.
Lot 5 417857.0sq.m.
Lot 628 159331.0sq.m.
Lot 104 1564010sq.m.
Lot 7 259759.0sq.m.
Lot 79 478836.0sq.m.
Lot 21 76329.0sq.m.
Lot 1 19147.4sq.m.
Lot 627 541816.0sq.m.
Lot 499 670836.0sq.m.
Lot 501 202028.0sq.m.
Lot 765 479390.0sq.m.
Lot 1143 969970.0sq.m.
Lot 704 162384.0sq.m.
Lot 26363.0sq.m.
Lot 151 288852.0sq.m.
Lot 502 1462540.0sq.m.
Lot 481 233718.0sq.m.
Lot 505 176572.0sq.m.
Lot 122 303470.0sq.m.
Lot 121 380006.0sq.m.
7 Brockman St
Gingin WA 6503
P: 08 9575 2211
E: mail@gingin.wa.gov.au
Shire of Gingin does not warrant the accuracy of information in this publication and any person using or relying upon such information does so on the basis that Gingin Shire Council shall bear no responsibility or liability whatsoever for any errors, faults, defects or omissions in this information.
Location plan - Lot 39 Hoy Road, Coonabidgee
Scale: 1:14984
Date: 9/08/2018
N

Lot 56
25566.0sq.m.
Lot 55
24949.8sq.m.
SADLER RD
Lot 36
20534.3sq.m.
Lot 150
20564.0sq.m.
HOY RD
Lot 40
22861.6sq.m.
Lot 39
21690.5sq.m.
Lot 38
28544.9sq.m.
GINGIN
7 Brockman St
Gingin WA 6503
P: 08 9575 2211
E: mail@gingin.wa.gov.au
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Aerial map - Lot 39 Hoy Road, Coonabidgee
Scale: 1:1609
Date: 9/08/2018
N

APPENDIX 2

PROPOSED SCHEME AMENDMENT TO SHIRE OF GINGIN LOCAL PLANNING SCHEME NO. 9

Insert 'Resource Recovery Centre' as an Additional Use for Lot 39 (No. 56) Hoy Road, Coonabidgee

Prepared by

ALTUS PLANNING

August 2018

Disclaimer

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Prepared for: Avon Waste

Prepared by: Altus Planning
68 Canning Highway
SOUTH PERTH WA 6151

Phone: (08) 9474 1449
contact@altusplan.com.au
www.altusplan.com.au

Document Version Control				
Version	**Date**	**Description**	**Author**	**Review**
1	19/06/18	Initial	BL	JA
2	01/08/18	Amend wording to 'Resource Recovery Centre'	BL	JA
3	09/08/18	Resolution Pages	BL	BL

PLANNING AND DEVELOPMENT ACT 2005

RESOLUTION DECIDING TO AMEND A LOCAL PLANNING SCHEME

SHIRE OF GINGIN

LOCAL PLANNING SCHEME NO. 9

AMENDMENT NO. 20

That Council in pursuance of Part 5 of the *Planning and Development Act 2005*, amends Local Planning Scheme No. 3 by:

1. Inserting the following into Schedule 2 – Additional Uses:

Description of lands	Additional use	Conditions
Lot 39 (No. 56) Hoy Road, Coonabidgee.	Resource Recovery Centre – premises other than a waste disposal facility used for the recovery of resources from waste.	1. All development on the site shall be subject to application to the local authority for approval to commence development. 2. The proposal is limited to the sorting and processing of cardboard, newspaper, aluminium cans, steel cans, liquid paperboard, plastics (numbers 1-5) and glass. 3. Other recyclable materials for sorting and processing may be considered at the discretion of the local authority.

2. Amending the Scheme Map accordingly.

Subject to amendment documents and the required administration fee being submitted, the documents being adopted by Council and the Amendment being formally advertised for 42 days in accordance with

the provisions of the *Local Planning Scheme (Regulations) 2015*, with reference to the Western Australian Planning Commission.

Dated this 3rd **day of** September **20**18

(Chief Executive Officer)

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1.0 Background

1.1 Purpose

This submission has been prepared by Altus Planning on behalf of Avon Waste ('the Applicant') as the relevant background and planning justification for an amendment to the Shire of Gingin ('the Shire') Local Planning Scheme No. 9 ('LPS9' or 'the Scheme'). The purpose of this amendment is to include 'Resource Recovery Centre' as an Additional Use ('the proposed amendment' or 'proposal') at Lot 39 (No. 56) Hoy Road, Coonabidgee ('the subject land' or 'land').

This request follows Council's decision at its meeting on 21 November 2017 to refuse a development application for a 'Landfill Site' at the subject land as such a use was not permitted within the 'Rural Industry' zone. However, Council also noted in its determination that they would agree to consider a proposed scheme amendment for the proposed land use.

1.2 Property Description

The subject land is more fully described as Lot 39 on Plan 17506 contained within Certificate of Title Volume 1877 Folio 407 (refer to **Attachment 1 & 2** for a copy of the Certificate of Title and Landowner Consent) and is located in the locality of Coonabidgee, approximately 64km to the north-east of the Perth Central Business District and approximately 5km west of the Gingin town centre.

Specifically, the subject land exists as a rural-industrial landholding fronting Hoy Road, Coonabidgee and measures approximately 21,690m² (2.17ha). The subject land is bound by:

- Hoy Road to the north;
- Lot 39 (No. 62) Hoy Road to the east which is currently being used to store transportable buildings that have returned from mine sites;
- Lot 40 (No. 46) Hoy Road to the west which exists with two (2) outbuildings, one of which appears to be utilised as a dwelling; and
- A vacant Crown Allotment measuring approximately 728,434m² (72.84ha) to the south.

The subject land currently operates as a concrete batching plant and comprises of a precast concrete shed/warehouse, a transportable/demountable office building, numerous water tanks and associated hardstand areas.

The immediate surrounding locality is comprised of a rather broad and peculiar mix of development and land uses in that it includes mechanical repairs, transport depots, storage yards, and what appear to be a number of rural-residential properties. Aerial imagery with a cadastral overlay of the subject land and surrounding area is provided at **Attachment 3**, with photos at **Attachment 4**.

2.0 Proposal

The Applicant is proposing a Scheme Amendment to allow for the use of 'Resource Recovery Centre' on the subject land for the purposes of operating a Material Recovery Facility ('MRF'). Specifically, the MRF will be used to sort the comingled recycling product that Avon Waste collects from the Shire and surrounding municipal areas. The purpose of these collections is to divert recyclable material from entering landfill.

It is proposed that all activities will be conducted within the existing tilt up concrete shed that was formerly used by Tuss Concrete (now KPRM Pty Ltd). It is envisaged that Avon Waste will be processing approximately 90 tonnes per week of comingled material, consisting of cardboard, newspaper, aluminium cans, steel cans, liquid paperboard, plastics (numbers 1-5) and glass. All sorting will be done inside enclosed air-conditioned rooms. Baled product will then be stored inside the shed and taken to market as soon as possible dependant on transport logistics. Specifically, cardboard, newsprint and plastic will be taken to Canning Vale; glass to Bindoon; steel and aluminium to Malaga; and residual waste to landfill in Northam.

In terms of vehicle movements, 3-4 truck movements (rigid 6x4 configuration collection vehicles) are anticipated each day however it should be noted that these trucks are already entering the site as they are stored at the subject land overnight and therefore there are no additional truck movements in this regard. Under the proposed development, these trucks will enter the site full, unload into the shed and then park up for the night. One (1) semi-trailer load will also visit the site 3 times per week, carrying contents from the York facility.

It is proposed that the MRF will operate Monday to Friday, 8:00am to 4:00pm, although expectations are that the current volumes will only require the MRF to operate 2-3 days per week. It is also anticipated that the facility will employ ten (10) people.

Concept plans of the proposed development (subject to a future development application being lodged following the completion of the process) are provided at **Attachment 5**.

3.0 Planning Considerations

3.1 Shire of Gingin Local Planning Scheme No. 9

3.1.1 Land Use Permissibility

The subject land is currently zoned 'Rural Industry' pursuant to the Shire's LPS9.

Pursuant to Table 1 – Zoning Table of LPS9, 'Landfill Site' is an 'X' (not permitted) use within the 'Rural Industry' zone.

Schedule 1, Section 2 of LPS9 provides a series of land use definitions and defines 'Landfill Site' as follows:

> ***"landfill site"*** *means land where waste including Landfill Classes I to V as defined within the Department of Environmental Protection (Department of Environment and Conservation) document titled Landfill Waste Classification and Waste Definitions 1996 (as amended) is stored, processed, recycled or buried;*

Whilst it is acknowledged that the Applicant's intended operations fall within the above all-encompassing definition for 'Landfill Site', we submit that there should be a point of difference as the exact purpose of the proposed development is to divert material from landfill and the MRF does not have the same impacts, particularly in terms of its visual presentation, dust, odour and other environmental impacts.

Accordingly, the Applicant submits that a more appropriate land use classification is 'Resource Recovery Centre' which, whilst not defined within LPS9, is defined at Schedule 1, clause 38 of the *Planning and Development (Local Planning Schemes) Regulations 2015* ('LPS Regulations') as follows:

> ***"resource recovery centre*** *means premises other than a waste disposal facility used for the recovery of resources from waste"*

This land use classification for the proposed amendment has been agreed to in discussions with the Shire's officers.

For clarity, a 'Waste Disposal Facility' is also defined at Schedule 1, clause 38 of the LPS Regulations as follows:

> ***"waste disposal facility*** *means premises used —*
> *(a) for the disposal of waste by landfill; or*
> *(b) the incineration of hazardous, clinical or biomedical waste"*

Clause 3.2.5 of LPS9 provides the following objective for the 'Rural Industry' zone:

> *The objective of the Rural Industry Zone is to:*
>
> *(a) provide for a range of industrial land uses on rural-living sized lots where people can work and live on the same property.*

The land is currently being used by KPRM Pty Ltd (formerly Tuss Concrete) as a concrete batching plant, which will continue to operate from part of the subject land, and to that extent the land has not and nor is it contemplated to incorporate a residential component.

Notwithstanding the above, it is acknowledged that some (but not all) properties within this particular 'Rural Industry' zone do exist with habitable buildings, including the land immediately to the west. However, as the Applicant's operations will be conducted entirely within the existing concrete tilt-up shed which has walls with a thickness of approximately 200mm and will

only operate on weekdays between the hours of 8:00am and 4:00pm, it is considered that the proposal will not have a detrimental impact on the adjoining or any surrounding residences.

Furthermore, due to the nature of the zoning and the permissible uses outlined in the Zoning Table, the amenity considerations are far different to other rural-residential or rural-living zones. It is also noted that the surrounding developments consist of motor vehicle repairs, transport depots and storage yards, all of which have far greater amenity impacts than that of this proposal.

For these reasons, we submit that the Applicant's intended operations are consistent with the objectives of the 'Rural Industry' zone and that the specific provisions of the proposal can be reflected within the Scheme text to ensure that other variations of landfill sites remain not permitted.

We also submit that the Applicant's intended operations are somewhat unique in terms of its purpose, and given the nature of its operations, is not in a field where there are a number of competitors who may similarly be interested in commencing a similar operation with the 'Rural Industry' zone or the municipal area more broadly. To that extent, we submit that the Shire should not be concerned that approval of the proposed development would set any form of undesirable precedent.

3.1.2 Parking Requirements

Table 3 of LPS9 outlines the parking requirements for various uses defined within the Scheme however there is no stated minimum parking requirement for the proposal. Notwithstanding this, clause 4.7.2.5 states that where there is no provision made in Table 3 for the number of car parking spaces required for a particular use, the requirement shall be determined by the local government.

In this regard, the subject land currently exists with a total of 38 car parking spaces (2 of which are marked for 'Disabled Parking Only'. Given the Applicant's operations will employ ten (10) people and will attract few visitors, if any, the existing parking arrangement is considered sufficient with approximately 28 bays remaining available for the continuation of the concrete batching plant.

3.2 Shire of Gingin Local Planning Strategy

The Shire's Local Planning Strategy from February 2012 ('the Strategy') is *"an expression of Council's vision for the Shire of Gingin over the next 15-20 years"*.

In accordance with Figure 2 of the Strategy, the subject land is contained within the 'Rural Industry' zone, consistent with LPS9. There is otherwise no further express reference to the 'Rural Industry' zone within the Strategy.

3.3 State Planning Policy No. 2.5 – Rural Planning & State Planning Policy No. 4.1 – State Industrial Buffer Policy

Given the peculiar mix of uses within the Shire's 'Rural Industry' zone, it is submitted that neither State Planning Policy No. 2.5 – Rural Planning ('SPP2.5') or State Planning Policy No. 4.1 – State Industrial Buffer Policy ('SPP4.1') are particularly relevant.

The objectives of SPP2.5 are to support existing and expanding primary production, as well as protecting and managing environmental, landscape and water resource assets. Whilst the zone refers to 'rural' in its name, the subject land and surrounding area is not used for agricultural purposes and nor does the subject land contain any significant environmental features as it is cleared/developed land.

As for SPP4.1, the objectives relate to protecting industry, infrastructure and other special uses from encroachment of incompatible uses and to provide for the safety and amenity of the surrounding land uses. Whilst it is acknowledged that there are, and the zoning allows for, residences within the 'Rural Industry' zone, we submit that the majority (if not all) of these residents are linked to the industrial operations occurring within the zone and therefore have different amenity expectations to those in true rural/rural residential areas. Furthermore, these residents would also understand any potential health and wellbeing impacts associated with the area and would reside elsewhere if they were particularly sensitive to these.

In addition, it is emphasised that the Applicant's intended operations will be conducted within the existing concrete tilt-up shed on-site and therefore will not result in any adverse visual impacts and will have minimal emissions by way of noise and odour due to the operations occurring indoors.

3.4 State Planning Policy No. 3.7 – Planning in Bushfire Prone Areas

In accordance with the Map of Bush Fire Prone Areas on the Department of Fire and Emergency Services ('DFES') website, the subject land is located within a State designated bushfire prone area.

Accordingly, the Applicant has engaged the services of Bushfire Prone Planning to prepare a Bushfire Management Plan ('BMP') for the site, a copy of which is provided at **Attachment 6**. The BMP states that the proposed development can achieve compliance with the Bushfire Protection Criteria, subject to the measures contained within the document.

3.5 Planning and Development (Local Planning Schemes) Regulations 2015

Pursuant to clause 34 of the LPS Regulations, the proposed amendment is considered to be a 'standard amendment' as it will have a minimal impact on land in the Scheme area that is not the subject of the amendment, and will not result in any significant environmental, social, economic or governance impacts on land in the Scheme area.

Accordingly, the proposed amendment is to be subject to the processes set out in Part 5, Division 3 of the LPS Regulations.

4.0 Conclusion

The proposed amendment seeks to include 'Resource Recovery Centre' as an Additional Use for the land located at Lot 39 (No. 56) Hoy Road, Coonabidgee.

For the reasons outlined in this submission, we submit that whilst the land falls within the broad land use classification of 'Landfill Site', the Applicant's intended operations have a point of difference and should be considered in accordance with the 'Resource Recovery Centre' land use definition from the LPS Regulations. Specifically, the Applicant seeks this amendment to enable the land to be utilised as a Material Recovery Facility which has the very purpose of diverting material from landfill.

Furthermore, the Applicant's intended operations will be contained within the existing concrete tilt-up shed on-site and a facility of this nature will not have the same impacts as a stereotypical landfill site (i.e. rubbish tip), particularly in terms of visual presentation, dust, odour and other environmental impacts.

Accordingly, the proposed amendment is not considered to be contrary to the zone objectives, is not considered to result in a detrimental impact to the amenity of the surrounding area, and nor will it set an undesirable precedent. For these reasons, we submit that the proposed amendment has merit and we look forward to Council's initiation of the amendment.

Altus Planning

PLANNING AND DEVELOPMENT ACT 2005

RESOLUTION TO AMEND LOCAL PLANNING SCHEME

SHIRE OF GINGIN

LOCAL PLANNING SCHEME NO. 9

AMENDMENT NO. 20

Resolved that the Local Government pursuant to section 75 of the *Planning and Development Act 2005*, amend the above Local Planning Scheme by:

1. Inserting the following into Schedule 2 – Additional Uses:

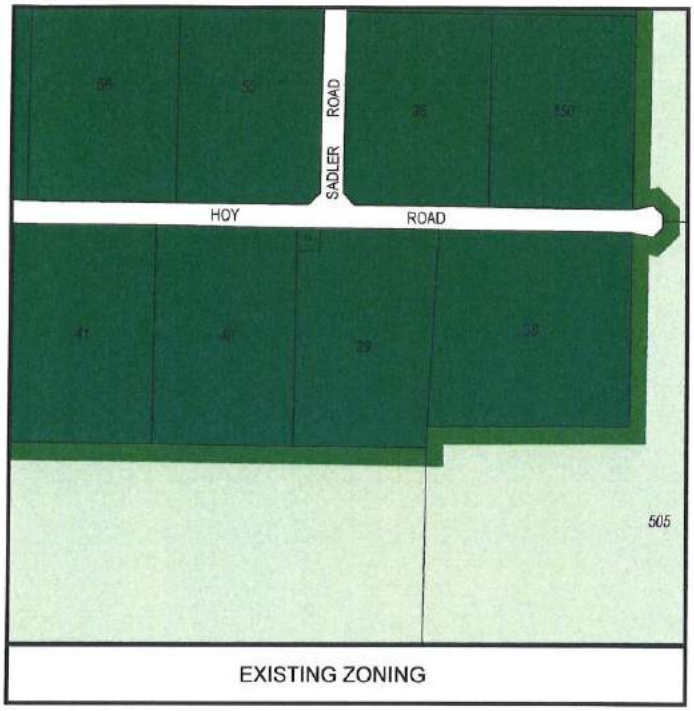
Description of lands	Additional use	Conditions
Lot 39 (No. 56) Hoy Road, Coonabidgee.	Resource Recovery Centre – premises other than a waste disposal facility used for the recovery of resources from waste.	1. All development on the site shall be subject to application to the local authority for approval to commence development. 2. The proposal is limited to the sorting and processing of cardboard, newspaper, aluminium cans, steel cans, liquid paperboard, plastics (numbers 1-5) and glass. 3. Other recyclable materials for sorting and processing may be considered at the discretion of the local authority.

2. Amending the Scheme Map accordingly.

Lot 39 (No. 56) Hoy Road, Coonabidgee

SHIRE OF GINGIN
LOCAL PLANNING SCHEME No. 9

Planning and Development Act 2005



EXISTING ZONING

LEGEND

LOCAL SCHEME RESERVES

ROADS

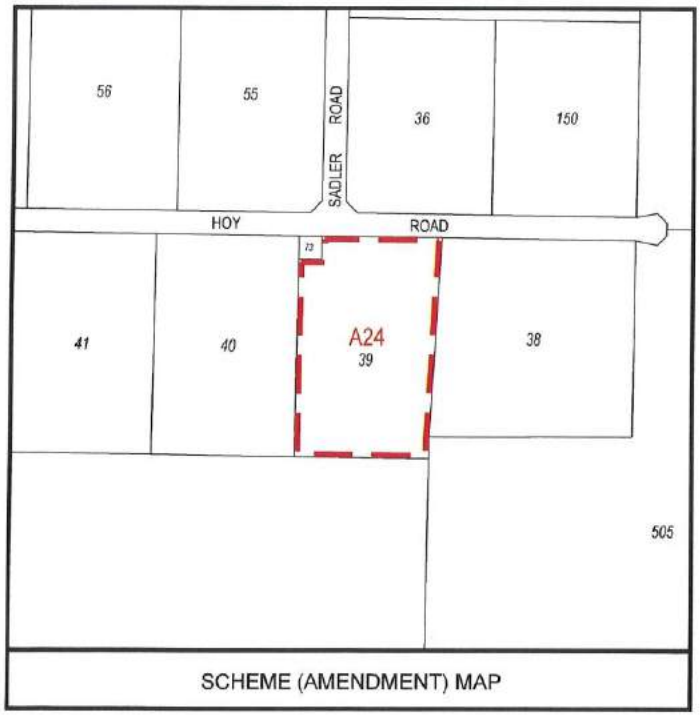
LOCAL SCHEME ZONES

GENERAL RURAL - CODED

RURAL INDUSTRY

OTHER CATEGORIES

A1 ADDITIONAL USES



SCHEME (AMENDMENT) MAP

N
SCALE: 1:5000
DATE: 31.07.2018

Amendment No.

COUNCIL ADOPTION

This Standard Amendment was adopted by resolution of the Council of the Shire of Gingin at the Ordinary Meeting of the Council held on the 21ST day of AUGUST, 2018.

J.B. Collard
.....
MAYOR

.....
CHIEF EXECUTIVE OFFICER

COUNCIL RESOLUTION TO ADVERTISE

by resolution of the Council of the Shire of Gingin at the Ordinary Meeting of the Council held on the 21st day AUGUST, 2018, proceed to advertise this Amendment.

J.B. Collard
.....
MAYOR

.....
CHIEF EXECUTIVE OFFICER

COUNCIL RECOMMENDATION

This Amendment is recommended for support by resolution of the Shire of Gingin at the Ordinary Meeting of the Council held on the _____ day of _____, 20_____ and the Common Seal of the Shire of Gingin was hereunto affixed by the authority of a resolution of the Council in the presence of:

.....
MAYOR

.....
CHIEF EXECUTIVE OFFICER

Lot 39 (No. 56) Hoy Road, Coonabidgee

WAPC ENDORSEMENT (r.63)

.....
DELEGATED UNDER S.16 OF THE P&D ACT 2005

DATE.....

APPROVAL GRANTED

.....
MINISTER FOR PLANNING

DATE.....

Lot 39 (No. 56) Hoy Road, Coonabidgee

ATTACHMENT 1 CERTIFICATE OF TITLE

Lot 39 (No. 56) Hoy Road, Coonabidgee

WESTERN AUSTRALIA

REGISTER NUMBER	
39/P17506	
DUPLICATE EDITION	DATE DUPLICATE ISSUED
3	26/11/2015

VOLUME	FOLIO
1877	407

RECORD OF CERTIFICATE OF TITLE
UNDER THE TRANSFER OF LAND ACT 1893

The person described in the first schedule is the registered proprietor of an estate in fee simple in the land described below subject to the reservations, conditions and depth limit contained in the original grant (if a grant issued) and to the limitations, interests, encumbrances and notifications shown in the second schedule.

REGISTRAR OF TITLES

LAND DESCRIPTION:

LOT 39 ON PLAN 17506

REGISTERED PROPRIETOR:
(FIRST SCHEDULE)

SHADOWLINE PTY LTD
BLUEGUM HOLDINGS PTY LTD
BOTH OF 34 CRAWFORD COURT YORK WA 6302
AS TENANTS IN COMMON IN EQUAL SHARES

(T N548145) REGISTERED 7/2/2017

LIMITATIONS, INTERESTS, ENCUMBRANCES AND NOTIFICATIONS:
(SECOND SCHEDULE)

1. *N548146 MORTGAGE TO NATIONAL AUSTRALIA BANK LTD REGISTERED 7/2/2017.

Warning: A current search of the sketch of the land should be obtained where detail of position, dimensions or area of the lot is required.
* Any entries preceded by an asterisk may not appear on the current edition of the duplicate certificate of title.
Lot as described in the land description may be a lot or location.

----------END OF CERTIFICATE OF TITLE----------

STATEMENTS:

The statements set out below are not intended to be nor should they be relied on as substitutes for inspection of the land and the relevant documents or for local government, legal, surveying or other professional advice.

SKETCH OF LAND:	1877-407 (39/P17506)
PREVIOUS TITLE:	1877-432
PROPERTY STREET ADDRESS:	56 HOY RD, COONABIDGEE.
LOCAL GOVERNMENT AUTHORITY:	SHIRE OF GINGIN

NOTE 1: DUPLICATE CERTIFICATE OF TITLE NOT ISSUED AS REQUESTED BY DEALING N548146

LANDGATE COPY OF ORIGINAL NOT TO SCALE Thu Aug 31 11:11:20 2017 JOB 54756141

Landgate
www.landgate.wa.gov.au

ATTACHMENT 2 LANDOWNER CONSENT

Lot 39 (No. 56) Hoy Road, Coonabidgee

9 March 2018

Chief Executive Officer
Shire of Gingin
PO Box 510
GINGIN WA 6503

Attention: Planning Administration

Dear Sir/Madam,

RE – CONSENT OF LANDOWNER/S

We refer to the enclosed application to initiate an amendment to the Shire of Gingin's Local Planning Scheme No. 9 as it relates to the land located at Lot 39 (No. 56) Hoy Road, Coonabidgee, more fully described as Lot 39 on Plan 17506 contained within Certificate of Title Volume 1877 Folio 407 (**"the Application"**).

This application has been made by Altus Planning in the capacity of planning consultants to the landowners.

The following companies are recorded as owners of the land:

1. Shadowline Pty Ltd
2. Bluegum Holdings Pty Lt

I/we, ASHLEY JAMES FISHER on behalf of Bluegum Holdings Pty Ltd, hereby consent to the Application being made in relation to the land described above.

Signature

ASHLEY FISHER
Name

DIRECTOR
Position Held

9 March 2018

Chief Executive Officer
Shire of Gingin
PO Box 510
GINGIN WA 6503

Attention: Planning Administration

Dear Sir/Madam,

RE – CONSENT OF LANDOWNER/S

We refer to the enclosed application to initiate an amendment to the Shire of Gingin's Local Planning Scheme No. 9 as it relates to the land located at Lot 39 (No. 56) Hoy Road, Coonabidgee, more fully described as Lot 39 on Plan 17506 contained within Certificate of Title Volume 1877 Folio 407 (**"the Application"**).

This application has been made by Altus Planning in the capacity of planning consultants to the landowners.

The following companies are recorded as owners of the land:

1. Shadowline Pty Ltd
2. Bluegum Holdings Pty Lt

I/~~we~~, ASHLEY JAMES FISHER on behalf of Shadowline Pty Ltd, hereby consent to the Application being made in relation to the land described above.

Signature

ASHLEY FISHER
Name

DIRECTOR
Position Held

ATTACHMENT 3 AERIAL/CADASTRE OF SUBJECT LAND AND SURROUNDS

Lot 39 (No. 56) Hoy Road, Coonabidgee

Figure 1: Aerial with cadastral overlay of subject land and surrounding area (Source: Landgate Map Viewer Plus 2018)

ATTACHMENT 4 PHOTOS OF SUBJECT LAND AND SURROUNDING PROPERTIES

Lot 39 (No. 56) Hoy Road, Coonabidgee

1

Photo 1: View of existing shed to be used for the proposal (eastern elevation)

Photo 2: Internal view of existing shed to be used for the proposal

Photo 3: View of existing shed to be used for the proposal (western elevation)

Photo 4: View of existing concrete batching plant to the south-east of the subject land

Photo 5: View into the adjoining property to the west (No. 46 Hoy Road)

Photo 6: View of the entrance to No. 46 Hoy Road

Photo 7: Service yard at No. 5 Hoy Road

Photo 8: Excavator hire operations at No. 53 Sadler Road

Photo 9: Storage yard at No. 76 Sadler Road

Photo 10: Transport depot/storage yard at No. 61 Hoy Road (immediately opposite subject land)

Photo 11: Further view of the transport depot/storage yard at No. 61 Hoy Road (immediately opposite subject land)

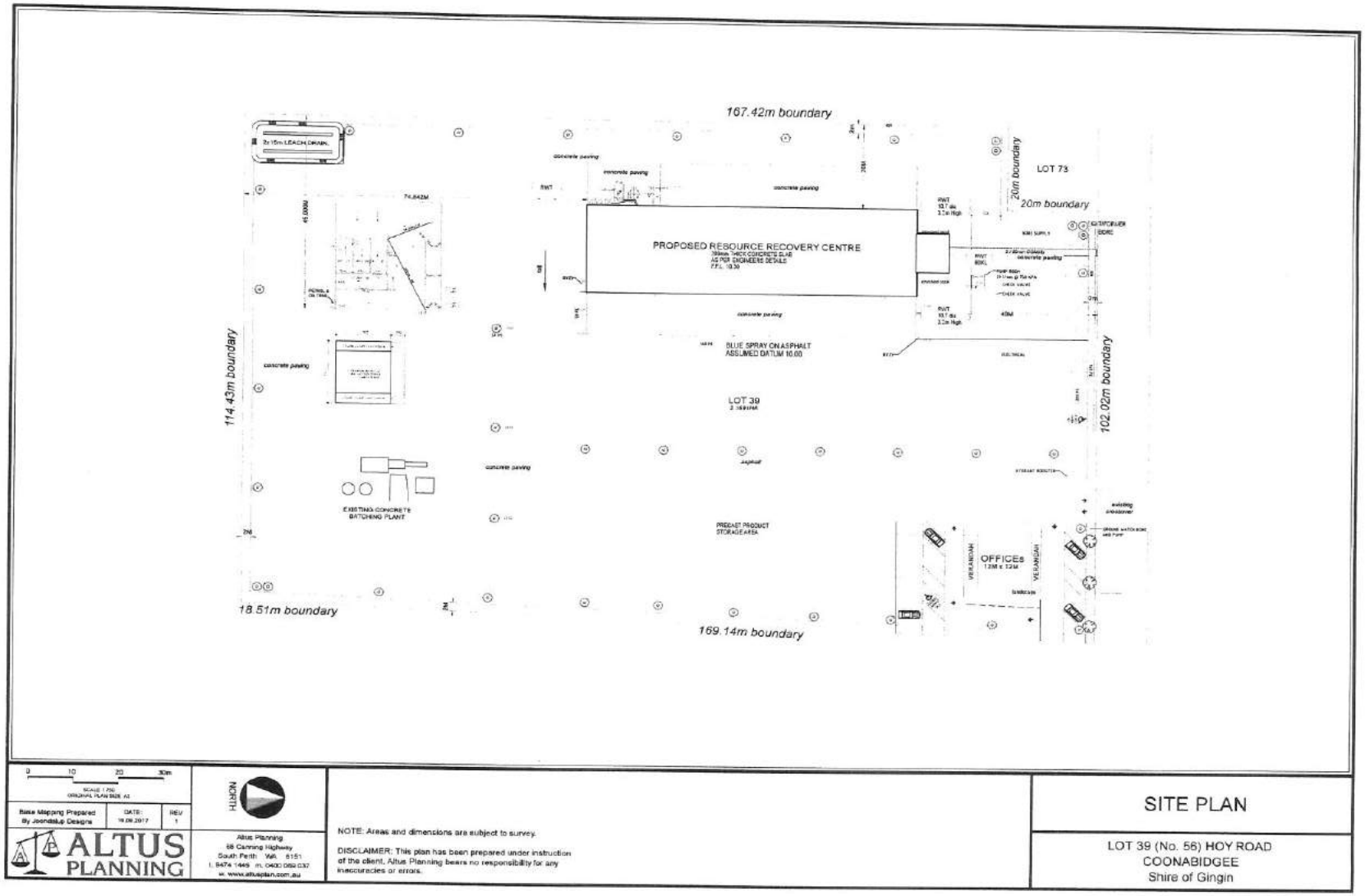
Photo 12: Residence at No. 79 Hoy Road

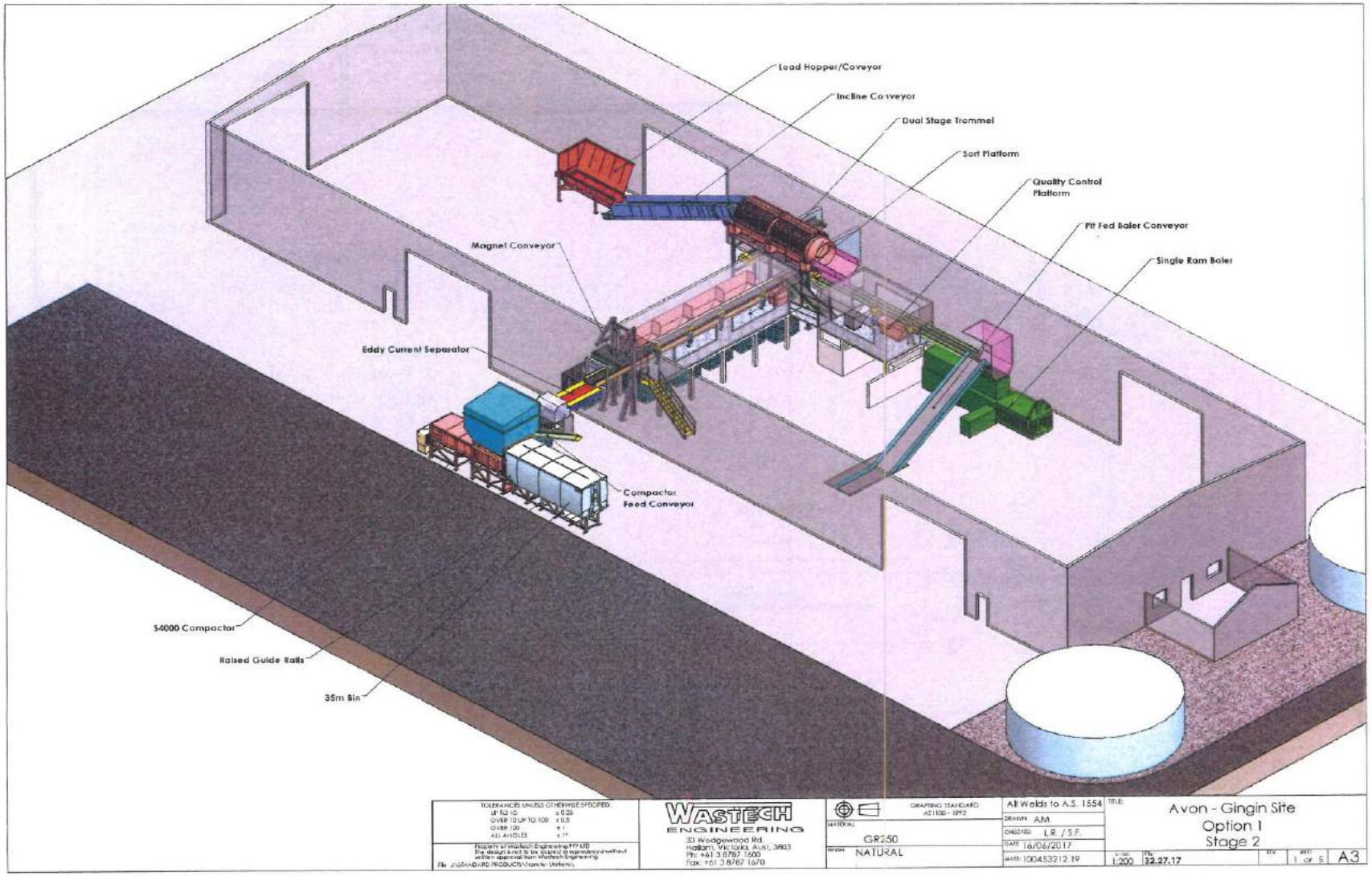
7

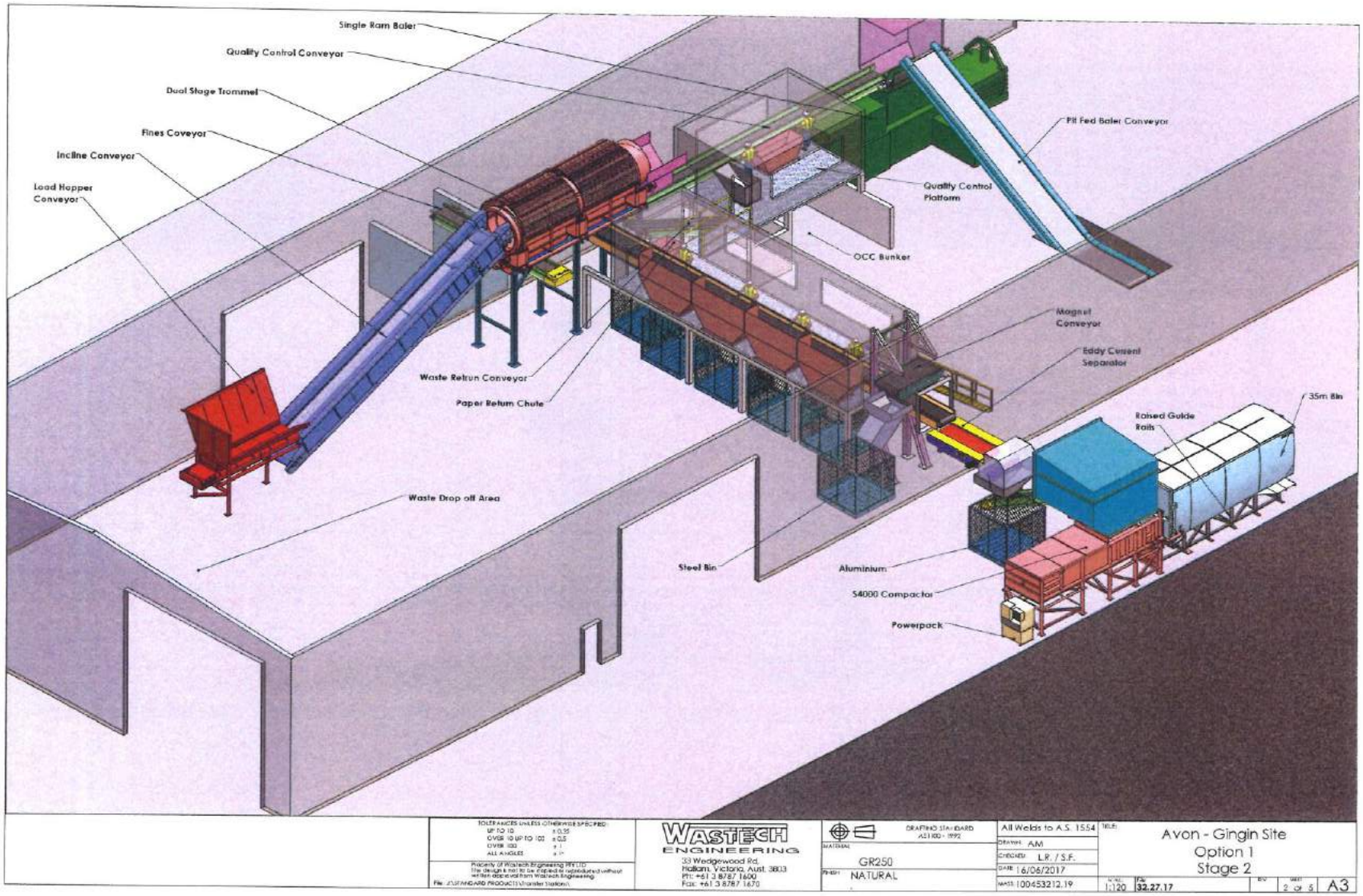
Photo 13: Vacant hardstand/storage of transportable buildings at No. 62 Hoy Road (east of the subject land)

ATTACHMENT 5 CONCEPT PLANS OF APPLICANT'S PROPOSED DEVELOPMENT

Lot 39 (No. 56) Hoy Road, Coonabidgee


167.42m boundary
LOT 73
20m boundary
20m boundary
PROPOSED RESOURCE RECOVERY CENTRE
BLUE SPRAY ON ASPHALT
ASSUMED DATUM 10.00
LOT 39
114.43m boundary
102.02m boundary
EXISTING CONCRETE BATCHING PLANT
PRECAST PRODUCT STORAGE AREA
OFFICES
18.51m boundary
169.14m boundary
NORTH
Base Mapping Prepared By Joondalup Designs
ALTUS PLANNING
Altus Planning
68 Canning Highway
South Perth WA 6151
NOTE: Areas and dimensions are subject to survey.
DISCLAIMER: This plan has been prepared under instruction of the client, Altus Planning bears no responsibility for any inaccuracies or errors.
SITE PLAN
LOT 39 (No. 56) HOY ROAD
COONABIDGEE
Shire of Gingin


Load Hopper/Conveyor
Incline Conveyor
Dual Stage Trommel
Sort Platform
Quality Control Platform
Pit Fed Baler Conveyor
Single Ram Baler
Magnet Conveyor
Eddy Current Separator
Compactor Feed Conveyor
S4000 Compactor
Raised Guide Rails
35m Bin
WASTECH ENGINEERING
33 Wedgewood Rd.
Hallam, Victoria, Aust. 3803
Ph: +61 3 8787 1600
Fax: +61 3 8787 1670
GR250
NATURAL
All Welds to A.S. 1554
AM
L.R. / S.F.
16/06/2017
1:200
32.27.17
1 of 5
A3
Avon - Gingin Site
Option 1
Stage 2


Single Ram Baler
Quality Control Conveyor
Dual Stage Trommel
Fines Coveyor
Incline Conveyor
Load Hopper Conveyor
Pit Fed Baler Conveyor
Quality Control Platform
OCC Bunker
Magnet Conveyor
Eddy Cesent Separator
35m Bin
Raised Guide Rails
Waste Return Conveyor
Paper Return Chute
Waste Drop off Area
Steel Bin
Aluminium
S4000 Compactor
Powerpack
WASTECH ENGINEERING
33 Wedgewood Rd.
Hallam, Victoria, Aust. 3803
PH: +61 3 8787 1600
Fax: +61 3 8787 1670
GR250
NATURAL
All Welds to A.S. 1554
DRAWN: AM
CHECKED: L.R. / S.F.
DATE: 16/06/2017
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Avon - Gingin Site
Option 1
Stage 2
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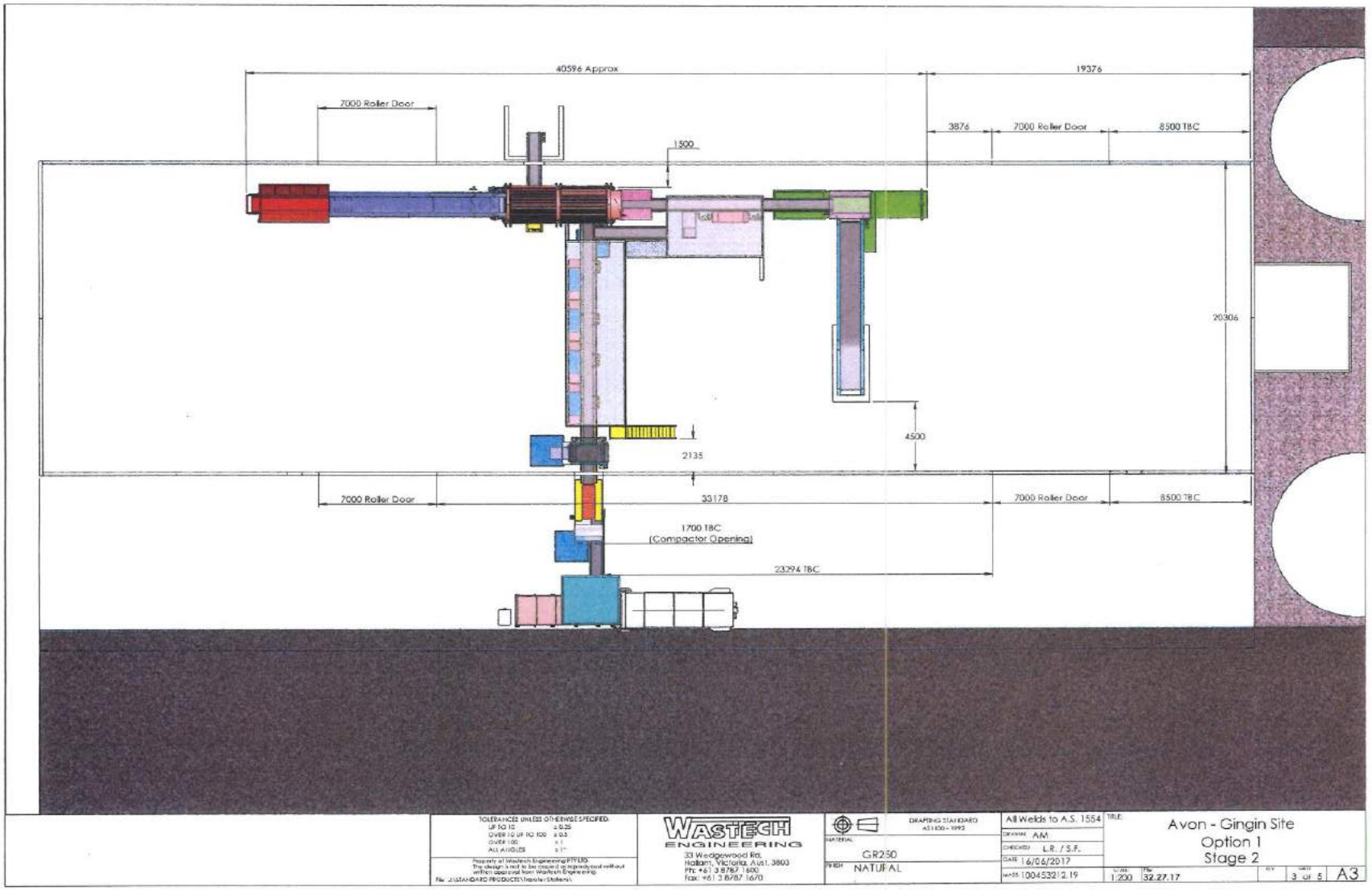
32.27.17
2 OF 5
A3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7000 Roller Door
3876
7000 Roller Door
8500 TBC
1500
20306
4500
2135
7000 Roller Door
33178
7000 Roller Door
8500 TBC
1700 TBC
(Compactor Opening)
23294 TBC
WASTECH ENGINEERING
33 Wedgewood Rd,
Hallam, Victoria, Aust. 3803
Ph: +61 3 8787 1600
Fax: +61 3 8787 1670
GR250
NATURAL
All Welds to A.S. 1554
DRAWN AM
CHECKED L.R. / S.F.
DATE 16/06/2017
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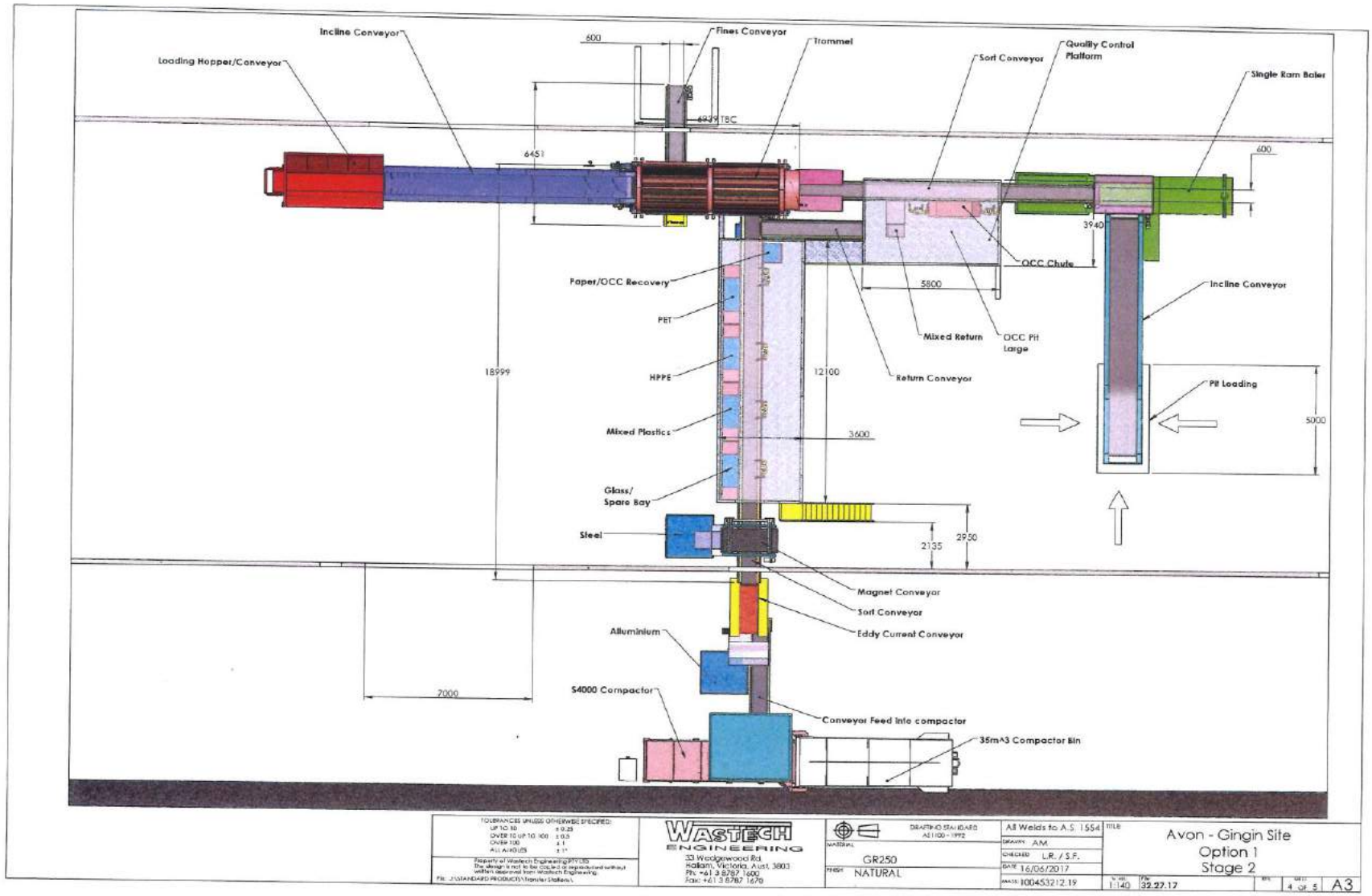
32.27.17
3 of 5
A3
Avon - Gingin Site
Option 1
Stage 2


Incline Conveyor
Loading Hopper/Conveyor
600
Fines Conveyor
Trommel
Sort Conveyor
Quality Control Platform
Single Ram Baler
6939TBC
6451
600
3940
OCC Chute
5800
Paper/OCC Recovery
PET
HPPE
Mixed Plastics
Glass/ Spare Bay
Steel
18999
12100
3600
Mixed Return
OCC Pit Large
Return Conveyor
Incline Conveyor
Pit Loading
5000
2135
2950
Magnet Conveyor
Sort Conveyor
Eddy Current Conveyor
Alluminium
7000
S4000 Compactor
Conveyor Feed into compactor
35m^3 Compactor Bin
WASTECH ENGINEERING
33 Wedgewood Rd
Hallam, Victoria, Aust, 3803
Ph: +61 3 8787 1600
Fax: +61 3 8787 1670
All Welds to A.S. 1554
GR250
NATURAL
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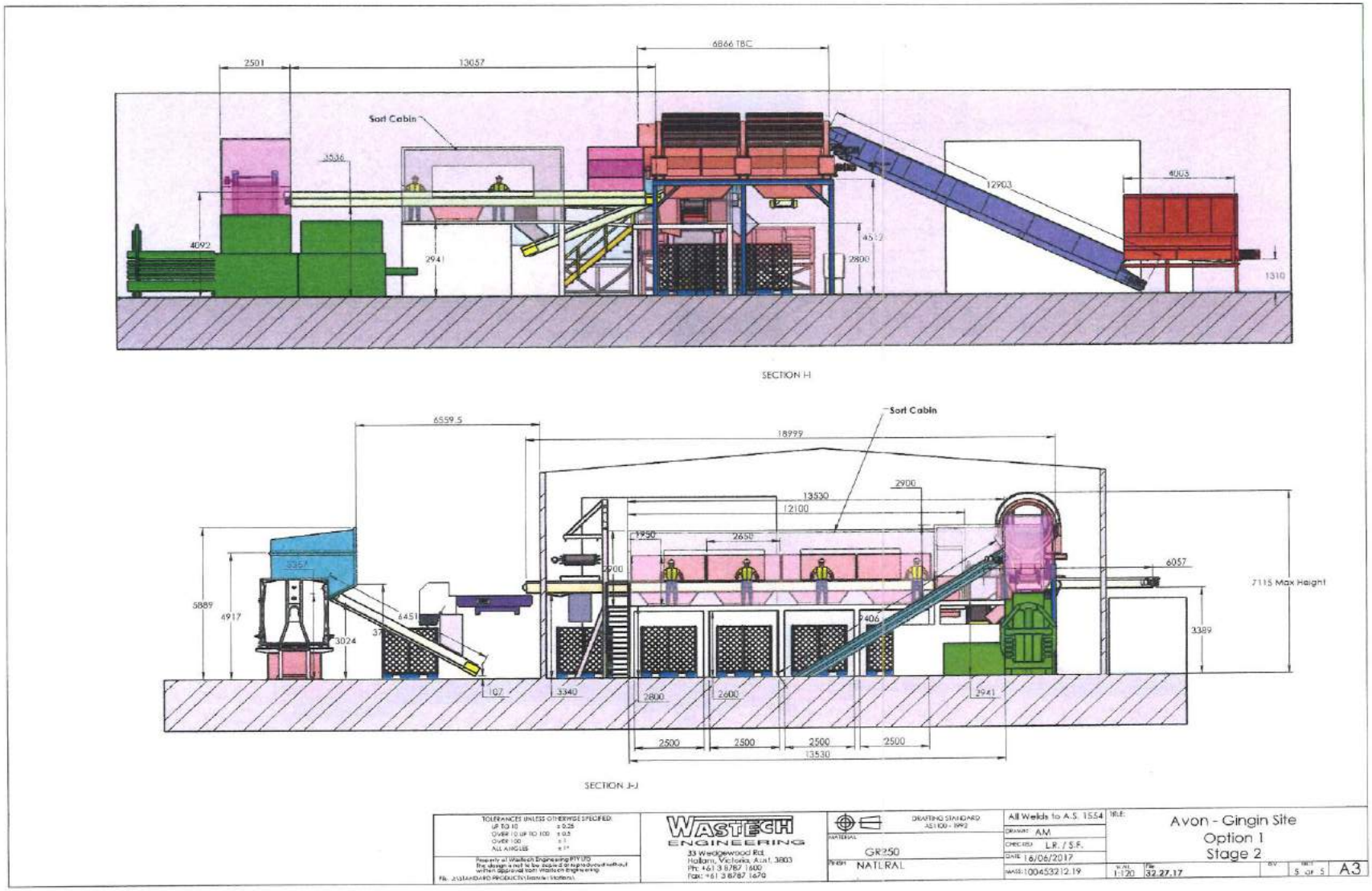
16/06/2017
100453212.19
Avon - Gingin Site
Option 1
Stage 2
1:140
32.27.17
4 OF 5
A3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13530
12100
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2650
6057
7115 Max Height
5889
4917
3024
6451
2406
3389
107
3340
2800
2600
2941
2500
2500
2500
2500
13530
SECTION J-J
WASTECH ENGINEERING
33 Waddewood Rd
Hallam, Victoria, Aust. 3803
Ph: +61 3 8787 1600
Fax: +61 3 8787 1670
DRAFTING STANDARD AS1100 - 1992
All Welds to A.S. 1554
GR250
NATURAL
DRAWN: AM
CHECKED: L.R. / S.R.
DATE: 16/06/2017
Avon - Gingin Site
Option 1
Stage 2
32.27.17
5 OF 5
A3

ATTACHMENT 6 BUSHFIRE MANAGEMENT PLAN

Lot 39 (No. 56) Hoy Road, Coonabidgee

FPA AUSTRALIA | Fire Protection Association Australia | Life. Property. Environment.

BPAD Bushfire Planning & Design

Bushfire Management Plan Coversheet

This Coversheet and accompanying Bushfire Management Plan has been prepared and issued by a person accredited by Fire Protection Association Australia under the Bushfire Planning and Design (BPAD) Accreditation Scheme.

Bushfire Management Plan and Site Details

Site Address / Plan Reference: Lot 39 (#56) Hoy Road

Suburb: Coonabidgee **State:** W.A. **P/code:** 6503

Local government area: Shire of Gingin

Description of the planning proposal: Scheme Amendment (Change of Land Use)

BMP Plan / Reference Number: 180232 **Version:** 1.1 **Date of Issue:** 25/05/2018

Client / Business Name: Altus Planning

Reason for referral to DFES	Yes	No
Has the BAL been calculated by a method other than method 1 as outlined in AS3959 (tick no if AS3959 method 1 has been used to calculate the BAL)?	☐	☑
Have any of the bushfire protection criteria elements been addressed through the use of a performance principle (tick no if only acceptable solutions have been used to address all of the BPC elements)?	☐	☑
Is the proposal any of the following special development types (see SPP 3.7 for definitions)?		
Unavoidable development (in BAL-40 or BAL-FZ)	☐	☑
Strategic planning proposal (including rezoning applications)	☐	☑
Minor development (in BAL-40 or BAL-FZ)	☐	☑
High risk land-use	☐	☑
Vulnerable land-use	☐	☑

If the development is a special development type as listed above, explain why the proposal is considered to be one of the above listed classifications (E.g. considered vulnerable land-use as the development is for accommodation of the elderly, etc.)?

Note: The decision maker (e.g. local government or the WAPC) should only refer the proposal to DFES for comment if one (or more) of the above answers are ticked "Yes".

BPAD Accredited Practitioner Details and Declaration

Name	Accreditation Level	Accreditation No.	Accreditation Expiry
Ian Macleod	1	BPAD39131	Nov 2018
Company		**Contact No.**	
Bushfire Prone Planning		6477 1144	

I declare that the information provided within this bushfire management plan is to the best of my knowledge true and correct

Signature of Practitioner J. Macleod **Date** 25/05/2018

Bushfire Management Plan

(Scheme Amendment)

Site Address: Lot 39 (#56) Hoy Road, Coonabidgee

Shire of Gingin

Job Number:	180232
Assessment Date:	2 May 2018
Report Date:	25 May 2018

BPP Group Pty Ltd t/a Bushfire Prone Planning
ABN: 39 166 551 784

Level, 159-161 James Street
Guildford WA 6055

PO Box 388
Guildford WA 6935

Ph: 08 6477 1144
Email: admin@bushfireprone.com.au

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Disclaimer

The measures contained in this Bushfire Management Plan are considered to be minimum standards and they do not guarantee that a building will not be damaged in a bushfire, persons injured, or fatalities occur either on the subject site or off the site while evacuating. This is substantially due to the unpredictable nature and behaviour of fire and extreme weather conditions. Additionally, the correct implementation of the required bushfire protection measures (and any associated response/evacuation plan if applicable) will depend, among other things, on the actions of the landowners or occupiers over which Bushfire Prone Planning has no control.

All surveys, forecasts, projections and recommendations made in this report associated with the project are made in good faith based on information available to Bushfire Prone Planning at the time.

All maps included herein are indicative in nature and are not to be used for accurate calculations.

Notwithstanding anything contained therein, Bushfire Prone Planning will not, except as the law may require, be liable for any loss or other consequences whether or not due to the negligence of their consultants, their servants or agents – arising out of the services provided by their consultants.

Document Control

Version	Version Details	Date Submitted
1.0	Original Document	24-May-18
1.1	Reference to development application changed to scheme amendment	25-May-18

Author	Accreditation	Signature
Ian Macleod	BPAD Level 1 - No. 39131	Ian Macleod
Co-author		
Reviewed/Approved		
Kathy Nastov	BPAD Level 3 - No. 27794	K. Nastov

Document Content Compliance Statement

This Bushfire Management Plan (the Plan) provides the required information to address State Planning Policy No. 3.7: Planning in Bushfire Prone Areas - December 2015 (SPP 3.7), the associated Guidelines for Planning in Bushfire Prone Areas - WAPC 2017 v1.3 (Guidelines), and any additional information as directed by the WA Planning Commission (WA Department of Planning, Lands and Heritage). It is fit for accompanying a planning application.

Complex DA BMP Template v1.0

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1 The Proposal and Purpose of the Plan

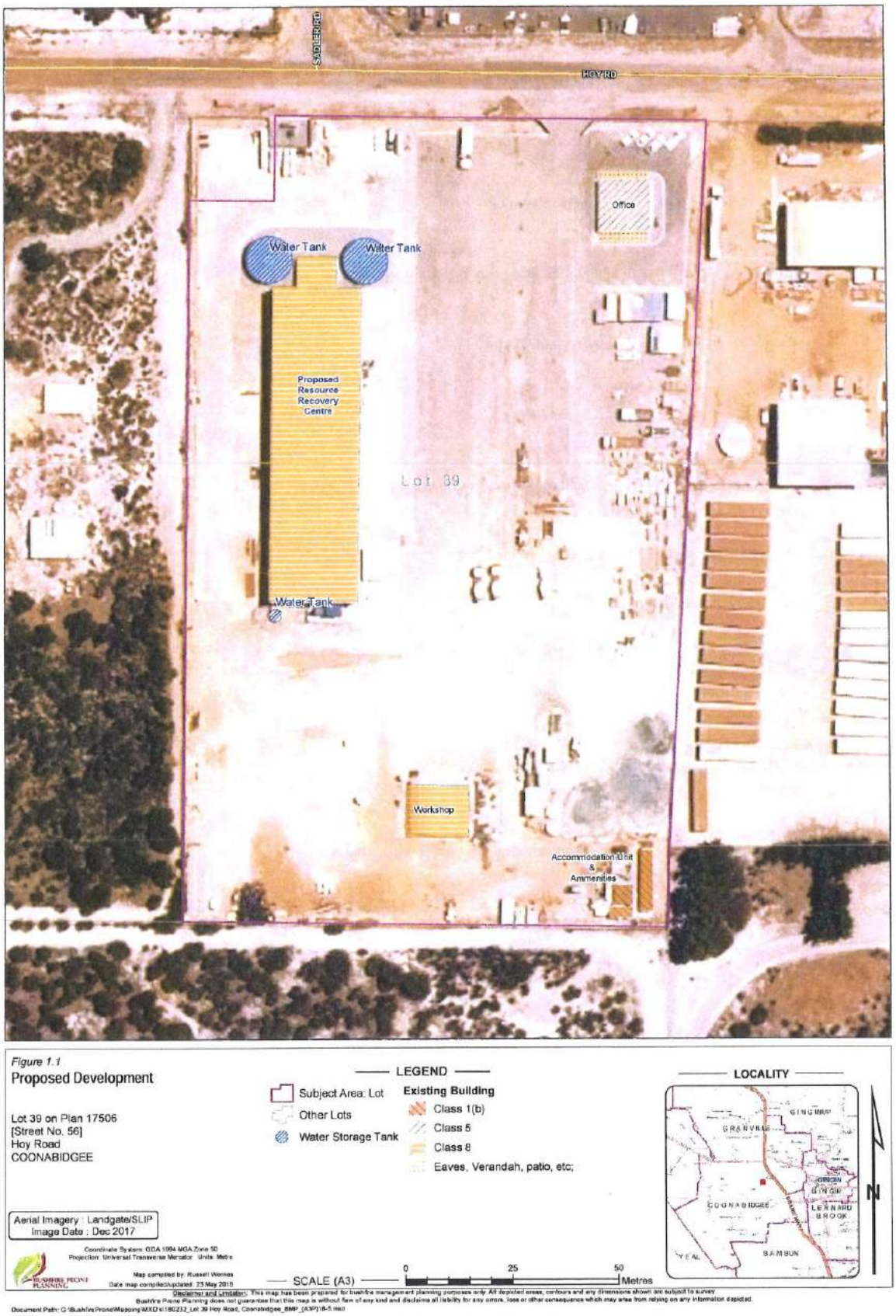
1.1 Details

Proponent:	Altus Planning
Site Address:	Lot 39 (#56) Hoy Road, Coonabidgee
Local Government:	Shire of Gingin
Lot Area:	2.169 ha
Planning Stage:	Scheme Amendment - change of land use
Development Type:	Change of land use

Overview of the Proposal:

The purpose of this Bushfire Management Plan is to support an application for a change of land use on Lot 39 (#56) Hoy Road, Coonabidgee. The proposal is for the development of a resource recovery (recycling) facility within an existing concrete and steel shed.

Bushfire Prone Planning Commissioned to Produce the Plan by:	Altus Planning
Purpose of the Plan:	To accompany a planning application
For Submission to:	Shire of Gingin


SADLER RD
HOY RD
Office
Water Tank
Water Tank
Proposed Resource Recovery Centre
Lot 39
Water Tank
Workshop
Accommodation Unit & Ammenities
Figure 1.1
Proposed Development
Lot 39 on Plan 17506
[Street No. 56]
Hoy Road
COONABIDGEE
LEGEND
Subject Area: Lot
Other Lots
Water Storage Tank
Existing Building
Class 1(b)
Class 5
Class 8
Eaves, Verandah, patio, etc;
LOCALITY
GINGIN
GRANVILLE
COONABIDGEE
LENNARD BROOK
BAMBUN
YEAL
N
Aerial Imagery : Landgate/SLIP
Image Date : Dec 2017
Coordinate System: GDA 1994 MGA Zone 50
Projection: Universal Transverse Mercator Units: Metre
Map compiled by: Russell Wenke
Date map compiled/updated: 23 May 2018
SCALE (A3)
0
25
50
Metres
Disclaimer and Limitation: This map has been prepared for bushfire management planning purposes only. All depicted areas, contours and any dimensions shown are subject to survey
Bushfire Prone Planning does not guarantee that this map is without flaw of any kind and disclaims all liability for any errors, loss or other consequence which may arise from relying on any information depicted.
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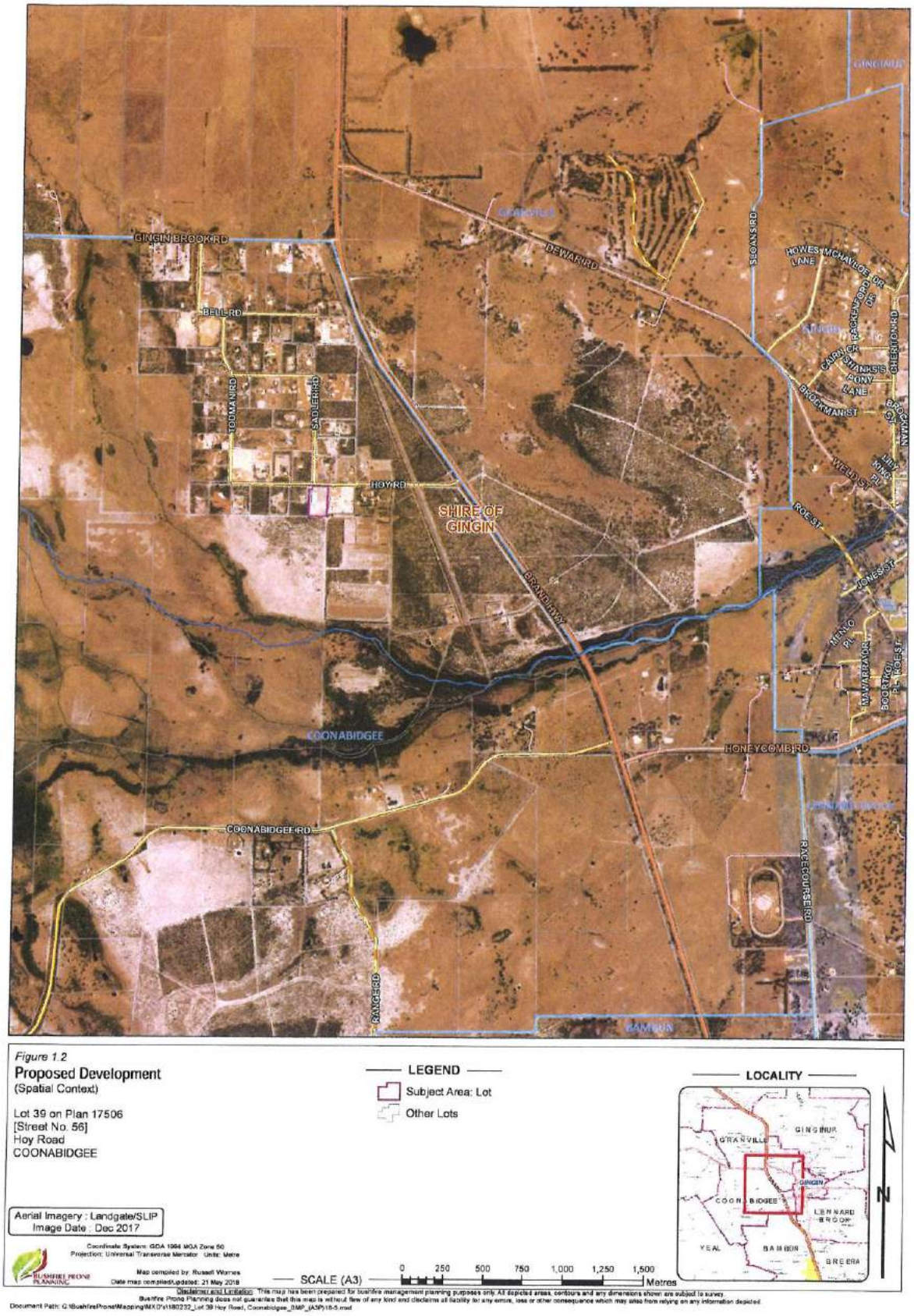
GINGIN BROOK RD
DEWAR RD
BELL RD
TODMAN RD
SADLER RD
HOY RD
SHIRE OF GINGIN
BRAND HWY
SLOANS RD
HOWES MCHAVIDGE DR
LANE
ROCKWOOD DR
CHERITON RD
CAIRN CR
SHANKS PONY LANE
BROCKMAN ST
WELD ST
LINK WING PL
ROE ST
JONES ST
MENAO PL
MAWARRACK
BOORTKOI PL
ROE ST
COONABIDGEE
HONEYCOMB RD
COONABIDGEE RD
RANGE RD
RACECOURSE RD
GINGIN
GRANVILLE
COONABIDGEE
LENNARD BROOK
YEAL
BAMBUN
BREERA
N
Figure 1.2
Proposed Development
(Spatial Context)
Lot 39 on Plan 17506
[Street No. 56]
Hoy Road
COONABIDGEE
LEGEND
Subject Area: Lot
Other Lots
LOCALITY
Aerial Imagery : Landgate/SLIP
Image Date : Dec 2017
Coordinate System: GDA 1994 MGA Zone 50
Projection: Universal Transverse Mercator Units: Metre
Map compiled by: Russell Warnes
Date map compiled/updated: 21 May 2018
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Metres
Disclaimer and Limitation: This map has been prepared for bushfire management planning purposes only. All depicted areas, contours and any dimensions shown are subject to survey.
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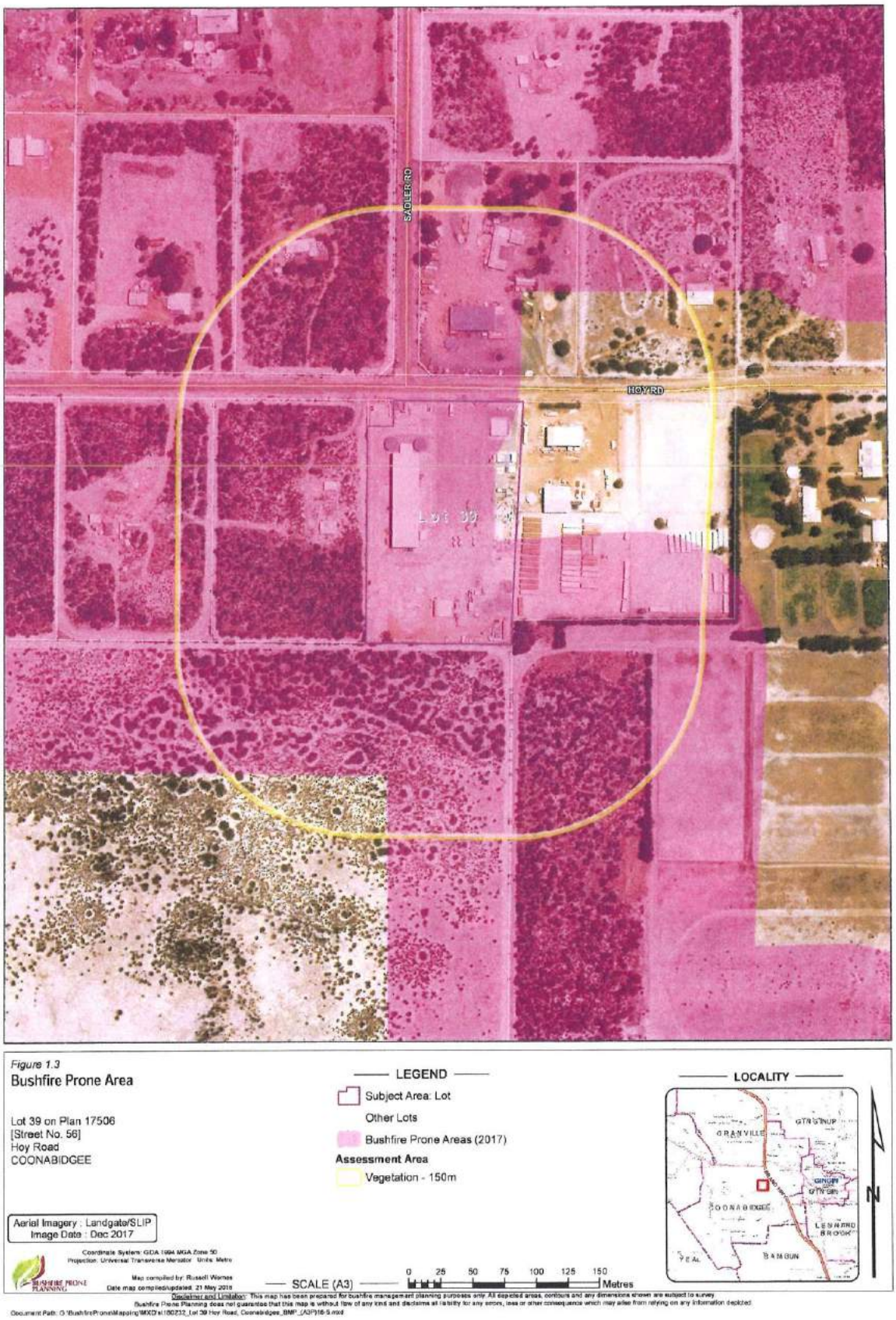

SADLER RD
HOY RD
LOT 39
Figure 1.3
Bushfire Prone Area
Lot 39 on Plan 17506
[Street No. 56]
Hoy Road
COONABIDGEE
LEGEND
Subject Area: Lot
Other Lots
Bushfire Prone Areas (2017)
Assessment Area
Vegetation - 150m
LOCALITY
GRANVILLE
GINGIN
COONABIDGEE
LEVEN
BRIDGE
BAMBUN
N
Aerial Imagery : Landgate/SLIP
Image Date : Dec 2017
Coordinate System: GDA 1994 MGA Zone 50
Projection: Universal Transverse Mercator Units: Metre
Map compiled by: Russell Wornes
Date map compiled/updated: 21 May 2018
SCALE (A3)
0 25 50 75 100 125 150
Metres
Disclaimer and Limitation: This map has been prepared for bushfire management planning purposes only. All depicted areas, contours and any dimensions shown are subject to survey.
Bushfire Prone Planning does not guarantee that this map is without flaw of any kind and disclaims all liability for any errors, loss or other consequence which may arise from relying on any information depicted.
Document Path: G:\BushfireProneMapping\MXD's\160232_Lot 39 Hoy Road, Coonabidgee_BMP_(A3P)16-5.mxd

1.2 Existing Documentation Relevant to the Construction of this Plan

This section acknowledges any known reports or plans that have been prepared for previous planning stages, that refer to the subject area and that may or will impact upon the assessment of bushfire risk and/or the implementation of bushfire protection measures and will be referenced in this Bushfire Management Plan.

Relevant Documents

Existing Document	Copy Provided by Client	Title
Structure Plan	No	
Environmental Report	No	
Landscaping (Revegetation) Plan	No	
Bushfire Risk Assessments	No	

2 Environmental Considerations

2.1 Native Vegetation – Modification and Clearing

'Guidelines' s2.3: "Many bushfire prone areas also have high biodiversity values. SPP 3.7 policy objective 5.4 recognises the need to consider bushfire risk management measures alongside environmental, biodiversity and conservation values."

Existing conservation areas that are potentially affected by the development proposal are required to be identified. This may result in vegetation removal/modification prohibition or limitations. These areas include National Parks, Nature Reserves, Wetlands and Bush Forever sites.

Environmental Protection Act 1986: "Clearing of native vegetation in Western Australia requires a clearing permit under Part V, Division 2 of the Act unless clearing is for an exempt purpose. Exemptions from requiring a clearing permit are contained in Schedule 6 of the Act or are prescribed in the Environmental Protection Regulations" ('Guidelines' s2.3).

The Environmental Protection and Biodiversity Conservation Act 1999 (EPBC Act): This Act administered by the Australian Government Department of Environment, provides a national scheme of environment and heritage protection and biodiversity conservation. Nationally threatened species and ecological communities are a specific matter of significance. Areas of vegetation can be classified as a Threatened Ecological Community (TEC) under the EPBC Act and consequently have removal restrictions imposed.

Vegetation Modification and Clearing Assessment

Will on-site clearing of native vegetation be required?	No
Does this have the potential to trigger environmental impact/referral requirements under State and Federal environmental legislation?	No
Identified environmental legislation applicable to the Proposal site - No.1:	N/A
Identified environmental legislation applicable to the Proposal site - No.2:	N/A
For the proposed development site, have any areas of native vegetation been identified as species that might result in the classification of the area as a Threatened Ecological Community (TEC)?	No
Potential TEC species identified:	N/A

The subject lot is clear of vegetation and there are no expected onsite landscaping changes. The bushfire assessment and management strategies contained in the BMP, assume that environmental approval will be achieved.

Impact on Adjoining Land

Is this planning proposal able to implement the required bushfire measures within the boundaries of the land being developed so as not to impact on the bushfire and environmental management of neighbouring reserves, properties or conservation covenants?	Yes

The proposed development site is free of vegetation. This will ensure the bushfire risk is not increased to the immediate surrounding properties. Compliance is regulated via the bushfire management plan for the site and the Shire of Gingin annual Firebreak Order. Bushfire management measures external to the site are not required as part of this proposal.

3 Potential Bushfire Impact Assessment

3.1 Assessment Input

3.1.1 Fire Danger Index (FDI) Applied

AS 3959-2009 specifies the fire danger index values to apply for different regions as per Table 2.1. The values used in the model calculations are for the Forest Fire Danger Index (FFDI) and for which equivalent representative values of the Grassland Fire Danger Index (GFDI) are applied as per Appendix B. The values can be refined if appropriately justified.

Table 3.1: Applied FDI Value

	FDI Value		
Vegetation Area	As per AS 3959 - 2009 Table 2.1	As per DFES for the Location	Value Applied
All vegetation areas	80	N/A	80

3.1.2 Existing Vegetation Identification, Classification and Effective Slope

Vegetation identification and classification has been conducted in accordance with AS 3959-2009 s2.2.3 and the Visual Guide for Bushfire Risk Assessment in WA (DoP February 2016).

When more than one vegetation type is present, each type is identified separately with the worst-case scenario being applied as the classification. The predominant vegetation is not necessarily the worst-case scenario.

The vegetation structure has been assessed as it will be in its mature state (rather than what might be observed on the day). Areas of modified vegetation are assessed as they will be in their natural unmodified state (unless maintained in a permanently low threat, minimal fuel condition, satisfying AS 3959-2009 s2.2.3.2-f and asset protection zone standards). Vegetation destroyed or damaged by a bushfire or other natural disaster has been assessed on its revegetated mature state.

Effective Slope: Is the ground slope under the classified vegetation and is determined for each area of classified vegetation. It is the measured or determined slope which will most significantly influence the bushfire behaviour in that vegetation as it approaches a building or site. Where there is a significant change in effective ground slope under an area of classified vegetation, that will cause a change in fire behaviour, separate vegetation areas will be identified, based on the change in effective slope, to enable the correct assessment.

Table 3.2: Vegetation identification and classification.

All Vegetation Within 150 metres of the Proposed Development

Vegetation Area	Identified Classification Types [1] or Description if 'Excluded'	Applied Classification[2]	Effective Slope Under Classified Vegetation	
			degrees	description
1	Woodland B-05	Class B Woodland	0	Flat
2	Open Forest A-03	Class A Forest	0	Flat
3	Open Scrub D-14	Class D Scrub	0	Flat
4	Low Open Woodland B-07 Open Heath C-11	Class C Shrubland	0	Flat
5	Tussock Grassland G-22 Open Heath C-11	Class C Shrubland	0	Flat
6	Woodland B-05	Class B Woodland	0	Flat
7	Woodland B-05	Class B Woodland	0	Flat
8	Woodland B-05	Class B Woodland	0	Flat
-	Managed areas around existing dwellings, managed industrial lots	Excluded AS3959-2009 2.2.3.2 (f)	N/A	N/A

Representative photos of each vegetation area, descriptions and classification justification, are presented on the following pages. The areas of classified vegetation are defined, and the photo locations identified on the topography and classified vegetation map, Figure 3.1.

Note[1]: As per AS 3959-2009 Table 2.3 and Figures 2.3 and 2.4 a-g
Note[2]: As per AS 3959-2009 Table 2.3.

Vegetation Area 1 **Classification Applied:** Class B Woodland

Classification Justification: Banksia woodland, scrub, grass trees, heath and grass understorey

Photo ID: 1a

Vegetation Area 2 **Classification Applied:** Class A Forest

Classification Justification: Narrow strip of pines, eucalypts, scrub, shrubs, thick ground litter

Photo ID: 2a

Photo ID: 2b

Vegetation Area 3 **Classification Applied:** Class D Scrub

Classification Justification: Scrub, shrubs, little ground fine fuel

Photo ID: 3a

Photo ID: 3b

Vegetation Area 4 **Classification Applied:** Class C Shrubland

Classification Justification: Grass trees, shrubs, heath, occasional banksia

Photo ID: 4a

Photo ID: 4b

Vegetation Area 5 **Classification Applied:** Class C Shrubland

Classification Justification: Tussock Grassland, shrubs, grass trees

Photo ID: 5a

Vegetation Area 6 **Classification Applied:** Class B Woodland

Classification Justification: Small trees, some exotic, tall scrub, grass trees, grass understorey

Photo ID: 6a

Photo ID: 6b

Vegetation Area 7 **Classification Applied:** Class B Woodland

Classification Justification: Banksia woodland, scrub, grass trees, heath and grass understorey

Photo ID: 7a

Photo ID: 7b

Vegetation Area 8 **Classification Applied:** Class B Woodland

Classification Justification: Banksia woodland, scrub, grass trees, heath and grass understorey

Photo ID: 8a

Photo ID: 8b

Vegetation Area **Classification Applied:** Excluded AS3959-2009 2.2.3.2 (f)

Classification Justification: Onsite, buildings and hardstand areas

Photo ID: 9a

Photo ID: 9b

Vegetation Area **Classification Applied:** Excluded AS3959-2009 2.2.3.2 (f)

Classification Justification: Onsite, hardstand and storage areas, existing buildings

Photo ID: 9c

Photo ID: 9d

Vegetation Area **Classification Applied:** Excluded AS3959-2009 2.2.3.2 (f)

Classification Justification: Offsite, shed and hardstand areas, managed grassland area

Photo ID: 9e

Photo ID: 9f

Vegetation Area **Classification Applied:** Excluded AS3959-2009 2.2.3.2 (f)

Classification Justification: Offsite, Sheds and hardstand, cleared vacant lot

Photo ID: 9g

Photo ID: 9h

Figure 3.1

Topography & Classified Vegetation

Lot 39 on Plan 17506
[Street No. 56]
Hoy Road
COONABIDGEE

LEGEND

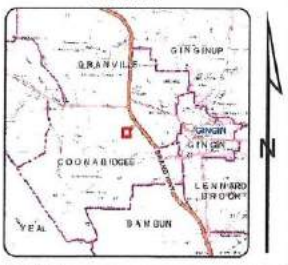
Subject Area: Lot
Other Lots
Water Storage Tank

Assessment Area
Vegetation - 150m

Existing Building
Class 1(b)
Class 5
Class 8
Eaves, Verandah, patio, etc;
Elevation contour (m)
1 Photo No., location & direction

Classified Vegetation
Class (A) Forest
Class (B) Woodland
Class (C) Shrubland
Class (D) Scrub
Exclusion 2.2.3.2

LOCALITY



Aerial Imagery : Landgate/SLIP
Image Date : Dec 2017

Coordinate System: GDA 1994 MGA Zone 50
Projection: Universal Transverse Mercator Units: Metre

Map compiled by: Russell Warnes
Date map compiled/updated: 29 May 2018

SCALE (A3) 0 25 50 75 100 Metres

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3.1.3 Vegetation Separation Distance

The vegetation separation distance is the horizontal distance from an existing building or planned building footprint to the start of an area of classified vegetation.

The separation distance can be:

- The actual distance – which will correspond to a single determined BAL rating. It can only be measured when the location of a building or building footprint is known; or
- A required distance or range of distances that correspond to a single BAL rating or varying BAL ratings. These calculated distances are used to indicate what BAL rating/s are achievable.

Required distances can be presented in this Plan in the following formats, dependant on the specific development proposal and the type of information most applicable:

- A distance that must be achieved to result in a stated BAL rating. This is presented as the Conditional BAL rating (conditional upon achieving the required separation distance);
- A table stating the separation distance range that, if achieved, would correspond to each BAL rating; or
- A map visually showing the separation distance range - from areas of classified vegetation that would remain post-development - that correspond to each BAL rating i.e. a BAL Contour Map.

Note:

Required (calculated) separation distances are presented in the 'Assessment Output' section as the BAL Contour Map and relevant tables to assist with its interpretation.

Actual measured vegetation separation distances are applied in this assessment and are presented in the tables below. ✓

Table 3.3: Measured separation distances applied in determining the BAL for proposed resource recovery facility and other existing onsite buildings.

Measured Separation Distances Applied for Onsite Buildings

Building	Vegetation Area	Applied Vegetation Classification	Measured Separation Distance to the Classified Vegetation (metres)
Proposed Resource Recovery Centre	1	Class B Woodland	126
	2	Class A Forest	95
	3	Class D Scrub	80
	4	Class C Shrubland	27
	5	Class C Shrubland	136
	6	Class B Woodland	148
	7	Class B Woodland	60
	8	Class B Woodland	21
Office	1	Class B Woodland	170
	2	Class A Forest	142
	3	Class D Scrub	167
	4	Class C Shrubland	104
	5	Class C Shrubland	64
	6	Class B Woodland	75
	7	Class B Woodland	94
	8	Class B Woodland	107
Workshop	1	Class B Woodland	71
	2	Class A Forest	50
	3	Class D Scrub	26
	4	Class C Shrubland	82
	5	Class C Shrubland	199
	6	Class B Woodland	205
	7	Class B Woodland	184
	8	Class B Woodland	56

Accommodation Unit and Amenities	1	Class B Woodland	27
	2	Class A Forest	7
	3	Class D Scrub	9
	4	Class C Shrubland	134
	5	Class C Shrubland	195
	6	Class B Woodland	199
	7	Class B Woodland	218
	8	Class B Woodland	104

3.2 Assessment Output

Understanding the Bushfire Assessment Results - Application of Bushfire Attack Levels (BAL)

The BAL rating has a different application in the building environment compared to the planning environment and the BAL assessment can result in a determined BAL or an indicative BAL which have different implications.

Building versus Planning Applications

In the building environment, a determined BAL rating is required (for the proposed construction) at the building application stage. This is to inform approval considerations and establish the construction standards that are to apply if approved. An indicative BAL rating is not acceptable for a building application.

In the planning environment, assessing the ability of a proposed development site to achieve BAL-29 or less is the objective (as one of the bushfire protection criteria being assessed). The 'development site' is defined by the LPS Amendment Regulations 2015 as "that part of a lot on which a building that is the subject of development stands or is to be constructed".

Therefore, being able to show that a BAL rating of BAL-29 or lower is achievable for a proposed development site (i.e. the building footprint) is an acceptable outcome for that criteria, as established by the bushfire provisions, SPP 3.7 and the associated Guidelines. For planning purposes, this BAL rating could be either indicative or determined.

Determined BAL Ratings

A determined BAL rating is to apply to an existing or proposed construction site (building) and not to a lot or envelope. Its purpose is to state the potential radiant heat flux to which the building will be exposed.

A determined BAL cannot be given for a future building whose location, elevation design and footprint (on a given lot) are unknown. It is not until these variables have been fixed that a BAL can be determined (typically at the development application or building application stage).

The one exception is when a building of ***any dimension*** can be ***positioned anywhere*** on a proposed lot or within defined limits within the lot (i.e. building setbacks or building envelope) and always remain subject to the same BAL rating. For this to be the case, there needs to be no classified vegetation either onsite or offsite that if retained could impact upon the determined BAL rating.

Indicative BAL Ratings

When this Plan presents a single indicative BAL rating for a proposed construction site (building), this will be because the construction is still subject to a location within the lot being confirmed and/or a vegetation separation distance being achieved. That is, it will be conditional upon some factor being confirmed at a later stage.

For planning applications associated with proposed lots, the building location, elevation design and footprint have typically not been established. Therefore, indicative rather than determined BAL rating/s will be presented for each lot (with the exception as noted above under 'Determined BAL Ratings').

When this Plan presents a single indicative BAL rating for a lot or building envelope (i.e. an 'area' that is not a located building footprint) it will represent the highest BAL rating affecting that 'area'. The BAL rating of a future building on that 'area' will be dependent on its eventual location.

Otherwise, this Plan will present all BAL ratings for each lot and for each BAL rating, the vegetation separation distances from each area of classified vegetation that are to apply. These distances will be presented as either figures in a table or as a BAL contour map.

From this indicative BAL information, it can be assessed if acceptable BAL ratings (≤ BAL-29) can be achieved for future buildings.

3.2.1 Assessment Summary

Table 3.4: Summary BAL results.

BAL Results – Summary of Assessment

(detail of assessment and determination is presented in the following sections of this report)

Building	BAL Status	Bushfire Attack Level
Proposed Resource Recovery Centre	Determined	BAL-19
Office	Determined	BAL-12.5
Workshop	Determined	BAL-19
Accommodation Unit and Amenities	Determined	BAL-FZ

3.2.2 Determined (BAL) Results Using Method 1

Table 3.5: Determined BAL's using AS 3959-2009 Method 1.

Determined Bushfire Attack Levels - Method 1[1]

For the Proposed Resource Recovery Centre (Existing Building)

Applied Fire Danger Index (AS3959-2009 Table 2.1) 80

Vegetation Area	Applied Vegetation Classification	Effective Slope Under the Classified Vegetation (degrees)	Separation Distance to the Classified Vegetation (metres)	Bushfire Attack Level
1	Class B Woodland	0	126	BAL-LOW
2	Class A Forest	0	95	BAL-12.5
3	Class D Scrub	0	80	BAL-12.5
4	Class C Shrubland	0	27	BAL-12.5
5	Class C Shrubland	0	136	BAL-LOW
6	Class B Woodland	0	148	BAL-LOW
7	Class B Woodland	0	60	BAL-12.5
8	Class B Woodland	0	21	BAL-19
-	Excluded AS3959-2009 2.2.3.2 (f)	N/A	N/A	BAL-LOW
		Determined Bushfire Attack Level		**BAL-19**

[1] As per AS 3959-2009 s2.2.6 and Table 2.4.3

Reliance on the assessment and determination of the Bushfire Attack Level contained in this Plan should not extend beyond a period of 12 months from the date of issue of the report. If this report was issued more than 12 months ago, it is recommended that the validity of the determination be confirmed with the Accredited Practitioner and where required an updated report issued.

Determined Bushfire Attack Levels - Method 1[1]

For the Onsite Office (Existing Building)

Applied Fire Danger Index (AS3959-2009 Table 2.1) 80

Vegetation Area	Applied Vegetation Classification	Effective Slope Under the Classified Vegetation (degrees)	Separation Distance to the Classified Vegetation (metres)	Bushfire Attack Level
1	Class B Woodland	0	170	BAL-LOW
2	Class A Forest	0	142	BAL-LOW
3	Class D Scrub	0	167	BAL-LOW
4	Class C Shrubland	0	104	BAL-LOW
5	Class C Shrubland	0	64	BAL-12.5
6	Class B Woodland	0	75	BAL-12.5
7	Class B Woodland	0	94	BAL-12.5
8	Class B Woodland	0	107	BAL-LOW
-	Excluded AS3959-2009 2.2.3.2 (f)	N/A	N/A	BAL-LOW
		Determined Bushfire Attack Level		**BAL-12.5**

[1] As per AS 3959-2009 s2.2.6 and Table 2.4.3

Reliance on the assessment and determination of the Bushfire Attack Level contained in this Plan should not extend beyond a period of 12 months from the date of issue of the report. If this report was issued more than 12 months ago, it is recommended that the validity of the determination be confirmed with the Accredited Practitioner and where required an updated report issued.

Determined Bushfire Attack Levels - Method 1[1]

For the Onsite Workshop (Existing Building)

Applied Fire Danger Index (AS3959-2009 Table 2.1) 80

Vegetation Area	Applied Vegetation Classification	Effective Slope Under the Classified Vegetation (degrees)	Separation Distance to the Classified Vegetation (metres)	Bushfire Attack Level
1	Class B Woodland	0	71	BAL-12.5
2	Class A Forest	0	50	BAL-12.5
3	Class D Scrub	0	26	BAL-19
4	Class C Shrubland	0	82	BAL-12.5
5	Class C Shrubland	0	199	BAL-LOW
6	Class B Woodland	0	205	BAL-LOW
7	Class B Woodland	0	184	BAL-LOW
8	Class B Woodland	0	56	BAL-12.5
-	Excluded AS3959-2009 2.2.3.2 (f)	N/A	N/A	BAL-LOW
		Determined Bushfire Attack Level		**BAL-19**

[1] As per AS 3959-2009 s2.2.6 and Table 2.4.3

Reliance on the assessment and determination of the Bushfire Attack Level contained in this Plan should not extend beyond a period of 12 months from the date of issue of the report. If this report was issued more than 12 months ago, it is recommended that the validity of the determination be confirmed with the Accredited Practitioner and where required an updated report issued.

Determined Bushfire Attack Levels - Method 1[1]

For the Onsite Accommodation Unit and Amenities (Existing Building)

Applied Fire Danger Index (AS3959-2009 Table 2.1) 80

Vegetation Area	Applied Vegetation Classification	Effective Slope Under the Classified Vegetation (degrees)	Separation Distance to the Classified Vegetation (metres)	Bushfire Attack Level
1	Class B Woodland	0	27	BAL-19
2	Class A Forest	0	7	BAL-FZ
3	Class D Scrub	0	9	BAL-FZ
4	Class C Shrubland	0	134	BAL-LOW
5	Class C Shrubland	0	195	BAL-LOW
6	Class B Woodland	0	199	BAL-LOW
7	Class B Woodland	0	218	BAL-LOW
8	Class B Woodland	0	104	BAL-LOW
-	Excluded AS3959-2009 2.2.3.2 (f)	N/A	N/A	BAL-LOW
		Determined Bushfire Attack Level		**BAL-FZ**

[1] As per AS 3959-2009 s2.2.6 and Table 2.4.3

Reliance on the assessment and determination of the Bushfire Attack Level contained in this Plan should not extend beyond a period of 12 months from the date of issue of the report. If this report was issued more than 12 months ago, it is recommended that the validity of the determination be confirmed with the Accredited Practitioner and where required an updated report issued.

4 Identification of Bushfire Hazard Issues

The proposed development is located within the Gingin Rural Industrial Estate which has a mixture of developed and undeveloped lots. The subject lot and surrounding land is flat and no increase in fire behaviour will be generated from this topography.

The whole of the subject lot is devoid of vegetation as is the neighbouring lot to the east. Further east is an area of banksia woodland which crosses to the eastern side of the Brand Highway. Areas of woodland and scrub abut the western and southern boundaries of the subject lot. Further west and south are large areas of open grassland. Woodland vegetation to the north is fragmented by development within the industrial lots alleviating the threat of a landscape type bushfire from this direction.

The proposed development can achieve compliance with the Bushfire Protection Criteria. Three existing buildings within the lot (Proposed Resource Recovery Centre, Office and Workshop) are subject to a BAL rating of BAL-19 or lower. The Accommodation Unit and Amenities buildings are subject to a BAL-FZ rating.

The Office, Proposed Resource Recovery Centre and Workshop are Class 5 and Class 8 buildings and are not required to comply with bushfire performance requirements. Additionally, the Accommodation Unit and Amenities buildings predate the requirements for building in bushfire prone areas, and these requirements are not retrospective. However, it is recommended that these buildings be retrofitted to comply with the bushfire construction requirements for their assessed BAL ratings.

Access and egress to two different destinations is available east via Hoy Road to Brand Highway or north via Todman and Bell Roads to Gingin Brook Road.

To the north of the proposed Resource Recovery Centre are two 280,000 litre water tanks. A smaller water tank, fed from the roof gutters, sits to the south of the shed. A portion of one of the larger tanks can be dedicated for firefighting purposes, or a new stand-alone tank can be installed.

5 Assessment Against the Bushfire Protection Criteria (BPC)

5.1 Bushfire Protection Criteria - Assessment Summary

Summarised Outcome of the Assessment Against the Bushfire Protection Criteria (BPC)

	Basis for the Assessment of Achieving the Intent of the Element			
	Achieves compliance with the Element through meeting Acceptable Solutions		Achieves compliance with the Element by application of a Performance Based Solution	Minor or Unavoidable Development
Element	Meets all relevant acceptable solutions	One or more relevant Acceptable Solutions are not fully met. A variation of the solution is provided and justified.	One or more applicable Acceptable Solutions are not met. A solution is developed with the summary presented in this Plan in Section 5.5. The supporting document presenting Bushfire Prone Planning's detailed methodology is submitted separately to the decision makers.	The required supporting statements are presented in this Plan.
Location	✓			
Siting and Design of Development	✓			N/A
Vehicular Access	✓			
Water	✓			

The subject Proposal has been assessed against:

1. The requirements established in Appendix 4 of the Guidelines for Planning in Bushfire Prone Areas, WAPC 2017 v1.3 (the 'Guidelines'). The detail, including technical construction requirements, are found at https://www.planning.wa.gov.au/8194.aspx. A summary of relevant information is provided in the appendices of this Plan; and

2. Any endorsed variations to the Guideline's acceptable solutions and associated technical requirements that have been established by the relevant local government. If known and applicable these have been stated in Section 5.2 of this Plan with the detail included as an appendix if required by the relevant local government.

5.2 Local Government Variations to Apply

Local governments may add to or modify the acceptable solutions of the Bushfire Protection Criteria (BPC) and/or apply technical requirements that vary from those specified in the Guidelines for Planning in Bushfire Prone Areas (WAPC). In such instances, this Proposal will be assessed against these variations and/or any specific local government technical requirements for emergency access and water. Refer to Appendices 2 and 3 for relevant technical requirements.

Will local or regional variations to the acceptable solutions (endorsed by WAPC / DFES) and/or the technical requirements contained in the Guidelines, apply to this Proposal.	N/A

5.3 Bushfire Protection Criteria – Acceptable Solutions Assessment Detail

5.3.1 Element 1: Location

Bushfire Protection Criteria Element 1: Location
Assessment Statements and Bushfire Protection Measures to be Applied

Intent: To ensure that strategic planning proposals, subdivision and development applications are located in areas with the least possible risk of bushfire to facilitate the protection of people, property and infrastructure.

Acceptable Solution:	A1.1: Development Location	Method of achieving Element compliance and/or the Intent of the Element:	The acceptable solution is fully met.

The proposed development achieves compliance by:

- Ensuring future buildings on the lot are located on an area that will be subject to potential radiant heat from a bushfire not exceeding 29 kW/m^2 (i.e. a BAL rating of BAL-29 or less will apply). This can be achieved by using positioning, design and appropriate vegetation removal/modification; and
- Managing the remaining bushfire risk to an acceptable level by the existence/implementation and ongoing maintenance of all required bushfire protection measures, as identified within this Plan. These measures include the requirements for vegetation management, vehicular access and firefighting water supply.

Currently, there are no future habitable buildings planned for the site.

5.3.2 Element 2: Siting and Design of Development

Bushfire Protection Criteria Element 2: Siting and Design of Development
Assessment Statements and Bushfire Protection Measures to be Applied

Intent: To ensure that the siting and design of development (note: not building/construction design) minimises the level of bushfire impact.

Acceptable Solution:	A2.1: Asset Protection Zone	Method of achieving Element compliance and/or the Intent of the Element:	The acceptable solution is fully met.

The proposed development achieves compliance by:

- Ensuring future building work on the lot can have established around it an APZ of the required dimensions - to ensure that the potential radiant heat from a bushfire to impact future building/s, does not exceed 29 kW/m^2 (i.e. a BAL rating of BAL-29 or less will apply to determine building construction standards);
- The APZs can be established fully within the lot boundaries; and
- The landowner/s having the responsibility of continuing to manage the required APZ as low threat vegetation in a minimal fuel state, by maintaining the APZ to the required dimensions and standard, including compliance with the local government's annual firebreak notice.

The required APZ dimensions are set out in Section 5.4.1. The APZ technical requirements (Standards) are detailed in Appendix 1.

Currently, there are no future habitable buildings planned for the site.

5.3.3 Element 3: Vehicular Access

Bushfire Protection Criteria Element 3: Vehicular Access
Assessment Statements and Bushfire Protection Measures to be Applied

Intent: To ensure that the vehicular access serving a subdivision/development is available and safe during a bushfire event.

Acceptable Solution:	A3.1: Two access routes	Method of achieving Element compliance and/or the Intent of the Element:	The acceptable solution is fully met.

Hoy Road provides safe access and egress to two different destinations. As a sealed public road, it is available to all residents and the public at all times and under all weather conditions.

Access to the Brand Highway is via Hoy Road at a driving distance of approximately 850 metres from the proposed development. Vehicles can travel north or south along the Brand Highway to different destinations.

A secondary route from the development site is available west via Hoy Road, then north along Todman Road to Bell Road, then west and north along Bel Road to Gingin Brook Road. From Gingin Brook Road vehicles can travel east or west to different destinations.

Acceptable Solution:	A3.2 Public Road	Method of achieving Element compliance and/or the Intent of the Element:	N/A

There are no new public roads proposed for this development.

Bushfire Protection Criteria Element 3: Vehicular Access (continued)
Assessment Statements and Bushfire Protection Measures to be Applied

Acceptable Solution:	A3.3 Cul-de-sacs (including a dead-end road)	Method of achieving Element compliance and/or the Intent of the Element:	N/A
Acceptable Solution:	A3.4: Battle-axe	Method of achieving Element compliance and/or the Intent of the Element:	N/A
Acceptable Solution:	A3.5: Private Driveways	Method of achieving Element compliance and/or the Intent of the Element:	The acceptable solution is fully met.

The whole of the subject lot is surfaced with either concrete, bitumen or hardstand areas. Access for firefighting vehicles is available to and around the existing buildings. Any future development must ensure that driveway requirements comply with the specifications (See Appendix 2).

Acceptable Solution:	A3.6 Emergency Access Way	Method of achieving Element compliance and/or the Intent of the Element:	N/A
Acceptable Solution:	A3.7 Fire Service Access Routes	Method of achieving Element compliance and/or the Intent of the Element:	N/A
Acceptable Solution:	A3.8 Firebreak Width	Method of achieving Element compliance and/or the Intent of the Element:	The acceptable solution will be fully met.

The proposed lots will comply with the requirements of the local government annual firebreak notice issued under s33 of the Bush Fires Act 1954. Firebreaks to be installed prior to subdivision clearance.

5.3.4 Element 4: Water

Bushfire Protection Criteria Element 4: Water
Assessment Statements and Bushfire Protection Measures to be Applied

Intent: To ensure water is available to the subdivision, development or land use to enable people, property and infrastructure to be defended from bushfire.

Acceptable Solution:	A4.1 Reticulated Areas	Method of achieving Element compliance and/or the Intent of the Element:	N/A
Acceptable Solution:	A4.2 Non-Reticulated Areas	Method of achieving Element compliance and/or the Intent of the Element:	N/A
Acceptable Solution:	A4.3 Non-reticulated Areas (Individual Lots)	Method of achieving Element compliance and/or the Intent of the Element:	The acceptable solution will be fully met.

The proposed development will have installed a minimum of 50,000 litres of stored water for firefighting purposes only, or other supply to the satisfaction of the Shire of Gingin, prior to development clearance.

To the north of the proposed Resource Recovery Centre are two 280,000 litre water tanks. A smaller water tank, fed from the roof gutters, sits to the south of the shed. A portion of one of the larger tanks can be dedicated for firefighting purposes, or a new stand-alone tank can be installed.

The construction technical requirements established by the Guidelines and/or the local government can and will be complied with. These requirements are set out in Appendix 3.

5.4 Additional Information for Required Bushfire Protection Measures

The purpose of this section of the Plan is:

- As necessary, to provide additional detail (to that provided in the tables of Section 5.3) regarding the implementation of the acceptable solutions for those persons who will have the responsibility to apply the stated requirements;

- As necessary, to detail specific onsite vegetation management requirements such as the APZ dimensions, management of Public Open Space or application of landscaping plans for onsite vegetation;

5.4.1 Vegetation Management

Asset Protection Zone (APZ) Dimensions that are to Apply

The required dimensions of the APZ will vary dependent upon the purpose for which the APZ has been defined. There are effectively three APZ dimensions that can apply:

1. An application for planning approval will be required to show that an APZ can be created which is of sufficient size to ensure the potential radiant heat impact of a fire does not exceed 29kW/m² (BAL-29); and
2. If the assessment has determined a BAL rating for an existing or future building is less than BAL-29, the APZ must be of sufficient size to ensure the potential radiant heat impact of a fire does not exceed the kW/m² corresponding to the lower assessed BAL rating; or
3. Complying with the relevant local government's annual firebreak notice may require an APZ of greater size than that defined by the two previous parameters.

The dimensions (vegetation separation distances) that are to apply to the APZ for this Proposal are presented in the tables below.

Ongoing maintenance of the separation area from any existing or future building works to the classified vegetation (refer to Figure 3.1 for vegetation area details)

The Minimum Separation Distance Required to Retain a Determined BAL Rating

Vegetation Area	1	2	3	4	7	8
	Existing or Future Building with Determined BAL of BAL-29					
Minimum Separation Distance Required (m)	14	21	13	9	14	14
	Existing or Future Building with Determined BAL of BAL-19					
Minimum Separation Distance Required (m)	20	31	19	13	20	20
	Existing or Future Building with Determined BAL of BAL-12.5					
Minimum Separation Distance Required (m)	29	42	27	19	29	29

'Local Government Firebreak Notice APZ'

Required Minimum Dimensions for the Subject Site

Requirement Set By:	Shire of Gingin
Minimum Dimensions:	20 metres. See Shire of Gingin Firebreak Order
Other Conditions:	If Asset Protection Zone technical requirements are defined in the Notice, the standards and dimensions may differ from the Guideline's APZ Standards, with the intent to better satisfy local conditions. When these are more stringent than those created by the Guidelines, or less stringent and endorsed by the WAPC and DFES, they must be complied with. Refer to Appendix 1.

This requirement has been established through the stated local government's annual fire break notice issued under the Bushfires Act 1954 s33.

Any future landscaping on the subject site must not increase the bushfire risk to any existing or future buildings on the lot.

5.5 Recommended Bushfire Protection Measures

These recommendations are for measures that are not directly considered by SPP 3.7 and the associated Guidelines, including the bushfire protection criteria.

These measures are recommended by the bushfire consultant to improve the safety of property occupants and the resilience of buildings in the event of a bushfire impacting the property.

Recommendations may be of specific benefit in supporting applications for 'Minor Development' or 'Unavoidable Development' which are otherwise unable to fully comply with the established bushfire protection criteria.

Retrospective Application of Bushfire Construction Standards

Class 1, 2 and 3 buildings and Class 10a associated buildings and decks, constructed prior to the requirement to comply with bushfire performance requirements, do not need to meet these requirements.

Buildings of Class 4 to Class 9 are not required by the Building Code of Australia (BCA) to be constructed to comply with bushfire performance requirements. Although responsible authorities may require it.

Retrospectively upgrading buildings to assist in reducing bushfire risk to persons and property is a voluntary choice.

As the existing buildings are located in a bushfire prone area and may be subject to a bushfire attack, Bushfire Prone Planning recommends that some degree of upgrading be considered to improve the protection for occupants and the building's survivability. At a minimum protection from ember attack should be considered (i.e. constructed to the standard required for BAL-12.5).

It is recommended that the existing buildings on the subject lot be retrofitted to comply with the bushfire construction requirements for their assessed BAL ratings.

6 Responsibilities for Implementation and Management of the Bushfire Protection Measures

Table 6.1: BMP Implementation responsibilities prior to lot sale, occupancy or building for the Landowner (Developer).

LANDOWNER (DEVELOPER) - PRIOR TO LOT SALE, OCCUPANCY OR BUILDING

No.	Implementation Actions
1	The local government may condition a development application approval with a requirement for the landowner/proponent to register a notification onto the certificate of title (it may also need to be included on the deposited plan). This will be done pursuant to Section 70A Transfer of Land Act 1893 as amended ('Factors affecting use and enjoyment of land, notification on title:'). This is to give notice of the bushfire hazard and any restrictions and/or protective measures required to be maintained at the owner's cost. This condition ensures that: 1. Landowners/proponents are aware their lot is in a designated bushfire prone area and of their obligations to apply the stated bushfire risk management measures; and 2. Potential purchasers are alerted to the Bushfire Management Plan so that future landowners/proponents can continue to apply the bushfire risk management measures that have been established in the Plan.
2	Prior to occupation and post planning approval, the entity responsible for having the BMP prepared should ensure that anyone listed as having responsibility under the Plan has endorsed it and is provided with a copy for their information and informed that it contains their responsibilities. This includes the landowners/proponents (including future landowners where the Plan was prepared as part of a subdivision approval), local government and any other authorities or referral agencies ('Guidelines' s4.6.3).
3	Prior to occupancy of the proposed development it is to be compliant with the relevant local government's annual firebreak notice issued under s33 of the Bushfires Act 1954.
4	Establish the Asset Protection Zone (APZ) on the lot to the dimensions and standard stated in the BMP. This is the responsibility of the landowner.
5	Prior to occupancy, install the required emergency static water supply and associated vehicle access, to the standards stated in the BMP.
6	Prior to occupancy, install or maintain the private driveways to the standards stated in the BMP.
7	Prior to any building work, inform the builder of the existence of this Bushfire Management Plan and the responsibilities it contains, regarding the required construction standards. This will be: • The standard corresponding to the determined BAL rating, as per the bushfire provisions of the Building Code of Australia (BCA); and/or • A higher standard as a result of the BMP establishing that construction is required at a standard corresponding to a higher BAL rating.

Table 6.2: Ongoing management responsibilities for the Landowner/Occupier.

LANDOWNER/OCCUPIER - ONGOING

No.	Ongoing Management Actions
1	Maintain the Asset Protection Zone (APZ) to the dimensions and standard stated in the BMP
2	Comply with the Shire of Gingin Firebreak Order issued under s33 of the Bush Fires Act 1954.
3	Maintain vehicular access routes within the lot to the required surface condition and clearances as stated in the BMP.
4	Maintain the emergency water supply tank and its associated fittings and vehicular access in good working condition.
5	Ensure that any builders (of future structures on the lot) are aware of the existence of this Bushfire Management Plan and the responsibilities it contains regarding the application of construction standards corresponding to a determined BAL rating.
6	Ensure all future buildings the landowner has responsibility for, are designed and constructed in full compliance with: 1. the requirements of the WA Building Act 2011 and the bushfire provisions of the Building Code of Australia (BCA); and 2. with any identified additional requirements established by this BMP or the relevant local government.
7	To consider, implement and maintain, as relevant and able, any bushfire protection measures that have been recommended by the bushfire consultant (refer to Section 5.5), in addition to the measures that are required to be implemented and maintained.

Table 6.3: Ongoing management responsibilities for the Local Government.

LOCAL GOVERNMENT - ONGOING

No.	Ongoing Management Actions
1	Monitor landowner compliance with the Bushfire Management Plan and the annual Firebreak Order.

Appendix 1 - Onsite Vegetation Management Technical Requirements

It is the responsibility of the landowner to maintain the established bushfire protection measures on their property. Not complying with these responsibilities can result in buildings being subject to a greater potential impact from bushfire than that determined by the assessed BAL rating presented in this Bushfire Management Plan.

For the management of vegetation within a lot (i.e. onsite) the following technical requirements exist:

1. **The APZ:** Installing and maintaining an asset protection zone (APZ) of the required dimensions to the standard established by the Guidelines for Planning in Bushfire Prone Areas (WA Planning Commission, as amended). When, due to the planning stage of the proposal to which this Bushfire Management Plan applies, defined APZ dimensions are known and are to be applied to existing or future buildings – then these dimensions are stated in Section 5.4.1 of this Plan.

2. **The Firebreak/Fuel Load Notice:** Complying with the requirements established by the relevant local government's annual firebreak notice issued under s33 of the Bushfires Act 1954. Note: If an APZ requirement is included in the Notice, the standards and dimensions may differ from the Guideline's APZ Standard – the larger dimension must be complied with.

3. **Changes to Vegetated/Non-Vegetated Areas:**

    a. If applicable to this Plan, the minimum separation distance from any classified vegetation, that corresponds to the determined BAL for a proposed building, must be maintained as either a non-vegetated area or as low threat vegetation managed to a minimal fuel condition as per AS 3959-2009 s2.2.3.2 (e) and (f). Refer to Part 4 of this Appendix 1.

    b. Must not alter the composition of onsite areas of classified vegetation (as assessed and presented in Section 3.1.2) to the extent that would require their classification to be changed to a higher bushfire threat classification (as per AS 3959-2009); and

    c. Must not allow areas within a lot (i.e. onsite) that have been:
        i. excluded from classification by being low threat vegetation or non-vegetated; and
        ii. form part of the assessed separation distance that is determining a BAL rating -

    ...to become vegetated to the extent they no longer represent a low threat (refer to Part 4 of Appendix 1). Note: The vegetation classification exclusion specifications as established by AS 3959-2009 s2.2.3.2, are included at A1.4 below for reference.

1. Requirements Established by the Guidelines – the Asset Protection Zone (APZ) Standards

(Source: Guidelines for Planning in Bushfire Prone Areas - WAPC 2017 v1.3 Appendix 4, Element 2, Schedule 1 and Explanatory Note E2.1)

Defining the Asset Protection Zone (APZ)

Description: An APZ is an area surrounding a building that is managed to reduce the bushfire hazard to an acceptable level (by reducing fuel loads). The width of the required APZ varies with slope and vegetation. For planning applications, the minimum sized acceptable APZ is that which is of sufficient size to ensure the potential radiant heat impact of a fire does not exceed 29kW/m² (BAL-29). It will be site specific.

The APZ may include public roads, waterways, footpaths, buildings, rocky outcrops, golf courses, maintained parkland as well as cultivated gardens in an urban context, but does not include grassland or vegetation on a neighbouring rural lot, farmland, wetland reserves and unmanaged public reserves.

For subdivision planning, design elements and excluded/low threat vegetation adjacent to the lot can be utilised to achieve the required vegetation separation distances and therefore reduce the required dimensions of the APZ within the lot.

Defendable Space: The APZ includes a defendable space which is an area adjoining the asset within which firefighting operations can be undertaken to defend the structure. Vegetation within the defendable space should be kept at an absolute minimum and the area should be free from combustible items and obstructions. The width of the defendable space is dependent on the space which is available on the property, but as a minimum should be 3 metres.

Establishment: The APZ should be contained solely within the boundaries of the lot on which the building is situated, except in instances where the neighbouring lot or lots will be managed in a low-fuel state on an ongoing basis, in perpetuity.

Note: Regardless of whether an Asset Protection Zone exists in accordance with the acceptable solutions and is appropriately maintained, fire fighters are not obliged to protect an asset if they think the separation distance between the dwelling and vegetation that can be involved in a bushfire, is unsafe.

Schedule 1: Standards for APZ

Fences: within the APZ are constructed from non-combustible materials (e.g. iron, brick, limestone, metal post and wire). It is recommended that solid or slatted non-combustible perimeter fences are used.

Objects: within 10 metres of a building, combustible objects must not be located close to the vulnerable parts of the building i.e. windows and doors.

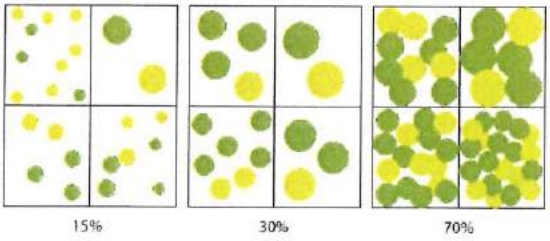
Fine Fuel Load: combustible dead vegetation matter less than 6 mm in thickness reduced to and maintained at an average of two tonnes per hectare (example below).

Example Fine Fuel Load of Two Tonnes per Hectare

(Image source: Shire of Augusta Margaret River's Firebreak and Fuel Reduction Hazard Notice)

Trees (> 5 metres in height): trunks at maturity should be a minimum distance of 6 metres from all elevations of the building, branches at maturity should not touch or overhang the building, lower branches should be removed to a height of 2 metres above the ground and or surface vegetation, canopy cover should be less than 15% with tree canopies at maturity well spread to at least 5 metres apart as to not form a continuous canopy. Diagram below represents tree canopy cover at maturity.

Tree canopy cover – ranging from 15 to 70 per cent at maturity



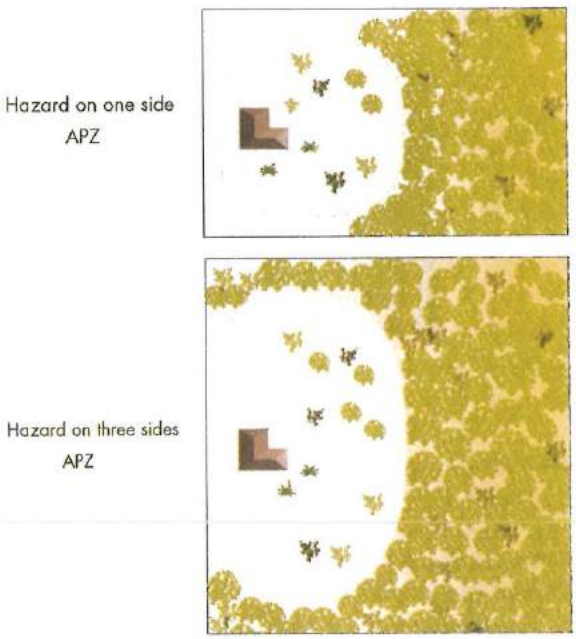
(Source: Guidelines for Planning in Bushfire Prone Areas 2017, Appendix 4)

Shrubs (0.5 metres to 5 metres in height): should not be located under trees or within 3 metres of buildings, should not be planted in clumps greater than 5m2 in area, clumps of shrubs should be separated from each other and any exposed window or door by at least 10 metres. Shrubs greater than 5 metres in height are to be treated as trees.

Ground covers (<0.5 metres in height): can be planted under trees but must be properly maintained to remove dead plant material and any parts within 2 metres of a structure, but 3 metres from windows or doors if greater than 100 mm in height. Ground covers greater than 0.5 metres in height are to be treated as shrubs.

Grass: should be managed to maintain a height of 100 mm or less.

The following example diagrams illustrate how the required dimensions of the APZ will be determined by the type and location of the vegetation.



2. Requirements Established by the Local Government – the Firebreak Notice

These requirements are established by the relevant local government's Firebreak Notice created under s33 of the Bushfires Act 1954 and issued annually (potentially with revisions). The Notice may include additional components directed at managing fuel loads, accessibility and general property management with respect to limiting potential bushfire impact.

> The relevant local government's current Firebreak Notice is available on their website, at their offices and is distributed as ratepayer's information. It must be complied with.

If Asset Protection Zone technical requirements are defined in the Notice, the standards and dimensions may differ from the Guideline's APZ Standards, with the intent to better satisfy local conditions. When these are more stringent than those created by the Guidelines, or less stringent and endorsed by the WAPC and DFES, they must be complied with.

When, due to the planning stage of the proposal to which this Bushfire Management Plan applies, defined APZ dimensions are known and are to be applied to existing or future buildings – then these dimensions are stated in Section 5.4.1 of this Plan.

3. Requirements Recommended by DFES – Property Protection Checklists

> Further guidance regarding ongoing/lasting property protection (from potential bushfire impact) is presented in the publication 'DFES – Fire Chat – Your Bushfire Protection Toolkit'. It is available from the Department of Fire and Emergency Services (DFES) website.

4. Requirements Established by AS 3959-2009 - Maintaining Areas within your Lot as 'Low Threat'

This information is provided for reference purposes. This knowledge will assist the landowner to comply with Management Requirement No. 3 set out in the Guidance Panel at the start of this Appendix. It identifies what is required for an area of land to be excluded from classification as a potential bushfire threat.

"Australian Standard - AS 3959-2009 Section 2.2.3.2: Exclusions - Low threat vegetation and non-vegetated areas:

The Bushfire Attack Level shall be classified BAL-LOW where the vegetation is one or a combination of the following:

a) *Vegetation of any type that is more than 100m from the site.*
b) *Single areas of vegetation less than 1ha in area and not within 100m of other areas of vegetation being classified.*
c) *Multiple area of vegetation less than 0.25ha in area and not within 20m of the site or each other.*
d) *Strips of vegetation less than 20m in width (measured perpendicular to the elevation exposed to the strip of vegetation) regardless of length and not within 20m of the site or each other, or other areas of vegetation being classified.*
e) *Non-vegetated areas, including waterways, roads, footpaths, buildings and rocky outcrops.*
f) *Low threat vegetation, including grassland managed in a* ***minimal fuel condition*** *(i.e. insufficient fuel available to significantly increase the severity of a bushfire attack – recognisable as short cropped grass to a nominal height of 100mm for example), maintained lawns, golf courses, maintained public reserves and parklands, vineyards, orchards, cultivated gardens, commercial nurseries, nature strips and windbreaks."*

Appendix 2 - Vehicular Access Technical Requirements

Each local government may have their own standard technical requirements for emergency vehicular access and they may vary from those stated in the Guidelines.

Contact the relevant local government for the requirements that are to apply in addition to the requirements set out as an acceptable solution in the Guidelines. If the relevant local government requires that these are included in the Bushfire Management Plan, they will be included in this appendix and referenced.

Requirements Established by the Guidelines – The Acceptable Solutions

(Source: Guidelines for Planning in Bushfire Prone Areas WAPC 2017 v1.3, Appendix 4)

Vehicular Access Technical Requirements - Part 1

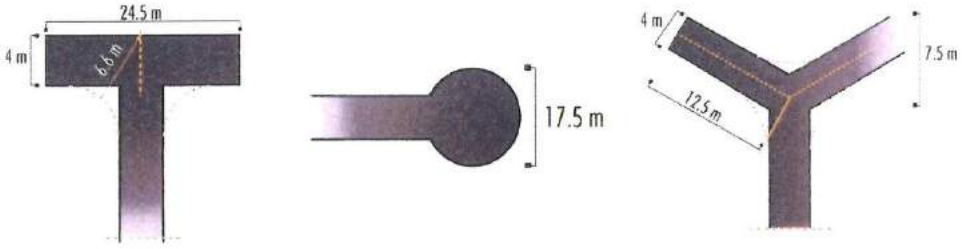
Acceptable Solution 3.5: Private Driveways

The following requirements are to be achieved:

- The design requirements set out in Part 2 of this appendix; and

Where the house site is more than 50 metres from a public road:

- Passing bays every 200 metres with a minimum length of 20 metres and a minimum width of two metres (ie combined width of the passing bay and constructed private driveway to be a minimum six metres);
- Turn-around areas every 500 metres and within 50 metres of a house, designed to accommodate type 3.4 fire appliances to turn around safely (ie kerb to kerb 17.5 metres);
- Any bridges or culverts are able to support a minimum weight capacity of 15 tonnes; and
- All weather surface (i.e. compacted gravel, limestone or sealed).



Acceptable Solution 3.8: Firebreak Width

Lots greater than 0.5 hectares must have an internal perimeter firebreak of a minimum width of three meters or to the level as prescribed in the local firebreak notice issued by the local government.

Vehicular Access Technical Requirements - Part 2

Technical Component	Vehicular Access Types				
	Public Roads	Cul-de-sacs	Private Driveways	Emergency Access Ways	Fire Service Access Routes
Minimum trafficable surface (m)	6*	6	4	6*	6*
Horizontal clearance (m)	6	6	6	6	6
Vertical clearance (m)	4.5	4.5	4.5	4.5	4.5
Maximum grade <50 metres	1 in 10	1 in 10	1 in 10	1 in 10	1 in 10
Minimum weight capacity (t)	15	15	15	15	15
Maximum cross-fall	1 in 33	1 in 33	1 in 33	1 in 33	1 in 33
Curves minimum inner radius (m)	8.5	8.5	8.5	8.5	8.5

* A six metre trafficable surface does not necessarily mean paving width. It could, for example, include four metres of paving and one metre of constructed road shoulders. In special circumstances, where 8 lots or less are being serviced, a public road with a minimum trafficable surface of four metres for a maximum distance of ninety metres may be provided subject to the approval of both the local government and DFES.

Appendix 3 - Water Technical Requirements

Requirements Established by the Guidelines - Acceptable Solution A4.2: Non-Reticulated Areas

Each local government may have their own standard technical requirements for firefighting water supplies and they may vary from those stated in the Guidelines.

Contact the relevant local government for the requirements that are to apply in addition to the requirements set out as an acceptable solution in the Guidelines. If the relevant local government requires that these are included in the Bushfire Management Plan, they will be included in this appendix and referenced.

Table A4.1: The acceptable solution as contained in the Guidelines for Planning in Bushfire Prone Areas WAPC 2017 v1.3, Appendix 4, Element 4 – with example construction / coupling requirements from various sources including FESA (DFES) Operational Circular 07/2011 and Planning for Bushfire Protection Guidelines WAPC 2010.

Technical Requirements for Static Water Supply (example only – check with local government)	
Volume:	50,000 litres per tank
Ratio of tanks to lots:	1 tank per 25 lots (or part thereof)
Location:	No more than two kilometres to the furthermost house site within the residential development to allow a 2.4 fire appliance to achieve a 20-minute turnaround time at legal road speeds.
Tank Construction:	Above ground tanks constructed using concrete or metal. Stands of raised tanks are constructed using non-combustible materials and heat shielding where applicable (required for metal stands).
Pipe Construction:	Galvanised or copper (PVC if buried at least 300mm below ground).
Access:	Hardstand and turnaround areas suitable for a 3.4 appliance (i.e. kerb to kerb 17.5metres) are provided within three metres of each tank.
Couplings:	Hydrant or standpipe to be provided. Tanks can be fitted with a full flow valve gate (not ball valve) and a 100mm cam-lock coupling of metal/alloy construction (examples below).
Ownership and Responsibility:	Water tanks and associated facilities are vested in the relevant local government. A procedure must be in place to ensure that water tanks are maintained at or above designated capacity always.

Requirements Established by the Guidelines - Acceptable Solution A4.3: Non-Reticulated Areas – Single Lot

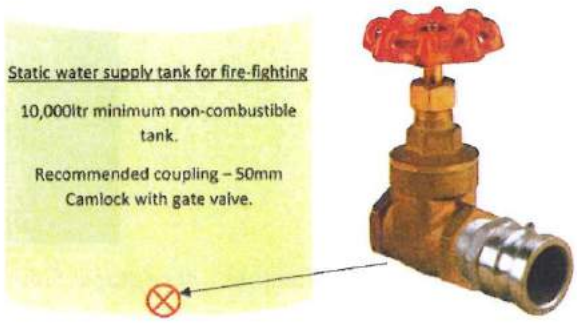
Each local government may have their own standard technical requirements for firefighting water supplies and they may vary from those stated in the Guidelines.

Contact the relevant local government for the requirements that are to apply in addition to the requirements set out as an acceptable solution in the Guidelines. If the relevant local government requires that these are included in the Bushfire Management Plan, they will be included in this appendix and referenced.

Table A4.1: The acceptable solution as contained in the Guidelines for Planning in Bushfire Prone Areas WAPC 2017 v1.3, Appendix 4, Element 4 – with example construction / coupling requirements from various sources including FESA (DFES) Operational Circular 07/2011 and Planning for Bushfire Protection Guidelines WAPC 2010.

Technical Requirements for Static Water Supply
(example only – check with local government)

Application:	Single lots above 500 m^2 need a dedicated static water supply on the lot. This solution is only for use if creating one additional lot and cannot be applied cumulatively.
Volume:	Minimum 10,000 litres per tank dedicated to firefighting purposes. The storage tank must not facilitate sharing the water for domestic use due to the danger of contamination.
Tank Construction:	Above ground tanks constructed using concrete or metal.
Pipe Construction:	Galvanised or copper (PVC if buried at least 300mm below ground).
Vehicle Access:	Hardstand and turnaround area suitable for a 3.4 appliance (i.e. kerb to kerb 17.5metres) is provided at the tank.
Couplings:	Tanks are to be fitted with a full flow gate valve (not ball valve) and a 50mm or 100mm cam-lock coupling of metal/alloy construction (example below).
Responsibility:	A procedure must be in place to ensure that water tanks are maintained at or above designated capacity always.


Static water supply tank for fire-fighting
10,000ltr minimum non-combustible tank.
Recommended coupling – 50mm Camlock with gate valve.

APPENDIX 3

SCHEDULE OF SUBMISSIONS AND RECOMMENDED RESPONSES

LPS NO. 9 - SCHEME AMENDMENT NO. 20 – LOT 39 (56) HOY ROAD, COONABIDGEE

No.	Submitter	Submission Detail	Recommended Response
1.	Environmental Protection Authority (EPA)	The submitter makes the following general comment: ***"DECISION UNDER SECTION 48A(1) (a) Environmental Protection Act 1986*** ***SCHEME: Shire of Gingin – Local Planning Scheme 9 – Amendment 20*** ***LOCATION: Lot 39 (56) Hoy Road, Coonabidgee*** ***RESPONSIBLE AUTHORITY: Shire of Gingin*** ***DECISION: Referral Examined, Preliminary Investigations and Inquiries Conducted. Scheme Amendment Not to be Assessed Under Part IV of EP Act. No Advise Given . (Not Appealable)*** *Thank you for referring the above scheme to the Environmental Protection Authority (EPA).* *After consideration of the information provided by you, the EPA considers that the proposed scheme should not be assessed under Part IV Division 3 of the Environment Protection Act 1986 (EP Act) and that it is not necessary to provide any advice or recommendations.* *Please note the following:* • *For the purposes of Part IV of the EP Act, the scheme is defined as an assessed scheme. In relation to the*	Noted.

		implementation of the scheme, please note the requirements of Part IV Division 4 of the EP Act. • *There is no appeal right in respect of the EPA's decision to not assess the scheme."*	
2.	Department of Primary Industries and Regional Development (DPIRD)	The submitter makes the following general comment: ***"Re: Proposed Scheme Amendment No. 20 to LPS 9 – Lot 39 (56) Hoy Road, Coonabidgee.*** *Thank you for the opportunity to comment on the proposed amendment to the Local Planning Scheme No.9.* *The Department of Primary Industry and Regional Development (DPIRD) has no objections to the proposed Resource Recovery Centre as the property in question is zoned Rural Industrial and is not being used for agriculture.* *The site of the proposed Resource Recovery Centre is described by DPIRD's soil-landscape mapping as Bassendean System, Gavin phase. This is a flat landscape with poor pale sands and seasonally we soils with high risk of nutrient export. It is desirable that the amendment encourages good property management practises to prevent degradation.*	Noted.
3.	Department of Planning, Lands and Heritage (DPLH)	The submitter makes the following general comment: "***PROPSOED SCHEME AMENDMENT NO.20 TO LOCAL PLANNING SCHEME NO.9 – ADDITIONAL USE RESOURCE RECOVERY CENTRE AT LOT 39 (56) HOY ROAD, COONABIDGEE***	Noted.

		Thank you for your letter dated 26 October 2018 regarding the Proposed Scheme Amendment No.20 to Local Planning Scheme No.9 – Additional Use Resource Recovery Centre at Lot 39 (56) Hoy Road, Coonabidgee. *The Department of Planning, Land and Heritage (DPLH) has reviewed the Register of Sites and Objects and advises there is no record Aboriginal sites within the area of the Proposal. Based on the information currently available, there is no requirement to seek an approval under the Aboriginal Heritage Act 1972.* *The DPLH recommends that developers undertaking the activities take into consideration the DPLH's Aboriginal Heritage Due Diligence Guidelines when planning specific developments. These guidelines have been developed to assist proponents to identify risks to Aboriginal heritage and to mitigate risk where heritage sites may be present.* *The guidelines are available at https://www.daa.wa.gov.au/heritage/land-use/"*	
4.	Ratepayer	The submitter makes the following general comment: *"What will be done in regards to the hazchem stuff? Do they have an offensive trade license? As far as I am aware they are already transferring rubbish without approval/license. How far are the "surrounding municipal areas" as mentioned in the first paragraph on page 2 – 2.0 proposal? How many trucks will be coming from those "surrounding municipal areas"?"*	The Applicant has provided the following response: Hazchem material should not be in the bins that are collected by the Applicant. If it is, the Applicant reiterates that the proposal is essentially a transfer station and the material will be bundled up and sent to Perth for processing.

			The Applicant does not have an offensive trade licence and their activity does not fall under the classification of 'offensive trade' as defined in Schedule 2 of the *Health (Miscellaneous Provisions) Act 1911*; they are simply a transfer station and do not deal with putrescible waste. The Applicant is aware of similar facilities that exist elsewhere in the State and to the best of their knowledge, those facilities do not have any such licences either. As for the trucks from surrounding municipal areas, currently one (1) truckload per week is received from the Shire of Dandaragan (typically on a Tuesday) and one (1) truckload per week is received from the Shire of Corrow (typically on a Wednesday).
5.	Ratepayer	The submitter makes the following general comment: *"I will trust the Shire of Gingin will ensure that all rubbish will be contained on the property, and that the surrounding roads/ interactions be upgraded (as opposed to the current substandard patching"*	The Applicant has provided the following response: The Applicant commits to containing all waste on-site. As for the surrounding roads/intersections, this is a matter for the Shire to consider and is not the responsibility of a sole applicant.
6.	Main Roads Western Australia (MRWA)	The submitter makes the following general comment: "***Shire of Gingin – Proposed Scheme Amendment No. 20 Local Planning Scheme No.9 – Additional Use 'Resource Recovery Centre' at Lot 39 Hoy Road, Coonabidgee***	Noted.

		Thank you for consulting Main Roads on the proposed scheme amendment described above/ *It is considered unlikely that the proposed scheme amendment would have a significant detrimental impact on the level of service, amenity or safety of users of the Main Roads network. Accordingly, Main Roads has no objections or further comments on this proposal."*	

11.3.2 APPLICATION FOR AMENDED DEVELOPMENT APPROVAL - PROPOSED OUTBUILDING AND STORAGE ON LOT 22 (44) BELL ROAD, COONABIDGEE

File:	BLD/3729
Applicant:	High Steel Buildings Pty Ltd
Location:	Lot 22 (44) Bell Road, Coonabidgee
Owners:	Abuklea Pty Ltd/ Loganville Pty Ltd
Zoning:	Rural Industry
WAPC No:	N/A
Author:	James Bayliss – Acting Manager Statutory Planning
Reporting Officer:	Kylie Bacon – Acting Executive Manager Planning and Development
Report Date:	18 December 2018
Refer:	16 October 2018 Item 11.3.4
Appendices:	1. Location Plan, Aerial and Applicant's Proposal

DISCLOSURES OF INTEREST

Nil

PURPOSE

To consider an Application for Development Approval for an Outbuilding to be used for storage purposes on Lot 22 (44) Bell Road, Coonabidgee.

BACKGROUND

At the Ordinary Council Meeting on 16 October 2018 Council resolved to approve two outbuildings on the subject land resulting in an area of 988.8m^2. The applicant seeks a minor amendment to the previous approval which includes separating the two sheds by 10 metres to avoid additional building requirements that arose as part of the building permit process. Council consideration is required as the officer does not have delegation to modify a resolution of Council.

The subject property is 8.5 hectares in area and currently contains an existing outbuilding that is relatively dilapidated and appears to be unused. The eastern portion of the site consists of crushed limestone hardstand with the western portion having recently been cleared and backfilled to create further hardstand. The western portion of the site is subject to a compliance investigation for alleged unauthorised clearing of a conservation category wetland and does not form part of this approval.

The proposal includes an outbuilding which consists of two sections outlined on the submitted plans as 'Shed 1A' and Shed 1B'. Both outbuildings are connected and essentially form one structure, however the dimensions do vary somewhat. Shed 1A is 24 metres in length and 18.7 metres in width equating to an area of 448.8m^2 and Shed 1B is 30 metres in length and 18 metres in width equating to an area of 540m^2, giving a total area of 988.8 m^2.

The proposed wall height of Shed 1A is 5 metres tapering to an overall height of 7.5 metres. Shed 1B has a proposed wall height of 7.5 metres tapering to an overall height of 8.3 metres.

The site has ample hardstand area for the loading and unloading of materials and to provide a manoeuvring area for vehicles.

The applicant seeks approval for the outbuilding to be used for storage purposes, with the items to be stored consisting predominantly of machinery associated with drilling operations, trucks, trailers and piping amongst other things. No staff are proposed to be permanently based onsite, with the storage being long term and equipment only removed when required by drilling operations.

A location plan and a copy of the applicant's proposal is attached as **Appendix 1.**

COMMENT

Community Consultation

In this instance the only potentially affected adjoining land is owned by the Shire of Gingin (the Shire's Frogmore Depot). Therefore, the matter is presented for Council's consideration rather than undertaking the usual advertising process.

LOCAL PLANNING FRAMEWORK

Local Planning Scheme No. 9 (LPS 9)

The subject lot is zoned Rural Industry under LPS 9. The objectives of the Rural Industry zone are to:

a) *Provide for a range of industrial land uses on rural-living sized lots where people can work and live on the same property.*

Storage is considered to be a 'D – Discretionary' use within the Rural Industry zoning.

The land use 'Storage' is defined as follows:

"Premises used for the storage of goods, equipment, plant or materials"

The proposal seeks approval to use the outbuilding for the purpose of storing equipment associated with the landowner's drilling company as advised above. An extract of the applicable development standards outlined in '*Table 2 – Site Requirements'* for Rural Industry zoned land is provided below, with the proposed dimensions indicated:

Table 2 – Site Requirements						
Zone	**Minimum Setback**			**Maximum Plot Ratio**	**Maximum Site Coverage**	**Minimum Landscaping**
	Front	**Side**	**Rear**			
Rural Industry	Permitted: 20m Provided: 20m Complies	Permitted: 20 Provided: 20m Complies	Permitted: 20m Provided: >20m Compiles	Permitted: 0.5 Provided: <0.5 Complies	Permitted: 50% Provided: <50% Complies	5% of site area – screening of non-residential uses from street is required. Provided: Nil Condition to require screening

The application complies with the above requirements with the exception of screening provisions to the street. Clause 4.8.4.4 of LPS 9 states:

"A person shall not use land for open storage purposes unless it is screened from public view by a fence or wall to the satisfaction of the local government."

Given the site is used for open storage currently and the construction of the outbuilding will enable a significant amount of material to be relocated within the outbuilding, screening is not considered necessary at this stage. It is also noted that in this instance the subject site has very limited frontage to the primary street (Bell Road) due to the lot configuration and therefore screening will offer limited benefit to the visual amenity of the streetscape.

Once the outbuilding is erected and equipment relocated, it is intended to inspect the property to ascertain any areas being used for 'outdoor storage' which does require development approval. This will be addressed in conjunction with the compliance investigation relating to clearing undertaken to increase the hardstand area, which was to be used for outdoor storage purposes. It is considered appropriate to deal with any screening requirement as part of this process once the existing material has been rearranged and an appropriate screening location can be established.

Parking

'Table 3 – Parking Requirements' under LPS 9 designates the amount of parking required for the proposed land use based on the gross leasable area of the development. In this instance the land use 'storage' is not identified within Table 3 - Parking Requirements. As such clause 4.7.2.5 is applicable, which states:

"Where there is a use of land referred to in the Zoning Table (Table 1) for which no provision is made in respect of car parking spaces in Table 3, the car parking spaces required for that use of land shall be as determined by local government."

The parking ratio that is generally applied to a storage use is 1 bay per 100m^2 of gross leasable area, as per the 'warehouse' land use under Table 3, which Administration considers to be of a similar nature to that of storage. The total amount of leasable area is 988m^2, therefore 9.8 (10) car bays are required in order to satisfy LPS 9. The proposed development indicates parking for five vehicles, however it is noted the area is considerable in size with ample room for sufficient parking should the need arise. The provision of parking is deemed appropriate due to the nature of the storage use and given that no members of public will frequent the property.

Clause 4.7.2.1 provides for provisions for parking, access for loading and unloading of vehicles with an extract of the applicable points for mixed business zoned land outlined below:

"(a) No land or buildings shall be developed unless provision is made for an area clear of the street for the purpose of loading or unloading goods or materials.
(b) The local government will seek to ensure that the majority of servicing vehicles will be able to leave and enter the street in a forward direction.

(c) Parking, loading and unloading and access, complete with necessary drainage, signs and marking as required by the local government, shall be provided prior to any occupation of the development or at such time as may be agreed.

(d) External servicing areas shall be established and maintained to the satisfaction of the local government."

The loading/unloading of goods or materials can occur from any portion of the hardstand area or within the confines of the outbuilding which avoids the need to provide a dedicated loading bay. In the event the land use changes in the future, appropriate line marking can be undertaken at the time if it is deemed that a dedicated loading/unloading bay is required. The remaining provisions in relation to servicing are deemed to be satisfied.

The general development standards outlined in LPS 9 for the Rural Industry zone require all developments to provide at least one refuse storage area readily accessible to service vehicles and screened from view of a public street by a closed fence, wall or screen landscaping no less than 1.8 metres in height. The proposed land use will not generate waste and therefore the requirement for a refuse storage area is not considered to be necessary. Any future change of use development applications can address the provision of a refuse storage area if required.

<u>State Planning Policy 3.7 – Planning in Bushfire Prone Areas (SPP 3.7)</u>

SPP 3.7 provides a foundation for land use planning to address bushfire risk management. The subject lot is designated as being bushfire prone. Given the land use proposed is for storage purposes the two outbuildings are deemed to be non-habitable. SPP 3.7 provides for exemptions for non-habitable structures from requiring a BAL assessment to be prepared. In the event the outbuildings were to be reclassified as habitable in the future a BAL can be requested an addressed accordingly.

Summary

Administration is of the view that the amendment does not generate any adverse issues and is supported.

In view of the above assessment, the outbuilding and storage use can be accommodated on the subject lot in the location proposed. The owner is aware that any future change to the land use or design layout may require a development application and any additional provisions of the Scheme that need to be satisfied will be addressed accordingly.

STATUTORY ENVIRONMENT

Local Planning Scheme No.9
Part 3 – Zones and the Use of Land
3.2.5 Objectives of the Zones
3.4.2 Interpretation of Zoning Table
Part 4 – General Development Requirements
4.8.4 – Rural Industry Zone

POLICY IMPLICATIONS

Nil

BUDGET IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Shire of Gingin Strategic Community Plan 2017-2027

Focus Area	*Infrastructure and Development*
Objective	*3. To effectively manage growth and provide for community through the delivery of community infrastructure in a financially responsible manner*
Outcome	*3.1 Development* *New and existing developments meet the Shire's Strategic Objectives and Outcomes*
Key Service Area	*Building and Planning Permits*
Priorities	*3.1.1 Support strategies that facilitate commercial development*

VOTING REQUIREMENTS – SIMPLE MAJORITY

COUNCIL RESOLUTION/OFFICER RECOMMENDATION

MOVED: Councillor Morton SECONDED: Councillor Fewster

That Council grant Amended Development Approval for the proposed Outbuilding and Storage on Lot 44 (22) Bell Road, Coonabidgee subject to the following conditions:

1. **The land use and development shall be undertaken in accordance with the approved plans and specifications, including the directions written in red ink by the Shire, unless otherwise conditioned in this Approval;**

2. **Stormwater from all roofed and hardstand areas shall be collected and contained onsite to the satisfaction of the Shire of Gingin;**

3. **The finished floor level of the Outbuilding must be set at the existing average natural ground level to the satisfaction of the Shire of Gingin;**

4. **The outbuilding shall not be used for human habitation; and**

5. **The existing crossover shall be upgraded to the satisfaction of the Shire of Gingin.**

Advice Notes

Note 1: If you are aggrieved with the conditions of this approval you have the right to request that the State Administrative Tribunal (SAT) review the decision, under Part 14 of the *Planning and Development Act 2005*;

Note 2: If the development subject to this approval is not substantially commenced within a period of two years, the approval shall lapse and have no further effect;

Note 3: Where an approval has so lapsed, no development may be carried out without further approval of the local government having first been sought and obtained;

Note 4: Further to this approval, the applicant is required to submit working drawings and specifications to comply with the requirements of the *Building Act 2011* and *Health Act 2016*, which are to be approved by the Shire of Gingin;

Note 5: The existing vegetation on the property may be associated with a Conservation Category Wetland. Please contact the Department of Water and Environmental Regulation (DWER) prior to the removal of any vegetation;

Note 6: This planning approval shall not be construed as an approval or support of any kind for any other planning related application (including subdivision) on the subject land;

Note 7: It is the landowner's responsibility to implement and maintain bushfire protection and mitigation measures on their property;

Note 8: It is recommended that cadastral lot boundaries be established by a suitably qualified land surveyor to ensure that all development is carried out within the subject allotment;

Note 9: Please note the outdoor storage occurring at the subject property will require retrospective development approval issued by the Shire of Gingin; and

Note 10: Any required upgrades to the existing crossover are subject to the approval of the Shire of Gingin. A "Vehicle Crossover Application" is required to be submitted and approved prior to the commencement of any remedial works to the crossover.

CARRIED UNANIMOUSLY

APPENDIX 1

GINGIN

7 Brockman St
Gingin WA 6503
P: 08 9575 2211
E: mail@gingin.wa.gov.au

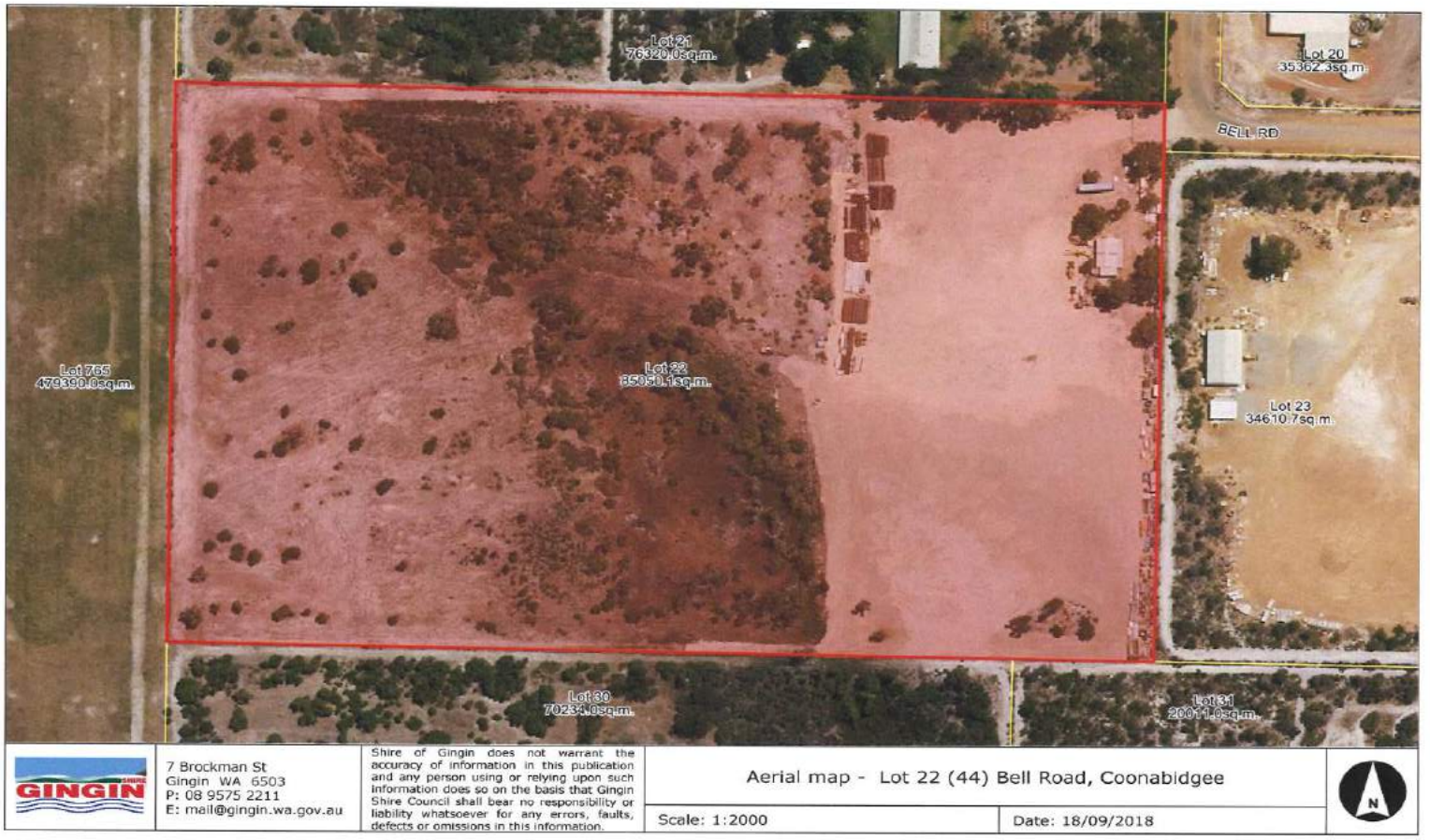
Shire of Gingin does not warrant the accuracy of information in this publication and any person using or relying upon such information does so on the basis that Gingin Shire Council shall bear no responsibility or liability whatsoever for any errors, faults, defects or omissions in this information.

Location plan - Lot 22 Bell Road, Coonabidgee

Scale: 1:15382

Date: 4/10/2018

N


Lot 21
76320.0sq.m.
Lot 20
35362.3sq.m.
BELL RD
Lot 765
479390.0sq.m.
Lot 22
85030.1sq.m.
Lot 23
34610.7sq.m.
Lot 30
70234.0sq.m.
Lot 31
20011.0sq.m.
GINGIN
7 Brockman St
Gingin WA 6503
P: 08 9575 2211
E: mail@gingin.wa.gov.au
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Aerial map - Lot 22 (44) Bell Road, Coonabidgee
Scale: 1:2000
Date: 18/09/2018
N

DCA

DRILLING CONTRACTORS OF AUSTRALIA

Allpine Nominees Pty Ltd ACN 073 605 197 ABN 68 073 605 197

P O Box 98, Kalamunda
Western Australia 6926
Phone: 08 9293 4570

3rd September 2018

Shire of Gingin
7 Brockman Street
GINGIN W A 6503

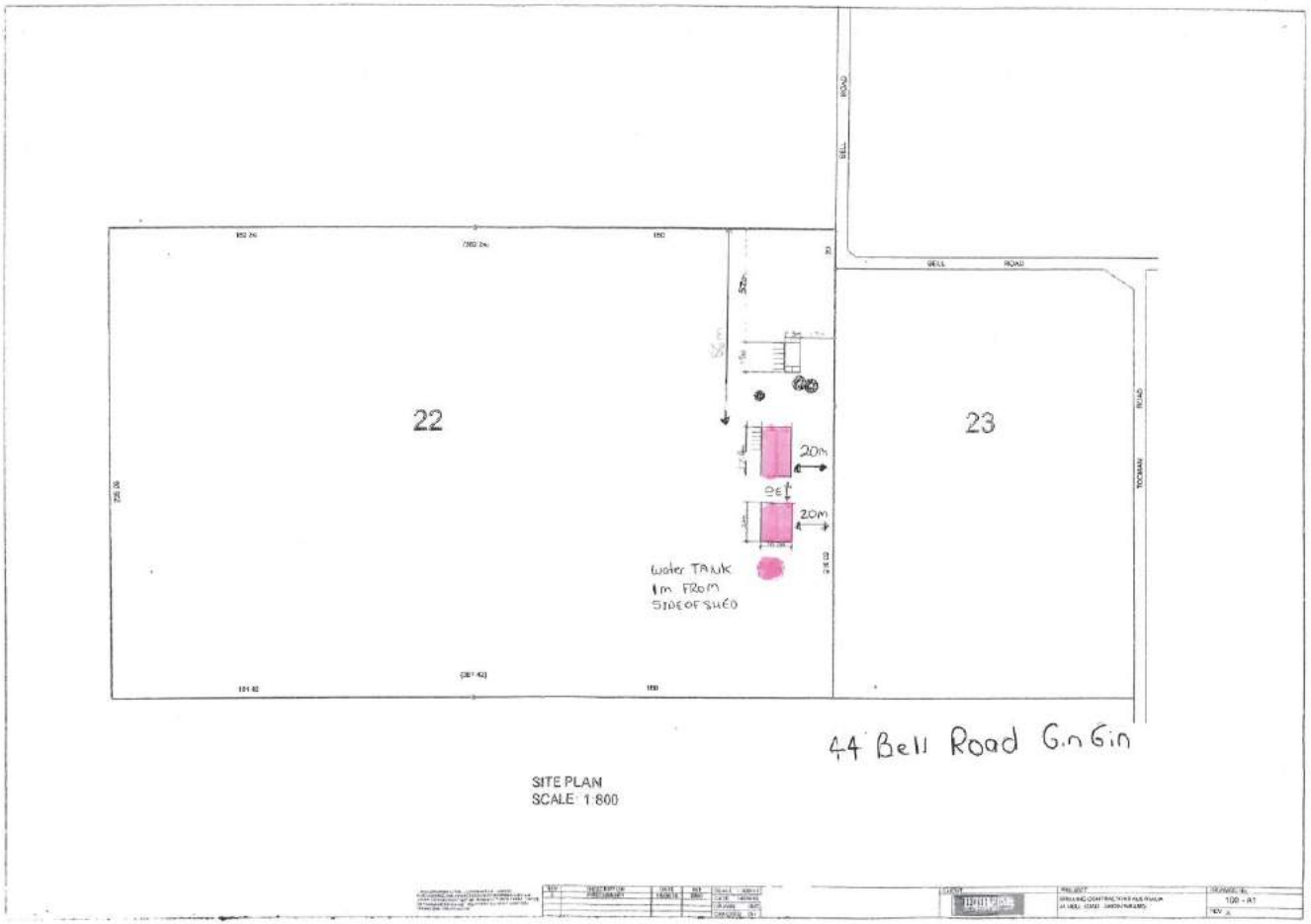
To whom it may concern,

Our new Highline shed is required as a storage facility only for our plant and equipment when not out on site. It will provide shelter and security, rather than leaving valuable plant exposed to the elements and possible theft.

Yours sincerely

Trevor Iley
Director
Abuklea Pty Ltd
29 Lenori Road
Gooseberry Hill, W A 6076

Malcolm Iley
Director
Loganville Pty Ltd
67 Dickenson Way
Booragoon, W A 6154


22
23
BELL ROAD
20m
20m
Water TANK
1m FROM
SIDE OF SHED
44 Bell Road G.n Gin
SITE PLAN
SCALE: 1:800

SHEDSPAN
TOUGH SHEDS ASSEMBLED EASY

23 Corbett ST, Gnowangerup
Western Australia 6335
T: 1300 74 1300 | F: 1300 75 1300
www.shedspan.com.au

CLIENT: Steve Barnes
SITE ADDRESS: 44 Ball Road, Gin Gin, WA, 6503
PHONE:
EMAIL: steve.barnes@highsteel.com.au

DRAWING TITLE: Elevations (All)
SCALE: 1:138.836
DATE: 21-11-2018
Job Number: SHEDSPAN-180529065005

11.3.3 APPLICATION FOR AMENDED DEVELOPMENT APPROVAL - RETROSPECTIVE APPROVAL FOR AN OUTBUILDING ON LOT 500 DEWAR ROAD, GRANVILLE

File:	BLD/4099
Applicant:	Johannes Paul Schaffer
Location:	LOT 500 DEWAR ROAD, GRANVILLE
Owner:	Johannes Paul Schaffer
Zoning:	General Rural
WAPC No:	N/A
Author:	James Bayliss – Acting Manager Statutory Planning
Reporting Officer:	Kylie Bacon – Acting Executive Manager Planning and Development
Report Date:	18 December 2018
Refer:	21 August 2018 Item 11.3.2
Appendices:	1. Location Plan, Aerial and Applicant's Proposal

DISCLOSURES OF INTEREST

Nil

PURPOSE

To consider an amended Application for Retrospective Development Approval for an outbuilding on Lot 500 (132) Dewar Road, Granville.

BACKGROUND

At the Ordinary Council Meeting on 21 August 2018 Council resolved to approve an outbuilding and retrospective transport depot (tow truck business) on the subject land. It was discovered that the outbuilding proposed as part of the building permit did not accord with that approved by Council. The outbuilding has since been erected onsite.

The applicant seeks to amend the previous approval which was approved on the basis of the outbuilding being 14.4 metres in length and 10.8 metres in width (155.5m^2), with a wall height of 2.7 metres tapering to a ridge height of 4.18 metres. The as-constructed outbuilding is 12 metres in length and 10.7 metres in width with a wall height of 3.6 metres tapering to a ridge height of 4.5 metres. Essentially the outbuilding in situ is smaller in area but has an increased height. The approved setbacks have been complied with.

The officer is of the view that the amendment does not generate any adverse issues and is supported, particularly given the overall height is consistent with what can be approved in residential areas with smaller setbacks. Council consideration is required as the officer does not have delegation to modify a resolution of Council.

The subject property is 8097m^2 in area and located approximately 1.8 kilometres north-west of the Gingin townsite. The site currently accommodates a single house, aviary and vehicle repair workshop.

A location plan, aerial image and copy of the applicant's proposal are provided as **Appendix 1.**

COMMENT

Community Consultation

The amendment was not advertised to surrounding landowners. Local government, in accordance with clause 64 of the *Planning and Development (Local Planning Scheme) Regulations 2015,* may waive the requirement for an application to be advertised if satisfied the departure from the requirements of the scheme are minor in nature. In this regard the departure is deemed to be minor.

PLANNING FRAMEWORK

Local Planning Scheme No 9 (LPS 9)

The subject lot is zoned General Rural under LPS 9, the objectives of which are to:

a) Manage land use changes so that the specific local rural character of the zone is maintained or enhanced;

b) Encourage and protect broad acre agricultural activities such as grazing and more intensive agricultural activities such as horticulture as primary uses, with other rural pursuits and rural industries as secondary uses in circumstances where they demonstrate compatibility with the primary use;

c) Maintain and enhance the environmental qualities of the landscape, vegetation, soils and water bodies, to protect sensitive areas especially the natural valley and watercourse systems from damage; and

d) Provide for the operation and development of existing, future and potential rural land uses by limiting the introduction of sensitive land uses in the General Rural zone.

General Rural Development Standards

Setbacks

In accordance with Table 2 of LPS 9, all development shall be set back a minimum 20 metres from all lot boundaries. The proposed outbuilding is set back five metres from the lot boundary, and a setback variation of 15 metres was previously supported by Council.

To alleviate any potential issues from building bulk to the adjoining property the applicant will provide vegetation along the property boundary to act as a screening device.

Summary

In view of the above assessment, Officers are of the opinion that the amendment is minor in nature and does not generate any adverse impacts on adjoining land.

STATUTORY ENVIRONMENT

Local Planning Scheme No. 9
Part 4 – Zones and the Use of Land
4.2 - Objectives of the Zones
4.2.7 - General Rural Zone
4.5 - Variations to Site and Development Standards and Requirements

POLICY IMPLICATIONS

Nil

BUDGET IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Shire of Gingin Strategic Community Plan 2017-2027

Focus Area	*Infrastructure and Development*
Objective	*3. To effectively manage growth and provide for the community through the delivery of community infrastructure in a financially responsible manner.*
Outcome	*3.1 Development* *New and existing developments meet the Shire's Strategic Objectives and Outcomes*
Priority	*3.1.1 Support strategies that facilitate commercial development.*

VOTING REQUIREMENTS – SIMPLE MAJORITY

COUNCIL RESOLUTION/OFFICER RECOMMENDATION

MOVED: Councillor Fewster SECONDED: Councillor Elgin

That Council grant Amended Development Approval for an outbuilding on Lot 500 (132) Dewar Road, Granville subject to the following conditions and advice notes:

1. **The land use and development shall be undertaken in accordance with the approved plans and specifications, including the directions written in red ink by the Shire, unless otherwise conditioned in this Approval;**

2. **Prior to occupation of the development, screening shall be planted along the side (eastern) and rear (southern) boundary as indicated on the approved plans and maintained in a good condition thereafter to the satisfaction of the Shire of Gingin;**

3. No vehicles, vehicle parts, equipment, machinery, tools of trade or material connected with the vehicle repair business shall be stored waiting for work to be carried out, either temporarily or long-term, on any part of the lot, other than within the existing workshop or the approved outbuilding as indicated on the approved plans;

4. Any materials stored outside buildings shall be screened from view from adjoining land or from any public street by a closed fence or wall not less than 1.8 metres in height;

5. Stormwater from all roofed and paved areas hall be collected and contained onsite to the satisfaction of the Shire of Gingin; and

6. The outbuilding shall not be used for human habitation.

Advice Notes

Note 1: If you are aggrieved with the conditions of this approval you have the right to request the State Administrative Tribunal (SAT) review the decision, under Part 14 of the *Planning and Development Act 2005*;

Note 2: If the development subject to this approval is not substantially commenced within a period of 2 years, the approval shall lapse and have no further effect;

Note 3: Where an approval has so lapsed, no development may be carried out without further approval of the local government having first been sought and obtained;

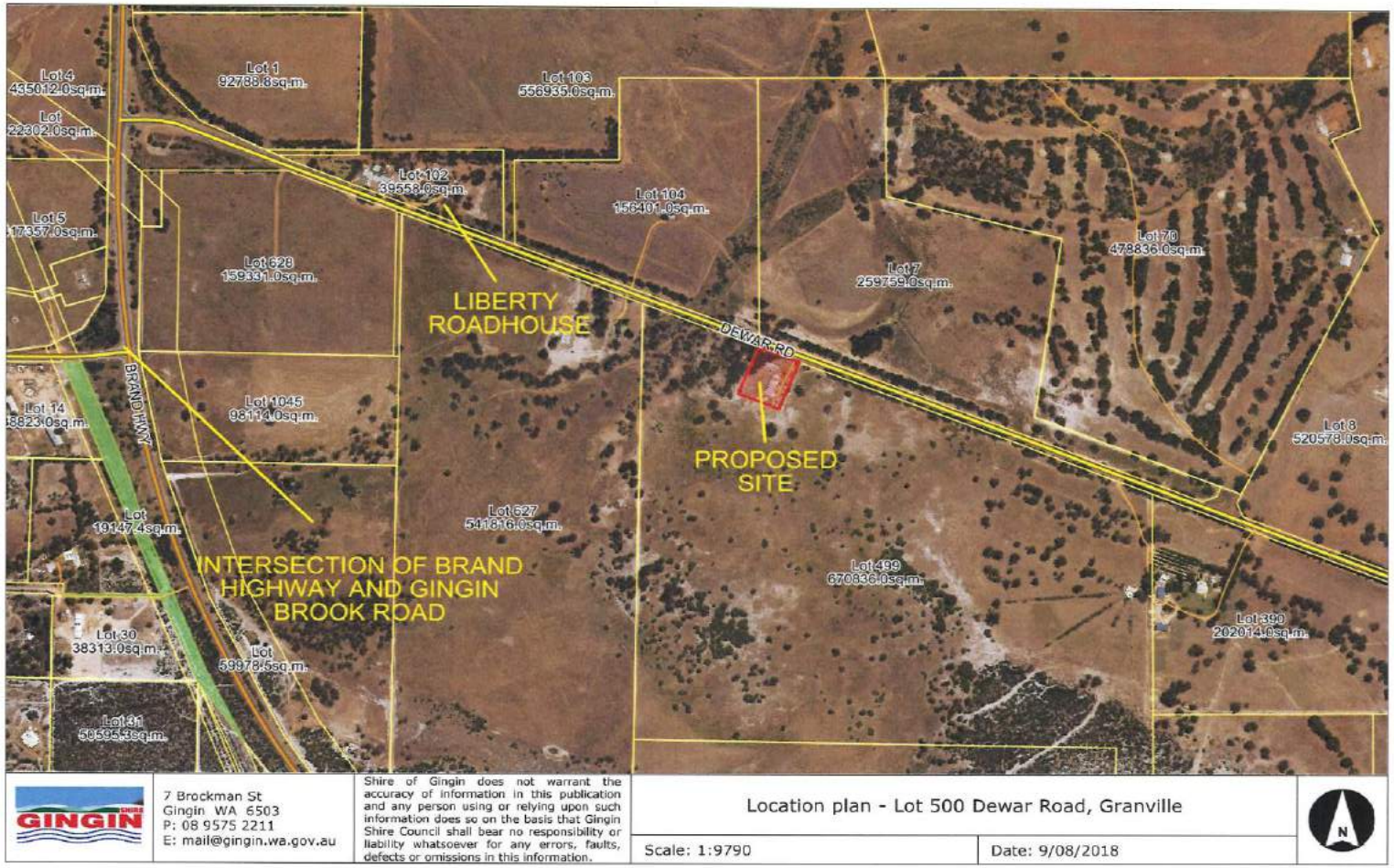
Note 4: Further to this approval, the applicant is required to submit working drawings and specifications to comply with the requirements of the *Building Act 2011* and *Health Act 2016*, which are to be approved by the Shire of Gingin; and

Note 5: It is recommended that cadastral lot boundaries be established by a suitably qualified land surveyor to ensure that all development is carried out within the subject allotment.

Note 6: Please be advised the applicant/landowner is required to lodge a firebreak variation with the Shire to enable vegetation to be planted between the outbuilding and the lot boundary.

CARRIED UNANIMOUSLY

APPENDIX 1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Lot 1
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Lot 103
558935.0sq.m.
Lot
22302.0sq.m.
Lot 102
39553.0sq.m.
Lot 104
156401.0sq.m.
Lot 5
17357.0sq.m.
Lot 628
159391.0sq.m.
LIBERTY
ROADHOUSE
Lot 70
478836.0sq.m.
Lot 7
259759.0sq.m.
DEWAR RD
BRAND HWY
Lot 14
882310sq.m.
Lot 1045
98114.0sq.m.
Lot 8
520579.0sq.m.
PROPOSED
SITE
Lot
191474sq.m.
Lot 627
541816.0sq.m.
INTERSECTION OF BRAND
HIGHWAY AND GINGIN
BROOK ROAD
Lot 499
670836.0sq.m.
Lot 390
202014.0sq.m.
Lot 30
38313.0sq.m.
Lot
59978.5sq.m.
Lot 41
50595.3sq.m.
GINGIN
7 Brockman St
Gingin WA 6503
P: 08 9575 2211
E: mail@gingin.wa.gov.au
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Location plan - Lot 500 Dewar Road, Granville
Scale: 1:9790
Date: 9/08/2018
N

Lot 7
259759.0sq.m.
DEWAR RD
Lot 500
8097.0sq.m.
Lot 499
670836.0sq.m.
GINGIN
7 Brockman St
Gingin WA 6503
P: 08 9575 2211
E: mail@gingin.wa.gov.au
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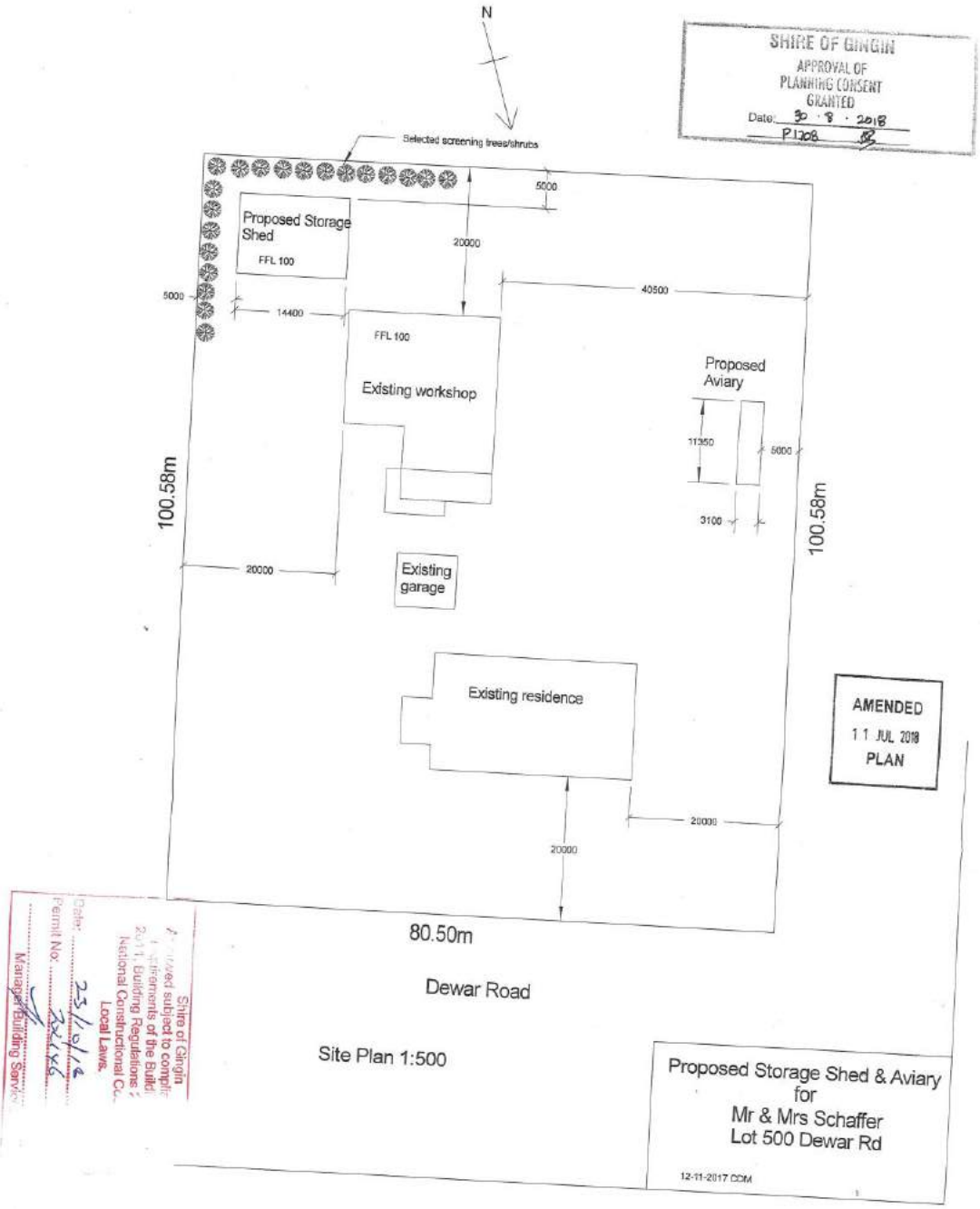
Aerial map - Lot 500 Dewar Road, Coonabidgee
Scale: 1:1000
Date: 9/08/2018
N


N
SHIRE OF GINGIN
APPROVAL OF
PLANNING CONSENT
GRANTED
Date: 30 · 8 · 2018
P1308
Selected screening trees/shrubs
5000
Proposed Storage Shed
FFL 100
20000
40500
5000
14400
FFL 100
Existing workshop
Proposed Aviary
11350
5000
3100
100.58m
100.58m
20000
Existing garage
Existing residence
AMENDED
11 JUL 2018
PLAN
20000
20000
80.50m
Dewar Road
Site Plan 1:500
Proposed Storage Shed & Aviary
for
Mr & Mrs Schaffer
Lot 500 Dewar Rd
12-11-2017 CDM
Shire of Gingin
Permit No:
Date:
Manager Building Services

How To. STRATCO

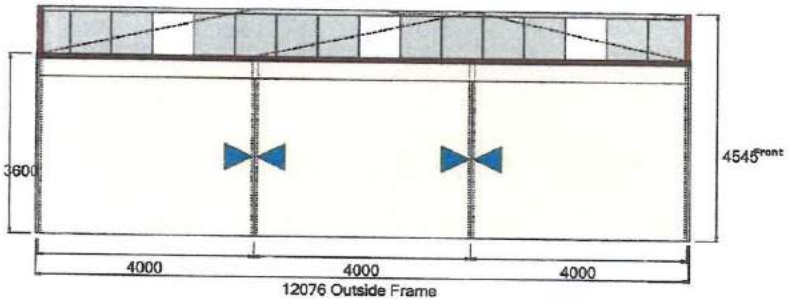
All Dimensions shown are measured from outside of frame (including purlins and girts). Dimensions shown are for illustrative purposes only and should not be used for assembly. Please refer to the relevant installation guides or detailed drawings provided for site preparation, portal frame layout and slab dimensions.
Please refer to current Stratco Gable Homeshed certification referenced 34109C by FYFE Pty Ltd for 15° Homeshed range
or certification referenced 2011-628 by RSA for 10° Homeshed range. Certifications are applicable to standard shed designs only.

SHED QUARTERS

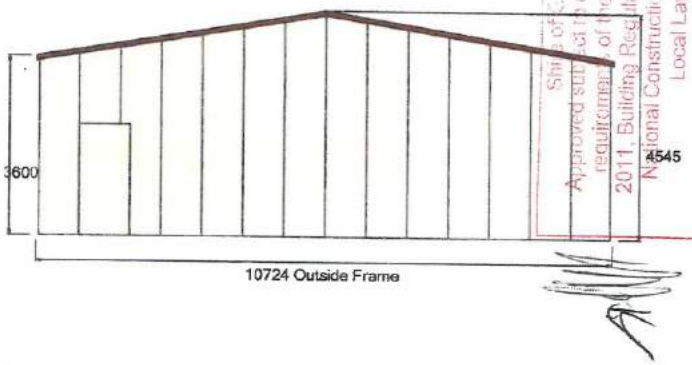
Elevations

Job Reference
Sales Person — Mr Doug Silversten
Client Name — Gin Gin Paint And Panel
Site Address — 2 be advised Gin Gin
Design Number — SQ166681
Date — 03/07/2018
Customer Signature

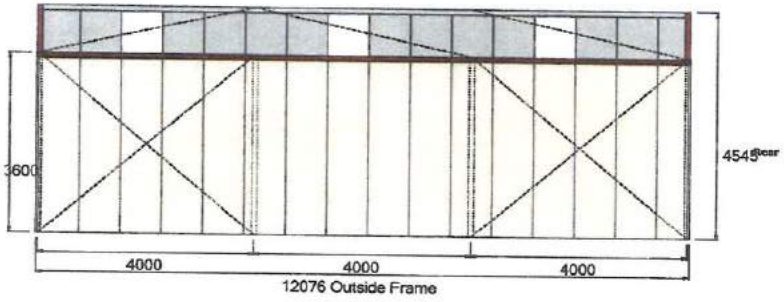
Left Elevation



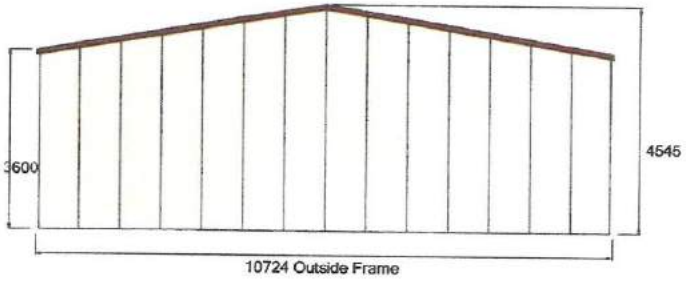
Front External Elevation



Right Elevation



Rear External Elevation

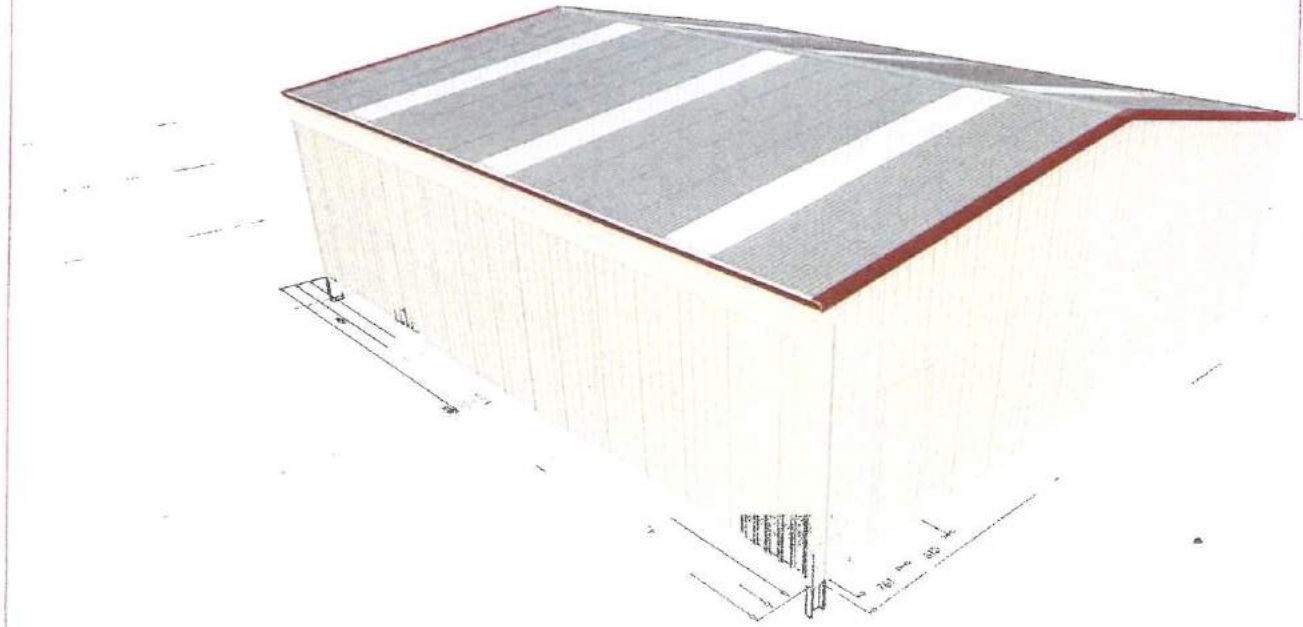


Shire of Gingin
Approved subject to compliance with requirements of the Building Regulations 2012, 2011, Building Regulations 2012 and National Construction Code and Local Laws
Date:
Permit No: 146
Manager Building Services

HowTo. STRATCO

Current View

Job Reference		Site Address	2 be advised	Design Number	SQ166681	Customer Signature
Sales Person	Mr Doug Silversten		Gin Gin	Date	03/07/2018	
Client Name	Gin Gin Paint And Panel					



Shire of Gingin
Approved subject to compliance with requirements of the Building Act 2011, Building Regula... National Construction... Local Law...
Date:
Permit No:
Manager Building Services

SHED QUARTERS

11.3.4 APPLICATION FOR DEVELOPMENT APPROVAL - PROPOSED OVER HEIGHT AND OVER SIZE OUTBUILDING ON LOT 297 HAROLDS WAY, SEABIRD

File:	BLD/7002
Applicant:	Norman Whitburn
Location:	Lot 297 (2) Harolds Way, Seabird
Owner:	Norman Whitburn
Zoning:	Residential
WAPC No:	N/A
Author:	James Bayliss – Acting Manager Statutory Planning
Reporting Officer:	Kylie Bacon – Acting Executive Manager Planning and Development
Report Date:	18 December 2018
Refer	Nil
Appendices	1. Location Plan 2. Applicant's Proposal

DISCLOSURES OF INTEREST

Nil

PURPOSE

To consider an Application for Development Approval for a proposed over height and over size outbuilding on Lot 297 Harolds Way Seabird.

BACKGROUND

The subject lot is 805.3m^2 in area and located on the corner of Harolds Way and Edwards Street. The site gains access from Edwards Street and currently contains an existing single house.

The application proposes an outbuilding 14 metres in length and 7 metres in width. The design includes an additional 'store' located on the rear portion of the outbuilding which is 4 metres in length and 4 metres in width. This equates to an overall area of 114m^2. Further, the design also includes a patio adjoining the store which is 4 metres in length and 3 metres in width.

The proposed wall height is 4.5 metres tapering to a ridge height of 5.12 metres. The outbuilding is located to the side (west) of the existing dwelling and is set back 4 metres from the front (northern) boundary and two metres form the side and rear boundaries.

The proposal seeks variations to Clause 5.4.3 – Outbuildings of the Residential Design Codes of Western Australia (R-Codes) in regards to the front setback, wall height, ridge height and overall area. The proposal also seeks variations to Local Planning Policy 2.1 – Residential Outbuildings (LPP 2.1) with respect to the proposed wall height, ridge height and overall area. As such, Council consideration is required.

COMMENT

Community Consultation

The application was advertised to surrounding landowners for a period of 14 days in accordance with clause 64 of the *Planning and Development (Local Planning Scheme) Regulations 2015.* The Shire received no written comments during the advertising process.

PLANNING FRAMEWORK

Local Planning Scheme No. 9 (LPS 9)

The subject land is zoned Residential R2.5 under LPS 9, the objectives of which are to:

a) Provide for a range of housing types and encourage a high standard of residential development;

b) Maintain and enhance the residential character and amenity of the zone;

c) Limit non-residential activities to those of which the predominant function is to service the local residential neighbourhood and for self-employment or creative activities, provided such activities have no detrimental effect on the residential amenity; and

d) Ensure that the density of development takes cognisance of the availability of reticulated sewerage, the effluent disposal characteristics of the land and other environmental factors.

Clause 5.2.2 states:

"Unless otherwise provided for in the Scheme, the development of land for any of the residential purposes dealt with by the Residential Design Codes is to conform to the provision of those codes."

The relevant objective of the residential zone under LPS 9 in this instance is considered to be *b) Maintain and enhance the residential character and amenity of the zone*. It is the officer's opinion that the proposal does not satisfy this objective. The proposed outbuilding is deemed to be of a scale which does not maintain or enhance the residential character of the area.

The scale of the proposed outbuilding is likely to adversely affect the visual amenity of the existing streetscape and the locality, particularly if outbuildings of this nature become common within the residential zone.

State Planning Policy 3.1 - Residential Design Codes of Western Australia

The R-Codes provide a comprehensive basis for the control of residential development throughout Western Australia. When a development does not meet with the deemed-to-comply provisions, the application is assessed against the associated design principles to determine whether the variation is acceptable.

The R-Codes define an 'Outbuilding' as:

'An enclosed non-habitable structure that is detached from any dwelling'.

The deemed-to-comply provisions of the R-Codes relating to Outbuildings stipulate that a wall height of 2.4 metres and an overall height of 4.2 metres are not to be exceeded. The wall height proposed is 4.5 metres tapering to a ridge height of 5.12 metres. Given the proposal does not satisfy the deemed-to-comply provisions, the application is assessed against the associated 'Design Principle' which states:

"Outbuildings that do not detract from the streetscape or the visual amenity of residents or neighbouring properties."

The applicant has positioned the proposed outbuilding to the side of the existing dwelling, with a four metre setback to the primary street. The structure will be visible from Edwards Street and is considered to detract from the streetscape. The size and scale of the proposed outbuilding by way of wall and ridge height are deemed to be excessive and therefore impose undesirable bulk on the streetscape and surrounding properties. The overall area also contributes to this position.

Currently there are a number of vacant lots within Seabird and it is reasonable to expect that current and future landowners will maintain or enhance the visual amenity of the locality by way of compliance with the applicable planning framework. Were it otherwise, the overall amenity of a locality would be undermined and diminished incrementally, application by application, should the planning framework, particularly for outbuildings, be departed from.

Furthermore, Local Planning Policy 2.1 considered the Design Principles when determining the maximum dimensions for outbuildings within the Shire. It should be noted that the application varies the maximum dimensions prescribed by LPP 2.1.

Local Planning Policy 2.1 – Residential Outbuildings

The Shire adopted Local Planning Policy 2.1 – Residential Outbuildings (LPP 2.1) in January 2013 to complement the provisions of the R-Codes relating to outbuildings to better reflect community expectations.

Clause 3.5 – Scale of Outbuilding Development outlines the maximum allowable standards for outbuildings throughout the Shire based on lot size and location. The table below is applicable to the subject lot.

TOWNSITE	**STANDARD**	**MAXIMUM**	**PROVIDED**
Coastal Townsite (601m^2-1000m^2 lot size)	Area Wall Height Overall Height	90m^2 3.6m 5.0m	114m^2 : non-compliant 4.5m: non-compliant 5.12m: non-compliant

The proposed development does not comply with the maximum wall height and maximum ridge height as outlined in the table above. There are no relevant objectives under LPP 2.1 to assess the variations against, therefore the primary objectives are those outlined under LPS 9 within the residential zone.

LPP 2.1 provides dimensions for the maximum allowable standards that are considered to be acceptable throughout the Shire as stated in Clause 3.5. The dimensions in the above table were created having regard to the Design Principles outlined in the R-Codes and the associated impacts in terms of building bulk/scale. The maximum standards were created to prevent unwanted built form and prescribe standards to prevent excessively large outbuildings being constructed. Therefore any variation that exceeds these requirements is not deemed to satisfy the intent of the Policy.

Further Comments

The intent of 'zones' under LPS 9 is to segregate incompatible land uses and built form (amongst other things) to create localities with a sense of place and character which accords with expectations of the residents within that locality or zoning. In this instance, it is reasonable to assume that current and future landowners have invested in a residential environment which this proposal does not accord with.

Planning controls exist for the benefit of the community as a whole. Their effectiveness depends not only upon formal enforcement, but also upon a pervasive culture of general observance and respect for the underlying communal purpose which this proposal is not deemed to adhere to.

In this instance, the proposed outbuilding does not comply with three maximum requirements under LPP 2.1.

Conclusion

In summary, the application seeks a variation to 'Local Planning Policy 2.1 – Residential Outbuildings' and the R-Codes. The variations sought are not considered to be in accordance with the intent of LPP 2.1. Given the maximum allowable standards have been exceeded, the proposal is not deemed to satisfy the objectives of the residential zone under LPS 9 or the relevant design principles under the R-Codes. The proposal is therefore not supported in this instance.

STATUTORY ENVIRONMENT

Planning and Development (Local Planning Scheme) Regulations 2015
Schedule 2 – Deemed Provisions for Local Planning Schemes

Local Planning Scheme No. 9
Local Planning Policy 2.1- Residential Outbuildings

State Planning Policy 3.1 – Residential Design Codes of Western Australia

POLICY IMPLICATIONS

Nil

BUDGET IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Shire of Gingin Strategic Community Plan 2017-2027

Focus Area	*Infrastructure and Development*
Objective	*3. To effectively manage growth and provide for community through the delivery of community infrastructure in a financially responsible manner*
Outcome	*3.1 Development* *New and existing developments meet the Shire's Strategic Objectives and Outcomes*
Key Service Areas	*Building And Planning Permits*
Priorities	*N/A*

VOTING REQUIREMENTS – SIMPLE MAJORITY

OFFICER RECOMMENDATION

That Council refuse Development Approval for a proposed over height and oversize outbuilding on Lot 297 (2) Harolds Way, Seabird under clause 68 (2) of Schedule 2 of the *Planning and Development (Local Planning Schemes) Regulations 2015* for the following reasons:

1. The scale of the outbuilding does not demonstrate compliance with the Design Principles of Clause 5.4.3 of State Planning Policy 3.1 – Residential Design Codes of Western Australia; and

2. The scale of the outbuilding does not satisfy the objectives of the residential zone under Local Planning Scheme No. 9 nor does it satisfy Local Planning Policy 2.1 – Residential Outbuildings.

Advice Notes

Note 1: If you are aggrieved with the conditions of this approval you have the right to request that the State Administrative Tribunal (SAT) review the decision under Part 14 of the *Planning and Development Act 2005*.

ALTERNATIVE MOTION

MOVED: Councillor Elgin SECONDED: Councillor Johnson

That consideration of the matter be deferred until the ordinary Council meeting on 22 January 2019.

CARRIED UNANIMOUSLY

Reason for Alternative Motion

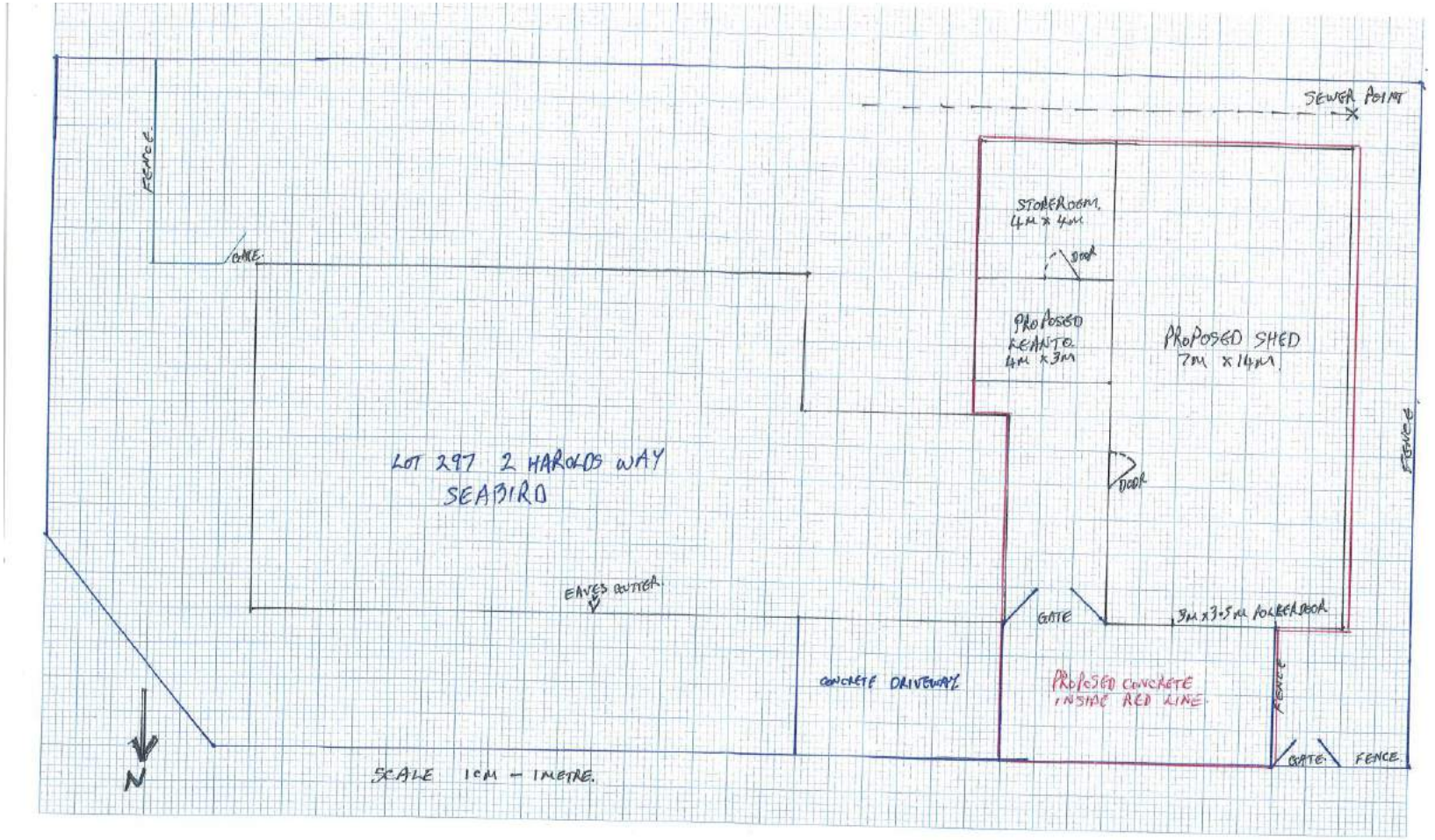
Council was of the view that consideration of the item should be deferred until Council's next ordinary meeting to enable further consultation with the applicant by Administration.

APPENDIX 1

WILLIAMS WAY
SEABIRD CARAVAN PARK
SEABIRD TAVERN
EDWARDS ST
PROPOSED SITE
McCORMICK ST
DOUGLAS ST
HUDSON ST
HAROLDS WAY
FRANK DOUGLAS PARK
GINGIN
7 Brockman St
Gingin WA 6503
P: 08 9575 2211
E: mail@gingin.wa.gov.au
Shire of Gingin does not warrant the accuracy of information in this publication and any person using or relying upon such information does so on the basis that Gingin Shire Council shall bear no responsibility or liability whatsoever for any errors, faults, defects or omissions in this information.
Location plan - Lot 297 (2) Harolds Way, Seabird
Scale: 1:7500
Date: 6/12/2018
N

EDWARDS ST
HAROLDS WAY
GINGIN
7 Brockman St
Gingin WA 6503
P: 08 9575 2211
E: mail@gingin.wa.gov.au
Shire of Gingin does not warrant the accuracy of information in this publication and any person using or relying upon such information does so on the basis that Gingin Shire Council shall bear no responsibility or liability whatsoever for any errors, faults, defects or omissions in this information.
Aerial map - Lot 297 (2) Harolds Way, Seabird
Scale: 1:552
Date: 6/12/2018
N

APPENDIX 2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FENCE
FENCE
STOREROOM
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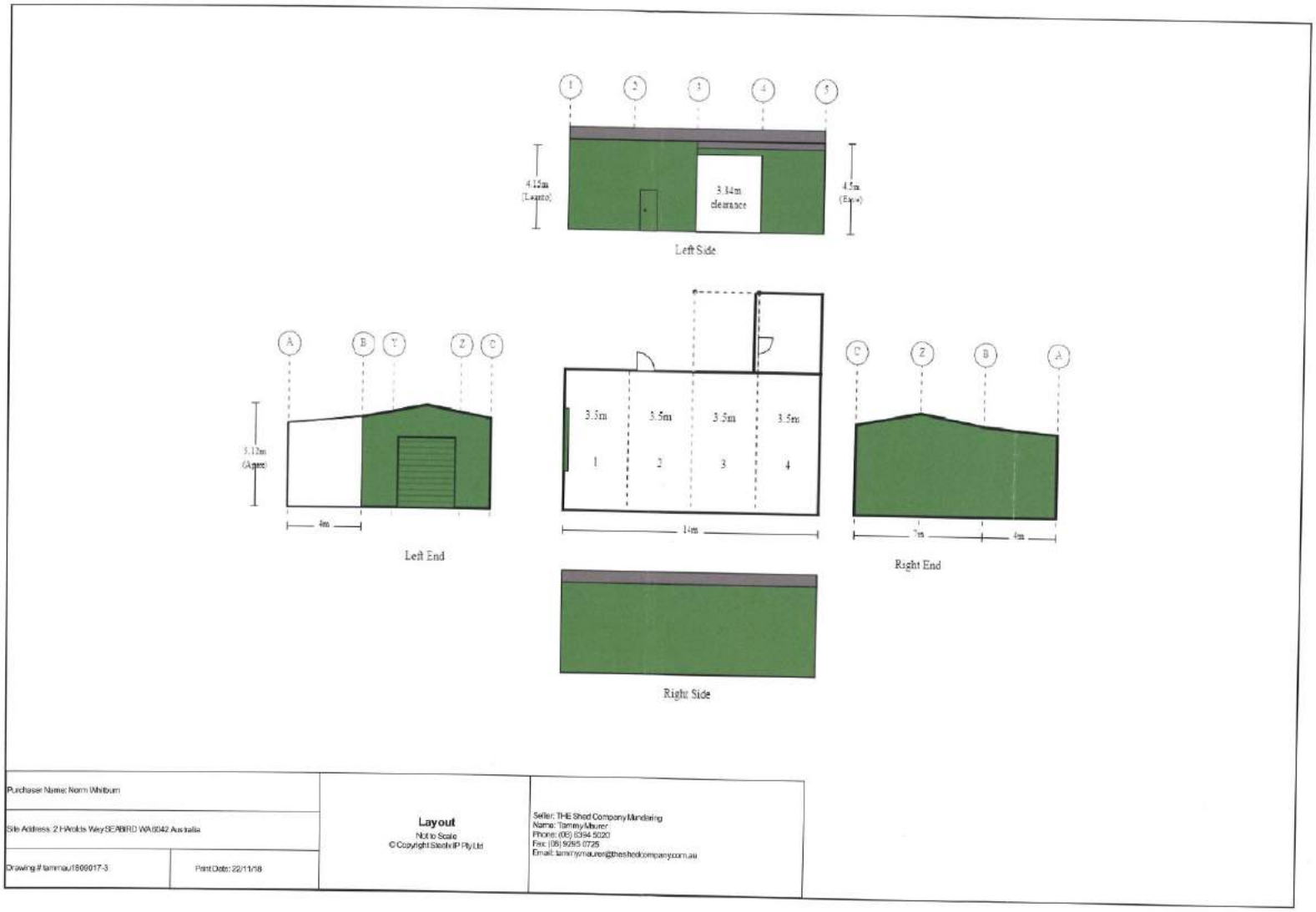
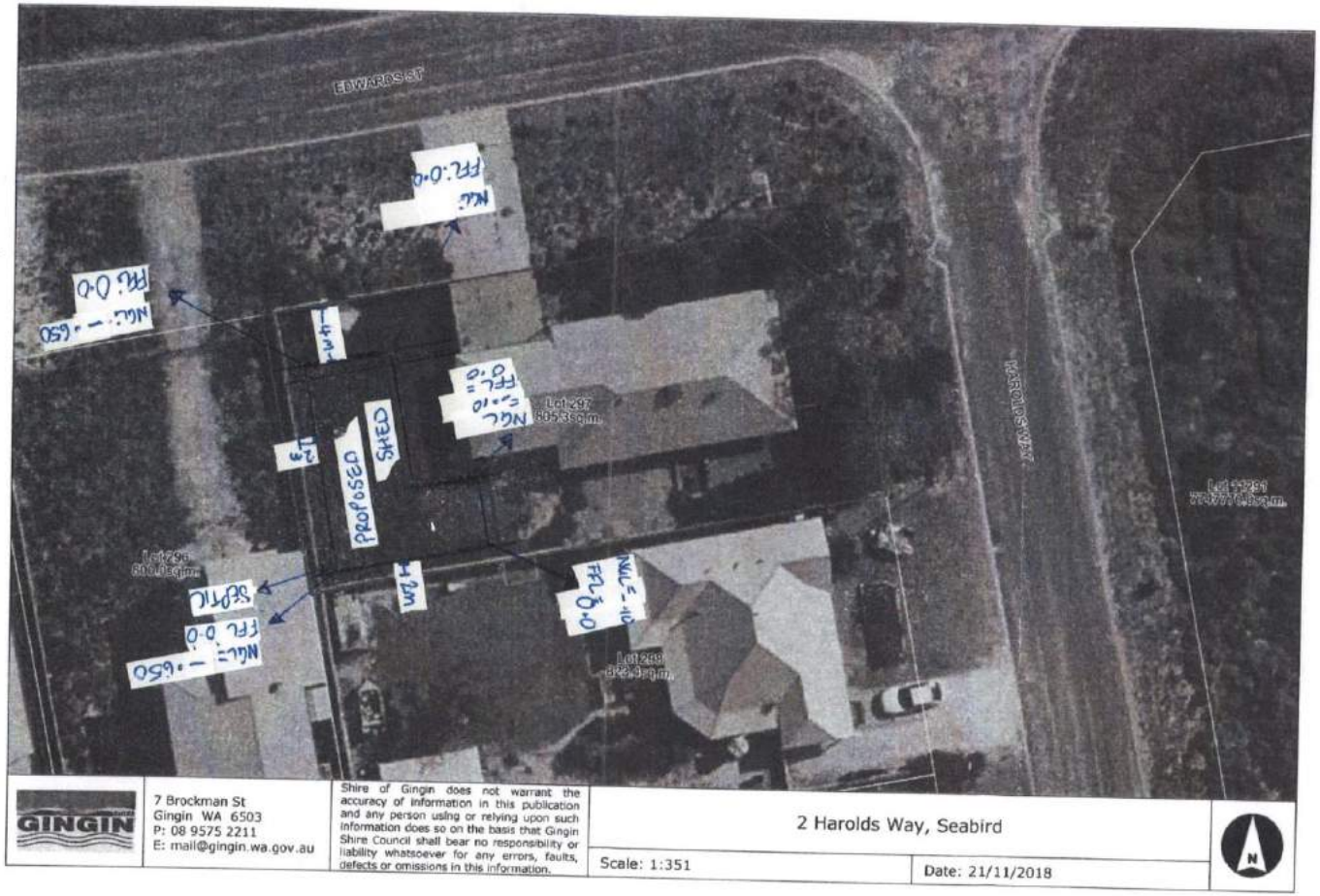
DOOR
PROPOSED
LEANTO
4M x 3M
PROPOSED SHED
7M x 14M
LOT 297 2 HAROLDS WAY
SEABIRD
DOOR
FENCE
EAVES GUTTER
GATE
3M x 3.5M ROLLER DOOR
CONCRETE DRIVEWAY
PROPOSED CONCRETE
INSIDE RED LINE
FENCE
GATE
FENCE
N
SCALE 1CM = 1METRE


1
2
3
4
5
4.15m
(Leanto)
3.34m
clearance
4.5m
(Eave)
Left Side
A
B
Y
Z
C
3.12m
(Apex)
4m
Left End
3.5m
3.5m
3.5m
3.5m
1
2
3
4
14m
C
Z
B
A
7m
4m
Right End
Right Side
Purchaser Name: Norm Whitburn
Site Address: 2 Harolds Way SEABIRD WA 6042 Australia
Drawing # tammau1800017-3
Print Date: 22/11/18
Layout
Not to Scale
© Copyright Steels IP Pty Ltd
Seller: THE Shed Company Mandurah
Name: Tammy Maurer
Phone: (08) 9294 5020
Fax: (08) 9295 0725
Email: tammy.maurer@theshedcompany.com.au


EDWARDS ST
HAROLDS WAY
PROPOSED SHED
Lot 297
805.5sq.m.
Lot 296
810.8sq.m.
Lot 298
842.3sq.m.
Lot 299
778.7sq.m.
12m
14m
FFL 0.0
NGL -.650
NGL -.10
SEPTIC
GINGIN
7 Brockman St
Gingin WA 6503
P: 08 9575 2211
E: mail@gingin.wa.gov.au
Shire of Gingin does not warrant the accuracy of information in this publication and any person using or relying upon such information does so on the basis that Gingin Shire Council shall bear no responsibility or liability whatsoever for any errors, faults, defects or omissions in this information.
2 Harolds Way, Seabird
Scale: 1:351
Date: 21/11/2018
N

11.3.5 APPLICATION FOR DEVELOPMENT APPROVAL - PROPOSED NOXIOUS INDUSTRY (COMPOSTING PURPOSES) AND ASSOCIATED STRUCTURES ON LOT 403 (414) DOUGLAS ROAD, BEERMULLAH

File:	BLD/6912
Applicant:	Planning Outcomes WA
Location:	Lot 403 (414) Douglas Road, Beermullah
Owner:	Drainflow Services Pty Ltd
Zoning:	General Rural
WAPC No:	N/A
Author:	James Bayliss – Acting Manager Statutory Planning
Reporting Officer:	Kylie Bacon – Acting Executive Manager Planning and Development
Report Date:	18 December 2018
Refer	17 April 2018 Item 11.3.2 20 November 2018 Item 11.3.8
Appendices	1. Location Plan/Aerial Photograph 2. Development Plans 3. Applicant's Report and Additional Information 4. Schedule Of Submissions

DISCLOSURES OF INTEREST

Nil

PURPOSE

To consider an Application for Development Approval for a proposed noxious industry (composting purposes) and associated structures on Lot 403 (414) Douglas Road, Beermullah (subject lot).

BACKGROUND

At the Ordinary Council Meeting on 20 November 2018 Council resolved to defer a determination with respect to this application until such time as the Applicant provided an environmental report prepared by a suitably qualified environmental consultant to ascertain if the subject land is suitable to contain the proposed land use.

Council was of the view that an environmental report was required to ensure that the proposal would not impact on waterways in the vicinity, with particular regard given to the lining of the leachate pond.

The proponent is of the view that the lining type of the leachate pond is the responsibility of the Department of Water and Environmental Regulation (DWER) to ascertain as part of the works approval process, not the local government. As such, given the development area satisfies the relevant setback distances from waterways, an independent environmental report is not required at this stage. The proponent seeks to have the matter determined with the information currently presented to Council.

The subject lot is 40.5 hectares in area and currently contains a single house and outbuilding. At its ordinary meeting on 17 April 2018 Council resolved to grant development approval for 29 acres of irrigated horticulture (annual and perennial) to operate from the central and south-western portion of the site.

The landowner operates a business called 'Drainflow Services' from a property in Malaga, which specialises in the following:

- Controlled Waste;
- High Pressure Jetting;
- Vacuum Loading;
- Street Sweeping;
- Recycle Resource Recovery;
- CCTV Inspection; and
- Hydro Excavation.

Materials that are collected as part of the business operations are separated into hazardous and non-hazardous classes, with hazardous material disposed of at a controlled waste facility and the non-hazardous material transported to a resource recovery site in Mundaring for further processing.

The proposal seeks to transport the recovered material to the subject site for screening/ separation, mulching and then blending with manure and composting. The material is put through screens to separate and remove bottles, cans, plastics and any other debris, which is stored in skip bins and transported to an appropriate recycling facility on a periodical basis.

Material is then further screened to separate sand from small sticks and leaf matter. The sand is stockpiled, while sticks and leaf matter are put through a mulcher to create a finer product which is further stockpiled. The mulched material will then be blended with manure (cow and sheep), hay/straw, sawdust and olive waste and composted on concrete hardstand using a Mobile Aerated Floor (MAF) system.

The proposal includes the following:

- Leachate Pond (1600m^2);
- Concrete hardstand (5850m^2);
- Limestone / gravel hardstand (6700m^2);
- Blending Shed (1500m^2);
- Patio (300m^2); and
- Caretaker's dwelling.

COMMENT

Community Consultation

The application was advertised to surrounding landowners, published on the Shire's website and a development sign placed on the verge of the property for a period of 21 days in accordance with clause 64 of the *Planning and Development (Local Planning Scheme) Regulations 2015.* State referral agencies were afforded 42 days to provide comment.

The Shire received one submission from an adjoining landowner objecting to the proposal and two submissions from state agencies providing general comments.

PLANNING FRAMEWORK

Local Planning Scheme No. 9 (LPS 9)

The subject lot is zoned General Rural (Uncoded) under LPS 9, the objectives of which are to:

a) Manage land use changes so that the specific local rural character of the zone is maintained or enhanced;

b) Encourage and protect broad acre agricultural activities such as grazing and more intensive agriculture activities such as horticulture as primary uses, with other rural pursuits and rural industries as secondary uses in circumstances where they demonstrate compatibility with the primary use;

c) Maintain and enhance the environmental qualities of the landscape, vegetation, soils and water bodies, to protect sensitive areas especially the natural valley and watercourse systems from damage; and

d) Provide for the operation and development of existing, future and potential rural land uses by limiting the introduction of sensitive land uses in the General Rural zone.

The proposal is considered to be consistent with the following definitions under Schedule 1 of LPS 9:

Composting Facility

"Means the controlled process whereby compostable organic wastes, which may include liquid organic wastes, but not any liquid wastes classed as Listed Waste, Radioactive Waste or Hazardous Waste, are pasteurised and microbiologically transformed under aerobic and thermophilic conditions".

Landfill Site

'Landfill site means land where waste including Landfill Class I to V as defined within the Department of Environmental Protection (Department of Environment and Conservation) document titled Landfill Waste Classification and Waste Definitions 1996 (as amended) is stored, processed, recycled or buried'.

Industry - Noxious

"Means an industry in which the processed involved constitute an offensive trade within the meaning of the Health Act 1911 (as amended), but does not include a fish shop, dry cleaning premises, laundromat, piggery or poultry farm".

Section 186 (1) of the *Health (Miscellaneous Provisions) Act 1911* provides that 'offensive trade' means and includes any of the trades specified in Schedule 2. The list of offensive trades in Schedule 2 includes 'manure works'. That term is not further defined.

The proposed use in this instance is deemed to be a 'composting facility' in accordance with legal advice received. A composting facility is an 'A' use under LPS 9 meaning that the use is not permitted unless the local government has exercised its discretion by granting development approval after giving special notice in accordance with clause 64 of the deemed provisions.

The development has been assessed against the objectives of the general rural zone below.

a) Manage land use changes so that the specific local rural character of the zone is maintained or enhanced;

Comment

The development is proposed to be located on relatively unproductive land for traditional livestock grazing and/or broad acre agricultural uses. The character of the locality is unlikely to be impacted due to the isolation of the subject land. Given that the development is unlikely to be viewed from adjoining properties, the character and amenity of the locality will remain intact.

b) Encourage and protect broad acre agricultural activities such as grazing and more intensive agricultural activities such as horticulture as primary uses, with other rural pursuits and rural industries as secondary uses in circumstances where they demonstrate compatibility with the primary use;

Comment

As mentioned above, broad acre and livestock grazing is not ideal on the subject land due to the sandy soils. This notwithstanding, Council approved an agriculture intensive (annual and perennial horticulture) use on the property in April 2018. This proposal is not deemed to be incidental to that development, rather it will constitute the primary use of the land. It is however considered to be complimentary to the agriculture intensive (annual and perennial horticulture) use by creating compost which is likely to be used on not only the subject land, but other general rural properties with agriculture intensive pursuits.

c) Maintain and enhance the environmental qualities of the landscape, vegetation, soils and water bodies, to protect sensitive areas especially the natural valley and watercourse systems from damage; and

Comment

It is not anticipated that any adverse environmental impacts will result from the proposed composting facility. The development area has been strategically located within the property on a cleared portion of land setback from nearby wetland areas on the north-eastern portion of the site.

d) Provide for the operation and development of existing, future and potential rural land uses by limiting the introduction of sensitive land uses in the General Rural zone.

Comment

The proposed composting facility generates an additional sensitive land use (caretaker's dwelling) which forms part of the proposal. It is not out of character for general rural properties to contain an additional 'ancillary' dwelling.

Based on the above summary, the officer is of the view that the proposed composting facility is generally consistent with the objectives of the zone.

General Rural Development Standards

Setbacks

In accordance with Table 2 of LPS 9, all development shall be set back a minimum 20 metres from all lot boundaries. The development area is set back more than 20 metres from the lot boundary and is therefore compliant in this regard. This notwithstanding, additional buffer requirements are applicable as outlined further below.

Planning and Development (Local Planning Scheme) Regulation 2015 (Deemed Provisions)

In accordance with Schedule 2, Part 9, Clause 67 of the deemed provisions, the local government is to have due regard to a range of matters to the extent that, in the opinion of the local government, those matters are relevant to the development the subject of the application. In this instance, the following matters are considered to be relevant, with the Officer comments outlined below:

(m) the compatibility of the development with its setting including the relationship of the development to development on adjoining land or on other land in the locality including, but not limited to, the likely effect of the height, bulk, scale, orientation and appearance of the development;

Comment

The development is proposed to co-exist with existing agriculture intensive (annual and perennial horticulture) use on the property and, to the east, a poultry farm. The impact of the development from a height, bulk, scale and appearance is deemed to be relatively insignificant given sheds of similar size do exist in general rural areas.

(n) The amenity of the locality including the following:
(i) Environmental impacts of the development;
(ii) The character of the locality;
(iii) Social impacts of the development;

Comment

The development area is located on a relatively cleared portion of the subject property to limit any vegetation removal. Conservation Category Wetlands (CCWs) do traverse the subject lot to the north-west, however the development area is approximately 550m away. The Department of Biodiversity, Conservation and Attractions (DBCA), which manages and conserves wetlands throughout the state, provided no comment in relation to the proposal and it is therefore assumed that the DBCA has no objection. Environmental impacts are not predicted to occur as a result of the development. This notwithstanding, the proponent is required to receive a works approval and works license from the Department of Water and Environmental Regulation (DWER) which will further ensure no environmental issues arise.

(p) Whether adequate provision has been made for the landscaping of the land to which the application relates and whether any trees or other vegetation on the land should be preserved;

Comment

The subject lot is surrounded by existing vegetation which will act as a natural visual barrier to adjoining land. No further landscaping is deemed to be required.

(s) The adequacy of —
(i) The proposed means of access to and egress from the site; and
(ii) Arrangements for the loading, unloading, manoeuvring and parking of vehicles;

(t) The amount of traffic likely to be generated by the development, particularly in relation to the capacity of the road system in the locality and the probable effect on traffic flow and safety;

Comment

The development will increase the number of heavy vehicles travelling along Douglas Road, which already has a relatively high usage as a result of the poultry farm to the east. The proponent is required to enter into a Deed of Agreement with the Shire for the maintenance/upgrade of Douglas Road, similar to the poultry farm operation. The Deed should be prepared at the applicant's expense and will be conditioned accordingly.

(y) Any submissions received on the application;

Comment

The adjoining landowner raised concern with respect to a noxious industry being located on the site and the impact that may have on the sale of their property. This is not a planning consideration.

(za) The comments or submissions received from any authority consulted under clause 66;

Comment

All comments are available in the Schedule of Submissions. It is noted that DWER advises that water licensing is available, however additional information is required from the applicant in order to gain works approval/licensing.

Guidance for the Assessment of Environment Factors – Separation Distances between Industrial and Sensitive Land Uses No. 3

The EPA's Guidance Statement recommends a buffer distance of 500 metres for mixed manures from sensitive land uses for outdoor covered windrows with continuous aeration. The nearest sensitive land use, being a dwelling, is over two kilometres to the east. The buffer distance is therefore deemed to be sufficient. It is also noted that the composting system enables the windrows to be uncovered and still be serviced via continuous aeration.

Local Planning Policy 1.5 – Transportable Dwellings (LPP 1.5)

LPP 1.5 provides guidelines for development of second hand relocated and transportable dwellings throughout the Shire and is applicable in this instance due to the proposed caretaker's dwelling. LPP 1.5 designates second hand transportable dwellings as a 'P" permitted use within the General Rural zoning.

The amenity of the transportable units is given particular consideration to ensure the structures are visually acceptable. In this instance the transportable building (caretaker's dwelling) is located behind the existing outbuilding and is therefore not visible. The external condition of the structure is still required to be visually acceptable and is recommended to be conditioned accordingly. The transportable building (caretaker's dwelling) is entirely self-contained.

State Planning Policy 3.7 – Planning in Bushfire Prone Areas (SPP 3.7)

SPP 3.7 provides a foundation for land use planning to address bushfire risk management. The subject lot is designated as being bushfire prone. The proponent engaged Bushfire Prone Planning to prepare a Bushfire Attack Level (BAL) Assessment and BAL Contour Map. The assessment concluded the following ratings:

Building	**Determined BAL rating**	**Required setback from vegetation area to achieve BAL-29**	**Current building setback from vegetation area**	**Additional setback required to achieve BAL 29**
Blending Shed and Patio	BAL – FZ	17 metres	2 metres	15 metres
Caretaker's Dwelling	BAL – 12.5	17 metres	42 metres	N/A
Existing Outbuilding Existing	BAL – 12.5	17 metres	35 metres	N/A
Dwelling	BAL - 29	17 metres	22 metres	N/A

Based on the above summary the only structure currently non-compliant is the Blending Shed and Patio. In order to achieve a BAL-29, an additional 15 metres of land surrounding the shed would require clearing to create an Asset Protection Zone (APZ). It should be noted the Shire's Firebreak Notice requires a 20 metre APZ to be installed and maintained around structures. It is therefore deemed appropriate to permit the landowner to remove the existing vegetation around the Blending Shed and Patio. This may still require a clearing permit from the DWER and the proponent will be advised accordingly.

Conclusion

In view of the above assessment, the officer is of the view that the proposed noxious industry (composting purposes) and associated structures satisfy the objectives of the general rural zone and the applicable local and state planning framework. Appropriate conditions have been recommended to ensure any adverse impacts that may arise from the development are able to be managed appropriately.

STATUTORY ENVIRONMENT

Planning and Development (Local Planning Scheme) Regulations 2015

Local Planning Scheme No. 9
Part 3 – Zones and the Use of Land
3.2.7 General Rural Zone
3.3 Zoning Table
Part 4 – General Development Requirements
4.8.6 - General Rural Zone
Schedule 1 – Definitions

Local Planning Policy 1.5 – Transportable Dwellings

Planning and Development (Local Planning Scheme) Regulations 2015 (Deemed Provisions)

Guidance for the Assessment of Environment Factors – Separation Distances between Industrial and Sensitive Land Uses No. 3

State Planning Policy 3.7 – Planning in Bushfire Prone Areas (SPP 3.7)

POLICY IMPLICATIONS

Nil

BUDGET IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Shire of Gingin Strategic Community Plan 2017-2027

Focus Area	*Infrastructure & Development*
Objective	*3. To effectively manage growth and provide for community through the delivery of community infrastructure in a financially responsible manner.*
Outcome	*3.1 Development* *New and existing development meet the Shire's Strategic Objectives and Outcomes.*
Key Service Area	*Building & Planning Permits*
Priorities	*3.1.1 Support strategies that facilitate commercial development*

VOTING REQUIREMENTS – SIMPLE MAJORITY

COUNCIL RESOLUTION/OFFICER RECOMMENDATION

MOVED: Councillor Fewster SECONDED: Councillor Johnson

That Council grant development approval for a noxious industry (composting purposes) and associated structures on Lot 403 (414) Douglas Road, Beermullah subject to the following conditions:

1. **The land use and development shall be undertaken in accordance with the approved stamped plans and specifications, including any directions written in red ink or modifications required as a consequence of any condition(s) of this approval;**

2. **This approval encompasses the following:**

   - **Leachate Pond;**
   - **Concrete hardstand;**
   - **Limestone / gravel hardstand;**
   - **Blending Shed;**
   - **Patio; and**
   - **Caretaker's dwelling;**

3. **All works required to satisfy a condition of this approval are required to be installed/constructed/maintained and undertaken in accordance with the approved plans and conditions of approval for the life of the development;**

4. **The annual tonnage produced is not to exceed 50,000 tonnes. The applicant/landowner is required to keep up to date records of compost tonnage produced and shall provide the Shire of Gingin with a copy of such records within 14 days upon request;**

5. **The development shall at all times comply with the definition of composting facility as outlined under Local Panning Scheme No. 9 (as amended);**

6. The applicant/landowner is required to submit a 'Farm Management Plan' (FMP) to the Shire of Gingin for approval prior to the development being operational. The FMP shall at a minimum:

a. Ensure that the use of buildings, works and materials on the site do not generate unreasonable levels of noise, vibration, dust, wastewater and waste products;

b. Address waste management associated with the development; and

c. Outline frequency, type and weight of vehicles attending the site;

7. Prior to operation of the development, the landowner shall enter into a deed of agreement for contributions to the maintenance and upgrade of Douglas Road to the satisfaction of the Shire of Gingin. The landowner(s) shall be responsible for all costs associated with the preparation of the deed (including all drafts);

8. The Bushfire Attack Level (BAL) Assessment prepared by Bushfire Prone Planning on 23 March 2018 shall be implemented and maintained thereafter to comply with a maximum BAL-29 rating. The removal of vegetation is permitted in order to satisfy the required Asset Protection Zone (APZ) to enable the BAL-29 to be achieved (refer Advice Note 7);

9. Within 45 days from the approval date, the Applicant/Owner shall execute and provide to the Shire of Gingin a notification pursuant to Section 70A of the *Transfer of Land Act 1893* to be registered on the title to the land as notification to prospective purchasers as follows:

Bushfire Prone Area – This lot is located within a bushfire prone area. Additional planning and building requirements may apply to development on this land.

Advice Notes

Note 1: If you are aggrieved with the conditions of this approval you have the right to request that the State Administrative Tribunal (SAT) review the decision under Part 14 of the *Planning and Development Act 2005*;

Note 2: If the development subject to this approval is not substantially commenced within a period of two years, the approval shall lapse and have no further effect;

Note 3: Where an approval has so lapsed, no development may be carried out without further approval of the local government having first been sought and obtained;

Note 4: Further to this approval, the applicant is required to submit working drawings and specifications to comply with the requirements of the *Building Act 2011* and *Health Act 2016*, which are to be approved by the Shire of Gingin;

Note 5: The existing vegetation on the property may contain the species 'Banksia Woodland of the Swan Coastal Plain', which is listed as an endangered threatened ecological community under the *Commonwealth Environment Protection and Biodiversity Conservation Act 1999*. The removal of any vegetation may require referral to the Australian Government Department of the Environment and Energy for permission to do so;

Note 6: This approval is not a building permit or an approval under any law other than the *Planning and Development Act 2005*. It is the responsibility of the applicant/owner to obtain any other necessary approvals, consents and/or licences required under any other law, and to commence and carry out development in accordance with all relevant laws;

Note 7: The applicant/landowner is reminded that this Development Approval is not to be interpreted as an approval to remove native vegetation without a clearing permit issued by the Department of Water and Environmental Regulation (DWER). This includes vegetation to be removed to satisfy bushfire ratings;

Note 8: It is advised that the proposal should at all times comply with the *Biosecurity and Agriculture Management (Stable Fly) Management Plan 2016* in order to minimise the effects of stable flies on the community;

Note 9: The operation will be required to comply with the *Environmental Protection (Noise) Regulations 1997*;

Note 10: It is the landowner's responsibility to implement and maintain bushfire protection and mitigation measures on their property;

Note 11: It is recommended that cadastral lot boundaries be established by a suitably qualified land surveyor to ensure that all development is carried out within the subject allotment;

Note 12: The definition of Composting Facility for the purpose of this approval is as follows: *"Means the controlled process whereby compostable organic wastes, which may include liquid organic wastes, but not any liquid wastes classed as Listed Waste, Radioactive Waste or Hazardous Waste, are pasteurised and microbiologically transformed under aerobic and thermophilic conditions";*

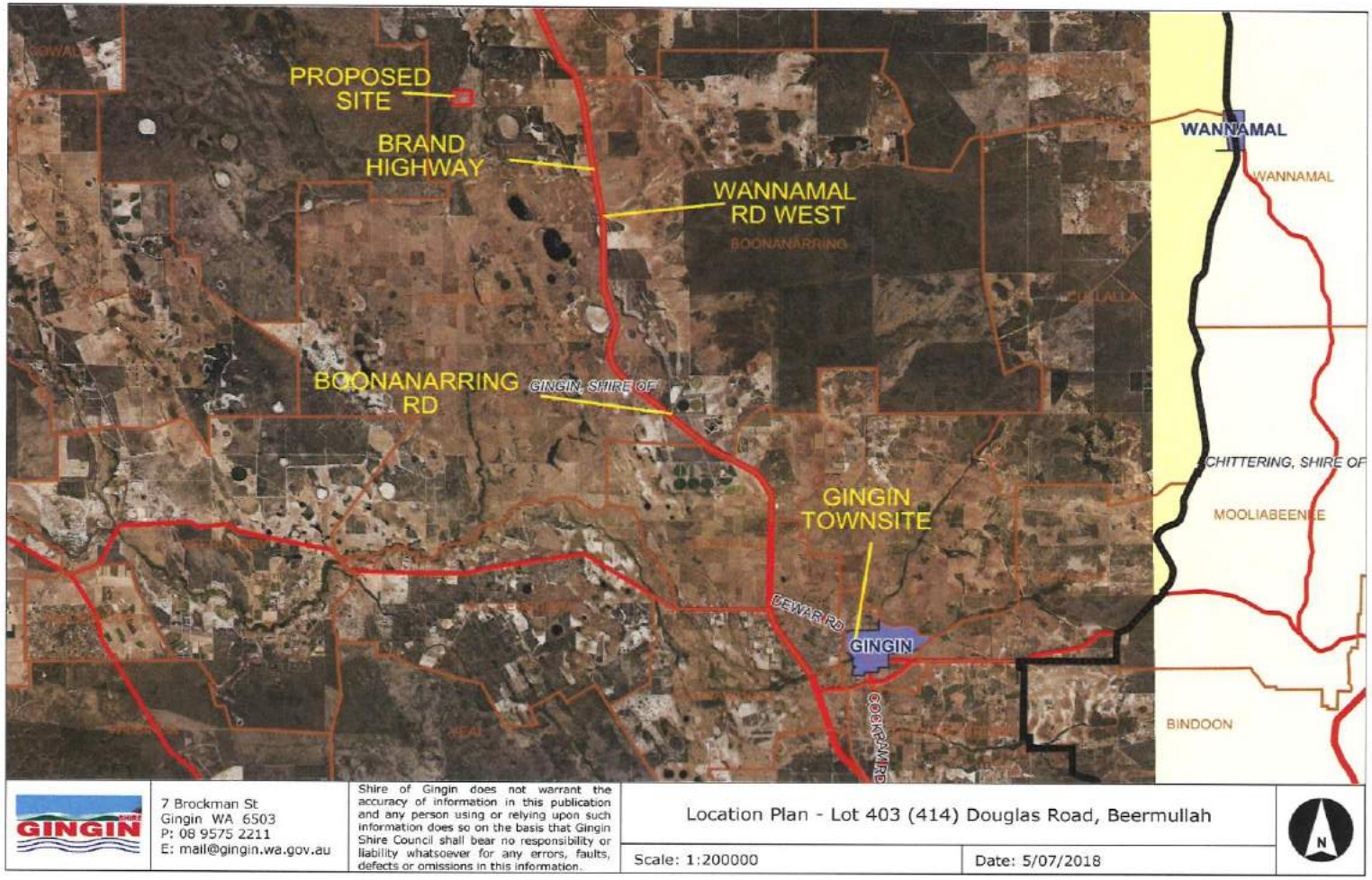
Note 13: It should be noted that the composting facility may require works approval and/or licensing requirements under Part V of the *Environmental Protection Act 1986* which is to be issued by the Department of Water and Environmental Regulation;

Note 14: It should be noted that the existing water license may require amendment by the Department of Water and Environmental Regulation; and

Note 15: Please be advised that further to this approval, an Offensive Trade License may be required prior to commencement of operations. Please contact the Shire of Gingin's Health Department in this regard.

CARRIED UNANIMOUSLY

APPENDIX 1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BRAND HIGHWAY
WANNAMAL RD WEST
BOONANARRING
BOONANARRING RD
GINGIN, SHIRE OF
GINGIN TOWNSITE
DEWAR RD
GINGIN
COOKERNUP RD
WANNAMAL
WANNAMAL
CHITTERING, SHIRE OF
MOOLIABEENEE
BINDOON
GINGIN
7 Brockman St
Gingin WA 6503
P: 08 9575 2211
E: mail@gingin.wa.gov.au
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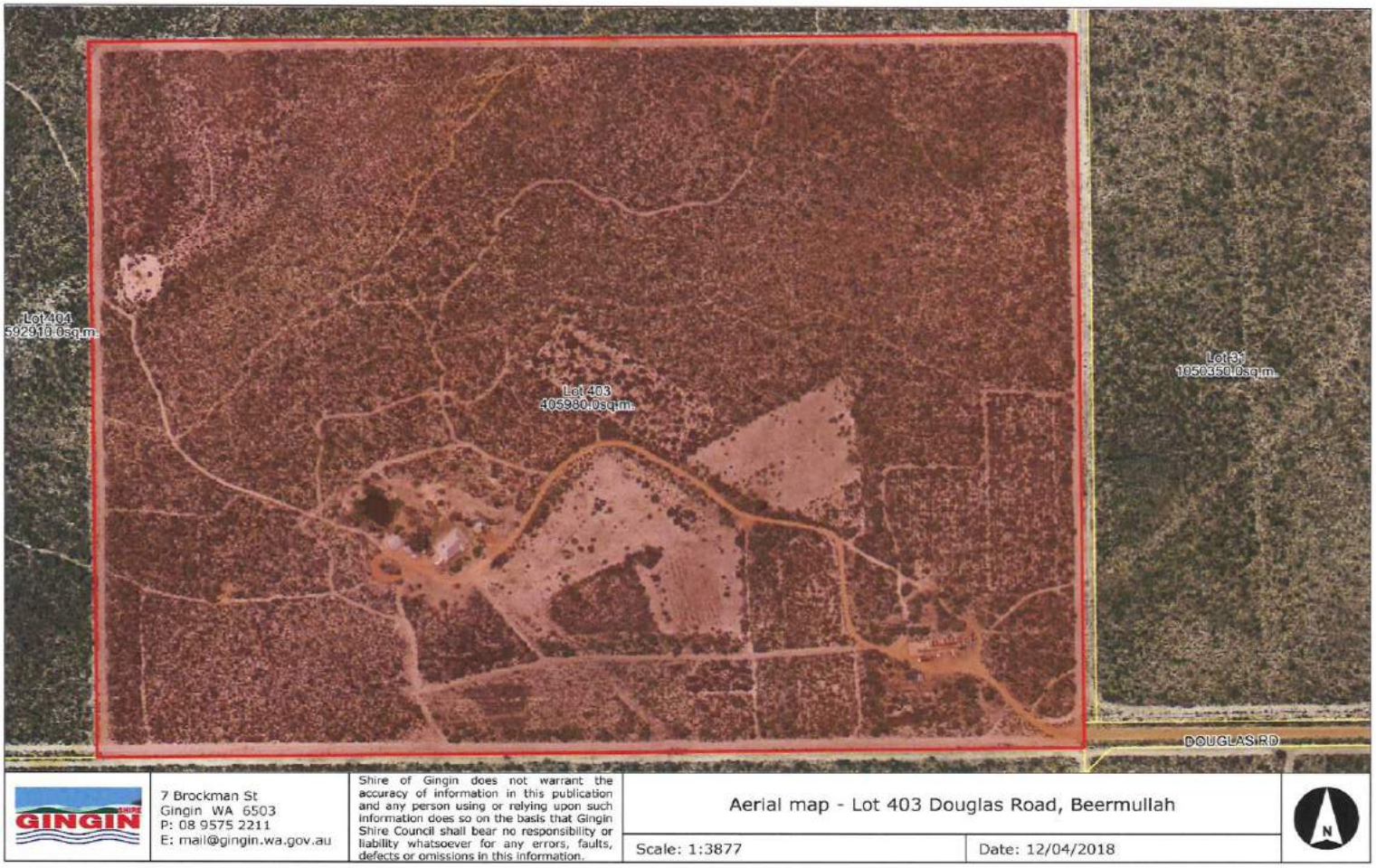
Location Plan - Lot 403 (414) Douglas Road, Beermullah
Scale: 1:200000
Date: 5/07/2018
N


Lot 404
592910.0sq.m.
Lot 403
405980.0sq.m.
Lot 31
1058350.0sq.m.
DOUGLAS RD
GINGIN
7 Brockman St
Gingin WA 6503
P: 08 9575 2211
E: mail@gingin.wa.gov.au
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Aerial map - Lot 403 Douglas Road, Beermullah
Scale: 1:3877
Date: 12/04/2018
N

Attachment 2 - Aerial Photo
www.invarion.com
N

APPENDIX 2

Lot 404
720m
Lot 403
Subject Site
100 acres (40.3ha)
Lot 404
560m
Vine Annuals Field
(e.g. watermelon, rockmelon)
~10 acres
See Field Plan
560m
Lot 31
Existing
Dam
Existing
Clearings
Orchard
(e.g. avocado & nuts)
~6 acres
Compost &
Mulching Field
~4 acres
Existing
Homestead
Annuals Field
(e.g. garlic)
~9 acres
Existing
Shed
Clean Soil
~20,000m3 to reduce
slope & improve
condition of soil
Perennial Nursery
(e.g. avocado)
~4 acres
Douglas Road
720m
Lot 5
Lot 402
Planning Outcomes WA
M: 0408 000 477
W: www.townplanningadvice.com.au
town planning, urban design, landscaping + appeals
© Copyright protects this plan.
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amendment not permitted.
0 20 60 100 120 150 200
Metres
Rev. B - March 2018
Drainflow Services
No. 414 (Lot 403) Douglas Road, Beermullah
Composting & Mulching Facility - Appx.C4 - Site Plan
1:2,500(A3)

Lot 31
Existing Firebreak
20m Building Setback Area
Lot 403
~40.5ha
Douglas Rd
Leachate Pond
1,600m²
(40m x 40m)
impervious foundation
& rubber liner
Concrete Hardstand
for composting
5,850m²
Existing Clearing
RL10.00m
Rolled Gravel or Limestone Hardstand
for separating
& storage
6,700m²
Caretakers Dwelling
76m²
Existing Shed
20m Building Setback Area
Lot 5
Blending Shed
for blending manure
1,500m²
Lean-to
300m²
17m
AMENDED
7 JUN 2018
PLAN
Existing Firebreak
Planning Outcomes WA
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W: www.townplanningadvice.com.au
town planning, urban design, landscaping + appeals
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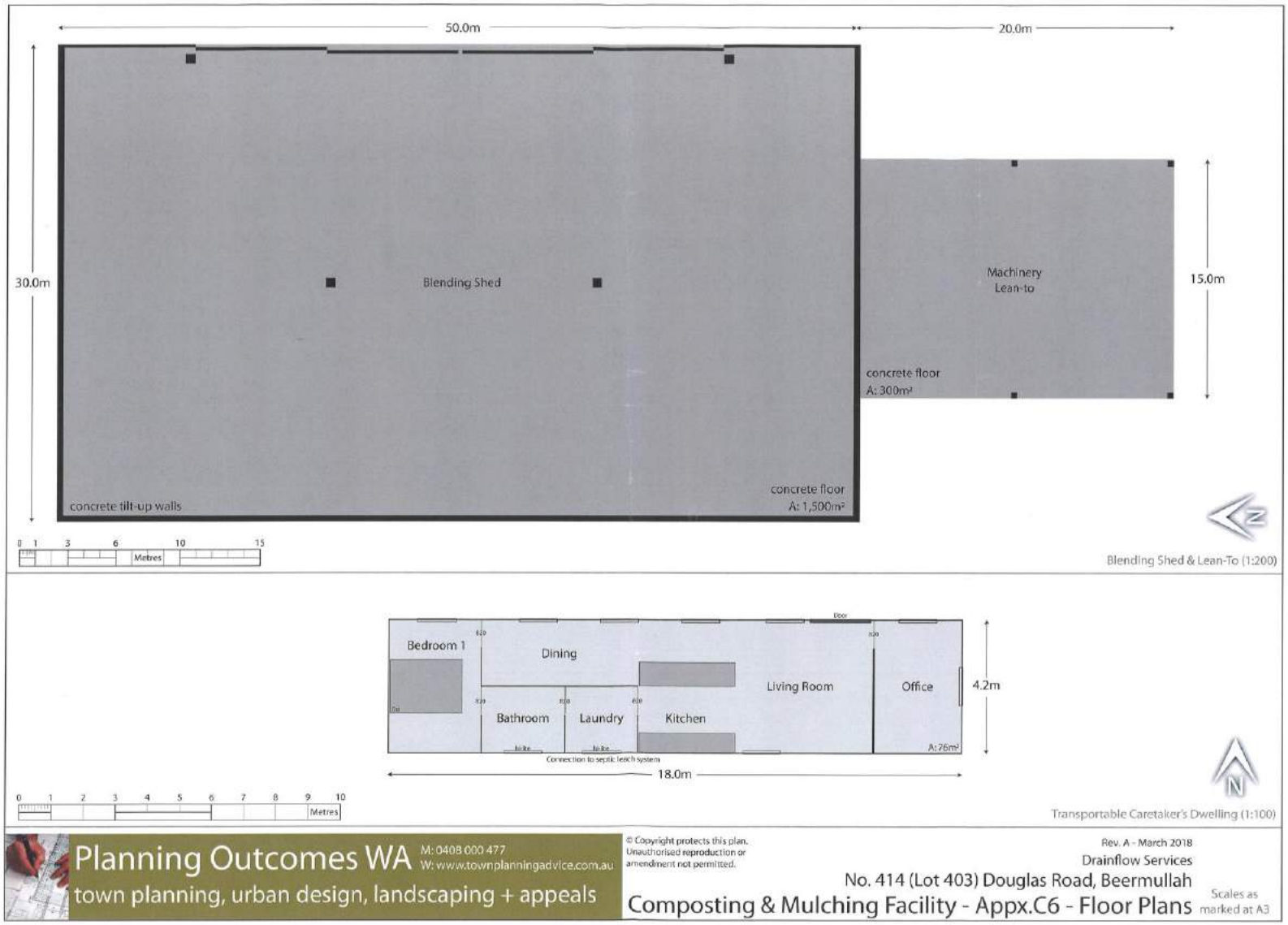
0 5 10 15 30 50 Metres
Rev.C - June 2018
Drainflow Services
No. 414 (Lot 403) Douglas Road, Beermullah
Composting & Mulching Facility - Appx.C5 - Field Plan
1:750(A3)


50.0m
20.0m
30.0m
Blending Shed
Machinery
Lean-to
15.0m
concrete floor
A: 300m²
concrete tilt-up walls
concrete floor
A: 1,500m²
0 1 3 6 10 15
Metres
Blending Shed & Lean-To (1:200)
Bedroom 1
Dining
Living Room
Office
4.2m
Bathroom
Laundry
Kitchen
A: 76m²
Connection to septic leach system
18.0m
0 1 2 3 4 5 6 7 8 9 10
Metres
Transportable Caretaker's Dwelling (1:100)
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W: www.townplanningadvice.com.au
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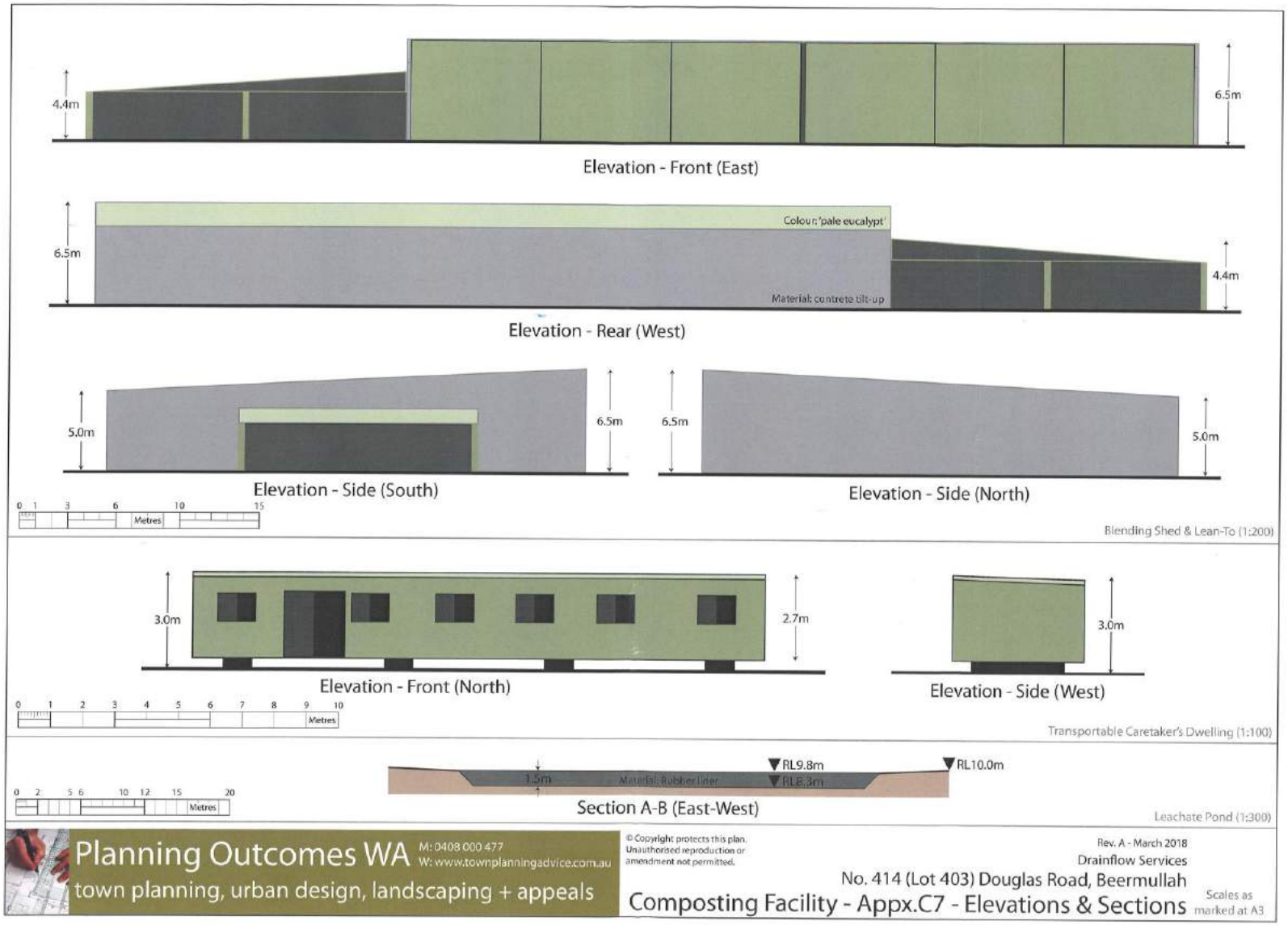
Rev. A - March 2018
Drainflow Services
No. 414 (Lot 403) Douglas Road, Beermullah
Composting & Mulching Facility - Appx.C6 - Floor Plans
Scales as marked at A3


4.4m
6.5m
Elevation - Front (East)
6.5m
Colour: 'pale eucalypt'
Material: concrete tilt-up
4.4m
Elevation - Rear (West)
5.0m
6.5m
Elevation - Side (South)
6.5m
5.0m
Elevation - Side (North)
0 1 3 6 10 15
Metres
Blending Shed & Lean-To (1:200)
3.0m
2.7m
Elevation - Front (North)
3.0m
Elevation - Side (West)
0 1 2 3 4 5 6 7 8 9 10
Metres
Transportable Caretaker's Dwelling (1:100)
RL9.8m
RL10.0m
1.5m
Material: Rubber liner
RL8.3m
0 2 5 6 10 12 15 20
Metres
Section A-B (East-West)
Leachate Pond (1:300)
Planning Outcomes WA
M: 0408 000 477
W: www.townplanningadvice.com.au
town planning, urban design, landscaping + appeals
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Rev. A - March 2018
Drainflow Services
No. 414 (Lot 403) Douglas Road, Beermullah
Composting Facility - Appx.C7 - Elevations & Sections
Scales as marked at A3

APPENDIX 3

Planning Outcomes WA

town planning, urban design, landscaping + appeals

DRAINFLOW SERVICES Pty Ltd

WASTE MANAGEMENT
RESOURCE RECOVERY

Document Reference

Prepared for:	Drainflow Services Pty Ltd
Prepared by:	MNS
Reviewed by:	GD
Version:	B
Job No.:	414 Douglas – DA2

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1.0 Introduction

The landowner's business known as Drainflow Services, has a long-running operation which generally involves the cleaning of public drains, gullies and roads in the Perth area. Collected materials are separated into hazardous and non-hazardous classes, then further screened into organic mulch and composting resources.

Operations are currently based in Malaga, with organic materials being hauled to a third-party for further processing, at considerable cost. The proposal is to use a property in the Shire of Gingin to process this material and on-sell as clean and environmentally-friendly compost and mulch, whilst being a sustainable process.

This report has been prepared to analyse the development opportunities and constraints of the Subject Site, and to support a development application for a composing and mulching facility.

2.0 Site Context & Analysis

2.1 Property Description & Location

The property in question is described in the table below (**Site** or **Subject Site**), located in the rural locality of Beermullah, within the Shire of Gingin's Local Government Area

Property	Area	Landowners
No. 414 (Lot 403) Douglas Road, Beermullah	~40,320m^2 (100 acres / 4 ha.)	Drainflow Services Pty Ltd

The Site is approximately 32 kilometres northwest of the Gingin townsite, with excellent access to the local and regional road system, with the Brand Highway (a Primary Regional Road) being only 4.5 kilometres away.

Location Plan – Greater Gingin Area

2.2 Site Context & Existing Development

Land-uses surrounding the Subject Site have been indentified in **Appendix C1**, being a poultry farm (east), undeveloped land of a timber plantation site (southeast), and vacant land (northwest and south); all with a General-Rural zoning.

The Site has an area of approximately 100 acres (40 hectares), with one road frontage.

Existing development includes a single-storey farmhouse, sheds, dam, and wire boundary fences (**Appendix C3**). Approximately 50 acres is currently cleared land, with the remaining 50 acres being remnant vegetation.

2.3 Topography & Vegetation

The topography of the site is undulating, with heights varying approximately 6.0 metres (**Appendix C2**).

Most of the property has been affected by bushfires in 2015, and approximately 50 acres is currently cleared land (with pockets of vegetation), with the remaining 50 acres being remnant vegetation (**Appendix C3**). Existing vegetation is Banksia bushes and Grass (Blackboy) trees.

2.4 Land Capability & Water Resources

Land capability in the locality is considered suitable, and stated by the Department of Primary Industries and Regional Development as (via NR Mapping):

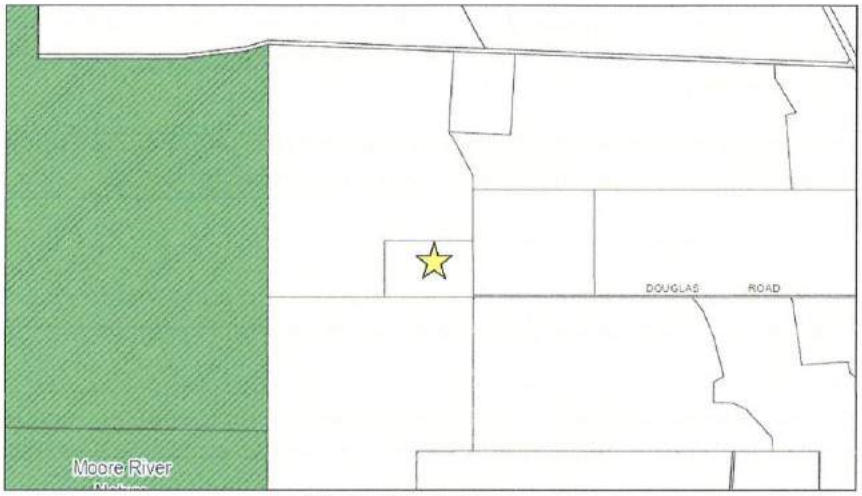
- *Light grey sand to depth between 90-150 cm overlaying pale yellow to yellow sand and bleached sands, co-dominant.*
- *Perennial and annual horticulture capability is stated as '50-70% of the land has moderate to very high capability'.*

The Site currently enjoys a water licence from the Department of Water to take groundwater for 91,500 kilolitres (91.5ML) per annum (**Attachment A**), which will expire if not used.

3.0 Statutory Planning Framework

3.1 Zoning

The Site is zoned 'General Rural' under the Local Planning Scheme No. 9 (**Scheme**). It is surrounded by other properties with the same zoning (including a poultry farm to the east).



Scheme Zones & Reserves

3.2 Land-Use Buffer

Environmental Protection Authority (**EPA**) guides the approval of land-uses through their *Separation Distances between Industrial and Sensitive Land Uses No. 3* (**Buffer Policy**).

The Buffer Policy recommends a composting facility with green waste have a 150 metre buffer to 'sensitive land-uses', which the policy defines as:

> *Land uses considered to be potentially sensitive to emissions from industry and infrastructure include residential developments, hospitals, hotels, motels, hostels, caravan parks, schools, nursing homes, child care facilities, shopping centres, playgrounds, and some public buildings. Some commercial, institutional and industrial land uses which require high levels of amenity or are sensitive to particular emissions may also be considered "sensitive land uses". Examples include some retail outlets, offices and training centres, and some types of storage and manufacturing facilities.*

The Buffer Policy also defines the separation distance as:

> *The shortest distance between the boundary of the area that may potentially be used by an industrial land use, and the boundary of the area that may be used by a sensitive land use.*

In response to the Buffer Policy, there currently are no sensitive land-uses within 150 metres of the Site boundaries, and therefore the application is capable of approval.

With regard to formally imposing a statutory buffer around the Site, it is our submission that the surrounding properties (within 150m) are highly unlikely to be redeveloped with sensitive land-uses in the long term. The locality currently does not have the zoning suitable for such land-uses, and it is reasonably foreseeable that this will not change in the long term.

This proposal is required to be advertised to surrounding landowners due to the use code, which should clarify this issue further, whereby we presume that objections will not be received in relation to 'sensitive land-uses'.

In the event that no sensitive land-use objections are received, it is our submission that a formal land-use buffer is not required, and therefore it should not be a condition of approval.

3.3 Planning in Bushfire Prone Areas

A Bushfire Attack Level (**BAL**) Assessment and contour map has been prepared (**Attachment B**), which returned a BAL-Flame Zone rating based on the current plans, and therefore presents a planning issue.

The report recommends either repositioning the blending shed or removing vegetation with a minimum 17 metre separation between the two, in order to achieve an acceptable BAL-29 rating.

Advice sought from the Department of Water and Environment Regulation suggests that allows up to 5 hectares of native vegetation to be cleared for the construction of buildings, including bushfire setbacks, without a permit (EPA Act 1986, Sch. 6, ss. 1-2).

In this regard, the applicant seeks the Shire's feedback on retaining the position of the building and removing approximately 285m^2 of vegetation, being light Banksia Woodland.

4.0 Proposed Development

4.1 Background

In February 2018, the applicant lodged a planning application for an 'agriculture-intensive' development, which is yet to be determined by the Shire. This land-use is considered complimentary to the proposal the subject of this report, as it is a non-sensitive activity, which also produced organic waste that can be used in the mulching and composting process.

4.2 Existing Offsite Operations

The proposal involves processing organic materials that have been sourced from the client's primary business, which is trading as 'Drainflow Services' based in industrial Malaga. Drainflow Services currently have contracts with 19 Local Government's in Perth; and the business is summarized as follows, with further detail found at (http://drainflowservices.com.au).

> *Drainflow Services (DFS) Waste Management Resource Recovery is a Western Australian owned company which has been providing drain cleaning and waste management services since 2002 to a vast number of Government and Commercial Clients. We specialise in:*

- *Controlled Waste*
- *High Pressure Jetting*
- *Vacuum Loading*
- *Road Sweeping*
- *Recycle Resource Recovery*
- *CCTV Inspection*
- *Hydro Excavating*

We currently employ 40 full-time staff and the principle location of the business is located in the Malaga Industrial Area. The company is headed by three Managing Directors that have more than 30 years of experience in the recycle resource recovery industry.

To recycle the resources we recover is an integral part of our core business. We provide services such as gully waste eduction, high pressure cleaning of storm water and sewer drains, gross pollutant trap eduction and controlled waste for all local, state and federal government departments.

Operations of the business are based around our Integrated Management System (IMS) which focuses on:

- *Quality Management System – ISO 9001:2015*
- *Environmental Management – ISO 14001:2015*
- *OHS Management System – BS OHSAS 18001:2007*
- *OHS Management System – AS/NZS 4801:2001*

We are committed in continually improving the way we do things and promote the concept of team work and employee participation to achieve our objectives.

All of our employees are stakeholders in our company and share in the benefits of our success and stand by our commitment to Quality Safety and Environment (QSE) performance.

Materials suspected of high concentrations of hazardous materials are collected and dumped in controlled-waste facilities at the first instance. Materials are also separated at the Malaga facility, with hazardous and non-hazardous waste being removed and suitably dumped.

The resultant material is mixed organics, which is currently transported to a third-party resource recovery site in Mundaring for further processing, at considerable cost to the client (of the Subject Site).

4.3 Proposed Onsite Operations

Primarily, the proposal is to remove the third-party from the system, by processing the materials and on-selling as clean and environmentally-friendly compost and mulch. The proposed 16,000m^2 facility is illustrated in the Site Plan, Field Plan, Floor Plan, Elevations and Section drawings **(Appendixes B4-B5-B6)**.

Vision

The vision is to build a truly world-class compost and mulching facility that meets all of the obligations from the Environmental Authority and the Shire of Gingin, aiming to be a part of the exiting and growing community as we move forward.

The Process

The separation work that will take place onsite is all done on a 6,700m^2 rolled gravel / limestone hardstand that is graded towards a leachate pond. The bulk material is put through screens to separate and remove bottles and cans and other debris, being a small fraction of the material, then placed in skip bins and transported to the appropriate recycling facilities on a periodical basis.

Mechanical Screen – Purchased Unit

Materials are further processed by putting it through smaller screens to separate the sand from small sticks and leaf matter. The sand is then stockpiled; whilst sticks and leaf matter are put through a mulcher to grind down into smaller particles and stockpiled.

The composting process of blending all of the ingredients together will be done on a 5,850m^2 concrete hardstand utilising a Mobile Aerated Floor (**MAF**) System (see below), that uses an electrically-driven and computer-controlled fan to force air through movable and perforated pipes underneath the compost pile.

MAF System – Proposed Unit

This technology is process-proven and energy-efficient, allowing control of oxygen levels minute-by-minute, rather than day-by-day as done with traditional compost turners. Compost is a living organism and needs oxygen to live and breathe, otherwise it dies and causes odours.

From the research that we have carried out, composting of organic material prevents stable fly breeding. We have also found that the MAF system further prevents breeding, by forcing air through the compost piles.

All blending of manures will be done in a closed environment being a 1,500m^2 blending shed including water sprays to suppress any dust and fumes. Concrete tilt-up walls are easy to clean (compared to profiled sheet metal) and has been shown to be effective against habitats capable of fly breeding. The concrete floor will be drained to a collection pit where the water can be stored and recycled to be reused for composting.

At this point, a manure supplier has not been selected, however a local business will be sought.

Leachate Pond

The a 1,600m^2 leachate pond will collect sand and silt from the separation process, to be cleaned as required with 'Super Sucker' trucks. The units are capable of vacuuming 100 meters from where the truck is positioned, with the non-hazardous material recycled into the composting process.

Outbuilding & Caretakers Dwelling

Machinery will be stored under a simple 300m^2 lean-to, being open on three sides.

The proposal also involves a 76m^2 caretakers dwelling in the form of a transportable building.

Impact Upon the Environment

Drainflow Services are strong believers in a circular economy, our compost facility will safely and conveniently process material which would otherwise be transported to a landfill site adding more greenhouse emissions to the atmosphere. Some of the compost and mulch produced onsite will also be used on the onsite avocado and nut trees, offsetting any greenhouse emissions that is produced from our operations.

Benefits to the Local Community

Drainflow Services' investment in the area is anticipated to bring significant additional revenue to the local community and the Gingin Council, with employment and supporting local events and initiatives. There will be opportunities for local employment during construction and operations, including concrete works, steel structures, plumbers, electricians and workers onsite.

4.4 Land-Uses

It is understood that the Site does not currently enjoy any planning approvals from the Shire, and a change of use application is required.

The proposal is considered to clearly meet the Scheme land-use definition of the 'Composting':

> *means the controlled process whereby compostable organic wastes, which may include liquid organic wastes, but not any liquid wastes classed as Listed Waste, Radioactive Waste or Hazardous Waste, are pasteurised and microbiologically transformed under aerobic and thermophilic conditions.*

The proposal also involves a 'Caretaker's Dwelling' in the form of a transportable building.

The Composting use is listed as an 'A' (Advertised-discretionary) land-use under the Scheme, and the Caretaker's Dwelling is a 'D' (Discretionary) use. Accordingly, the zone objectives are considered below and found to be suitable:

General Rural Zone – Objectives (Cl. 3.2.7)			
S/Clause	**Objectives**	**Response**	**Complies?**
(a)	*manage land use changes so that the specific local rural character of the zone is maintained or enhanced;*	The site is at the end of a dirt track, far from the main road, and therefore the proposal will not impact the character of the locality. The site was previously developed for agricultural purposes, and will continue to do so (in part).	**Yes**

		The composting proposal is a small component of the site, especially compared with the large chicken operations at the neighbouring property.	
(b)	*encourage and protect broad acre agricultural activities such as grazing and more intensive agricultural activities such as horticulture as primary uses, with other rural pursuits and rural industries as secondary uses in circumstances where they demonstrate compatibility with the primary use;*	As the land is not proposed to be subdivided, agricultural activities and food production is not at risk. The composting facility is a small component of the site, with agricultural activities continuing elsewhere onsite as the main component by land area. The proposed composting and mulching will include materials from onsite agricultural activities. Manures will also be blended into the material, which has been deemed to be connected to agriculture for a simular site in the Shire (Garden Organics).	**Yes**
(c)	*maintain and enhance the environmental qualities of the landscape, vegetation, soils and water bodies, to protect sensitive areas especially the natural valley and watercourse systems from damage; and*	Clearing is not proposed; and all composting and mulching will occur on a hardstand, with liquids draining into a cleanable leachate pond (see section 'Proposed Onsite Operations').	**Yes**
(d)	*provide for the operation and development of existing, future and potential rural land uses by limiting the introduction of sensitive land uses in the General Rural zone.*	The proposal is not a sensitive land-use, nor are there any in the locality.	**Yes**

4.5 Development Standards

The Shire's general and zone-specific development standards site requirements found in the Scheme are addressed below (where relevant).

Site Requirements (Cl. 4.7-4.8)				
Issue		Required	Proposed	Complies?
Building Setbacks	Front (E)	20m	min. 25m	Yes
	Side (S)		min. 98m	Yes
Sitting & Design of Buildings		No significant Impact upon natural vegetation or visual amenity	Small buildings with no clearing, and negligible impact upon visual amenity	Yes
Clearing of Natural Vegetation		Prior approval required	None proposed	N.A.
Fencing		Rural fencing	Existing wire fences	N.A.

4.6 Vehicles

The main vehicles that will go to site will be 2-3 trucks every two or three days and a few cars on a daily basis for employees to travel back and forwards from home to site. As a consequence, the impact of vehicles upon the locality will be negligible.

5.0 Conclusion

Drainflow Services currently collect organic material through the course of their resource recovery business, which is hauled to a third-party to create compost and mulch. In essence, the project is to remove the third-party from the system, process the materials, and on-sell as clean and environmentally-friendly compost and mulch.

The planning proposal is to use a Beermullah site as a composting and mulching operation, which involves the construction of a hardstand, two sheds, leachate pond, and a caretakers dwelling.

The site is subject to another planning application for intensive agriculture, which the land is capable of supporting, will utilise an existing water licence, and compliment the proposed composting and mulching.

The site has a suitable zoning under the local planning scheme for the proposed land-use, although it is listed as a discretionary use. Physical development also complies with the development standards of the scheme.

From research carried out, composting of organic material prevents stable fly breeding, which is further assisted by forcing air through the compost piles. The blending shed has also been designed with concrete walls to not trap materials to then become breeding habitats; with a large hardstand that is cleaned and drained into a lined and cleanable leachate pond.

Also, the process of compost-turning injects oxygen into the material, allowing the compost to breath, rather than die and produce potentially offensive odours.

It is considered unnecessary to impose a land-use buffer, noting that surrounding properties are large and feature non-sensitive commercial land-uses, or are currently vacant.

A commissioned bushfire report has identified a vegetation-building setback issue, which can be resolved with a small amount of bush clearing, subject to the Shire's feedback.

As a consequence of the above, it is considered that the proposed development is an acceptable outcome to the Site and the surrounding area. As such, the Shire's discretion is requested to approve the land-use.

APPENDIX 4

SCHEDULE OF SUBMISSIONS AND RECOMMENDED RESPONSES

APPLICATION FOR DEVELOPMENT APPROVAL PROPOSED COMPOSTING FACILITY AT LOT 403 DOUGLAS ROAD, BEERMULLAH

No.	Submitter	Submission Detail	Recommended Response
1.	Ratepayer	The submitter **does not support** the proposal and offers the following comments: *"As we own the property diagonally across the road from the proposed noxious industry and are currently trying to sell and we feel this proposal may affect our ability to sell. We therefore would have to say no to the proposal."*	Dismissed: The objection has no planning merit.
2.	Department of Water and Environmental Regulation (DWER) - Natural Resource Management	The submitter makes the following general comment: *"Thank you for the above mentioned referral and apologies for the late response.* *The Swan Avon region of the Department of Water and Environmental Regulation advises that the proponent has a current licence to take groundwater, however they may need to amend their existing water licence for usages associated with the proposed composting facility. The proponent should contact the Swan Avon licensing section to discuss water management options and to ensure there is sufficient water for the proposed development. The licensing team can be contacted on 6250 8000.* *The region has also forwarded this application to the DWER's Regulatory Services (Environment) section to comment on works approval and/or licensing requirements under Part V of the Environmental Protection Act 1986.*	Noted. Advice note recommended to advise the applicant of their obligation to amend the existing water license.

		Water Resource Advice Only *The Department of Water has merged with the Department of Environment Regulation and Office of the Environmental Protection Authority to create the new agency Department of Water and Environmental Regulation. Please note that the advice in this correspondence pertains only to water resource matters previously dealt with by the Department of Water. You may also receive additional advice from other areas within Department of Water and Environmental Regulation."*	
3.	Department of Water and Environmental Regulation (DWER) – Regulatory Services	The submitter makes the following general comment: *"Our regional delivery team has forwarded this application to the DWER's Regulatory Services section to comment on works approval and/or licensing requirements under Part V of the Environmental Protection Act 1986. I understand that the regional team has already provided you with advice relating to water regulation.* *I have reviewed the provided development referral and can advise that the proposed composting operations may be a prescribed premises for the purposes of Part V Division 3 of the EP Act if it is carried out at a rate that meets or exceeds the specified production or design capacity of the relevant category under Schedule 1 of the Environmental Protection Regulations 1987.*	Noted. Advice note recommended to advise the applicant of their obligation to lodge for a works approval / license.

		67A	*Compost manufacturing and soil blending: premises on which organic material (excluding silage) or waste is stored pending processing, mixing, drying or composting to produce commercial quantities of compost or blended soils.*	*1 000 tonnes or more per year*
		The details provided in the submission are not sufficient to determine whether the criteria for a works approval and subsequent licence are met. *I can also advise that the applicant has made representation at the Department to discuss his proposal and inform himself of the regulatory requirements. He was advised of the information required by Department to process an application for a works approval and that the information contained in the planning application was not sufficient for the Department's assessment. Specifically, the Department highlighted the need for more detailed information on the leachate containment infrastructure, odour emission controls and composting process. A works approval assessment will also take into account planning approval. The Department has not received an application by the proponent.* *Further information on licensing is available at http://www.der.wa.gov.au/our-work/licences-and-works-approvals."*		

11.3.6 APPLICATION FOR DEVELOPMENT APPROVAL - AGRICULTURE INTENSIVE (PERENNIAL PASTURES) ON LOT 1748 BOOTINE ROAD, BEERMULLAH

File:	BLD/6997
Applicant:	Brett Edwards
Location:	Lot 1748 (741) Bootine Road, Beermullah
Owner:	Brett Raymond George ATF B & L Edwards Family Trust
Zoning:	General Rural
WAPC No:	N/A
Author:	James Bayliss – Acting Manager Statutory Planning
Reporting Officer:	Kylie Bacon – Acting Executive Manager Planning and Development
Report Date:	18 December 2018
Refer	Nil
Appendices	1. Location Plan 2. Applicant's Proposal 3. Schedule of Submissions

DISCLOSURES OF INTEREST

Nil

PURPOSE

To consider an Application for Development Approval for Agriculture Intensive (Perennial Pastures by Centre Pivot) on Lot 1748 (741) Bootine Road, Beermullah.

BACKGROUND

The subject lot is 120ha in area and gains access via Bootine Road. The site is predominantly clear of vegetation, however a water course traverses the property in a north-south direction.

The proponent seeks to develop eight hectares of land to grow perennial pastures which will mostly consist of lucerne/oats and clover. The centre pivot irrigation system accords with an existing water license issued by the Department of Water and Environmental Regulation (DWER).

COMMENT

Community Consultation

The application was advertised to the surrounding landowners for a period of 14 days and to State referral agencies for a period of 42 days in accordance with clause 64 of the deemed provisions. The Shire received two submissions from ratepayers, providing one general comment and one which is interpreted as an objection. The Department of Biodiversity, Conservation and Attractions (DBCA) provided an informal comment with respect to the setback from the cropping location to the existing waterway, which indicated no objection.

PLANNING FRAMEWORK

Local Planning Scheme No 9 (LPS 9)

The subject lot is zoned General Rural under LPS 9, the objectives of which are to:

a) *Manage land use changes so that the specific local rural character of the zone is maintained or enhanced;*

b) *Encourage and protect broad acre agricultural activities such as grazing and more intensive agricultural activities such as horticulture as primary uses, with other rural pursuits and rural industries as secondary uses in circumstances where they demonstrate compatibility with the primary use;*

c) *Maintain and enhance the environmental qualities of the landscape, vegetation, soils and water bodies, to protect sensitive areas especially the natural valley and watercourse systems from damage; and*

d) *Provide for the operation and development of existing, future and potential rural land uses by limiting the introduction of sensitive land uses in the General Rural zone*.

Agriculture Intensive is identified as a "D" – Discretionary land use within the general rural coding. Agriculture Intensive is considered to be a primary use in the zone and as such should be encouraged as per the objectives above.

The land use 'Agriculture Intensive' is defined as follows:

"Agriculture – Intensive means, premises used for trade or commercial purposes, including outbuildings and earthworks, associated with the following:

a) *The production of grapes, vegetables, flowers, exotic, or native plants, or fruit or nuts;*

b) *The establishment and operation of plant or fruit nurseries;*

c) *The development of land for irrigated fodder production or irrigated pasture (including turf farms); or*

d) *Aquaculture"*.

Setbacks

The planting area is required to be set back a minimum of 20m from the lot boundaries unless a greater setback is required (i.e. buffer/separation distances to sensitive land uses or wetlands). The submitted plans indicate a minimum setback distance of 36 metres from the southern boundary. The proposal is deemed to be compliant in this regard.

Local Planning Policy 1.6 – Agriculture Intensive (LPP 1.6)

It should be noted that perennial pasture are not encapsulated within the definition of either 'annual horticulture' or 'perennial horticulture' which are defined as follows:

"Annual Horticulture refers to the commercial market gardening of all varieties of shallow rooted vegetables and flowers that can be sown and harvested within a twelve month period. The essential character of this use is that the soil is cultivated mechanically at least once a year, fertilised regularly and re-used on a continual basis."

"Perennial Horticulture refers to the commercial production of all varieties of long-lived fruit, vine and nut species, generally deep rooting, where the land is only cultivated deeply at the initial planting stage, but may be regularly fertilised."

Nevertheless, the proposal satisfies the general standards outlined in LPP 1.6.

Environmental Impact/Separation from Sensitive Land Uses

The following external guidelines provide guidance in relation to buffer/separation distances for local government when considering applications for irrigated horticulture and sensitive uses (i.e. dwellings).

- State Planning Policy 2.5 - Rural Planning;
- Department of Health (DOH) – Guidelines for Separation of Agricultural and Residential Land Uses (August 2012) (DOH Guidelines); and
- Environmental Protection Authority – Guidance for the Assessment of Environmental Factors; Separation Distances between Industrial and Sensitive Land Uses (June 2005).

The proposal falls under the definition of a 'market garden' for the purpose of calculating the recommended buffer distance using the abovementioned policies. A 300 metre buffer setback is recommended between the horticulture activity and the closest sensitive land use (i.e. dwelling). The planting area is located approximately 700 metres from the nearest dwelling which is located on adjoining land to the north-east of the site.

The proposed cropping area is located 83 metres east of the existing water course. The DBCA was contacted for comment and provided informal advice that the proposed cropping area must be situated at least 50 metres from the water in accordance with the Environmental Protection Authority's (EPA) *Environmental Guidance for Planning and Development.* Given the proposal satisfies the 50 metre setback no additional management plans are required.

Further Comment

The cropping of pastures typically does not require development approval. General farming operations (livestock grazing, cropping) throughout the Shire plant pasture crops on an annual basis without any need to obtain development approval. The crops are baled and stored/sold to supplement feed during the summer and autumn months. The proposed agriculture intensive use is no different to the above method with the exception of being irrigated by a centre pivot and therefore being encompassed under the definition of 'Agriculture Intensive' under LPS 9 which is designated as a 'D' discretionary land use.

Stable Fly

Stable Fly is a declared pest under the *Biosecurity and Agriculture Management Act 2007* and is managed by the Biosecurity and Agriculture Management (Stable Fly) Management Plan 2016. It should be noted that perennial pastures do not create conditions that readily breed stable fly and no management plan is required in this instance.

Water Supply

LPP 1.6 states that Council will process development applications for irrigated horticulture purely on land use planning grounds, without regard for viability consideration such as water licensing. This notwithstanding, the property is serviced by an existing water license issued by the Department of Water and Environmental Regulation (DWER).

Summary

In view of the above assessment, the officer is of the view that the proposed Agriculture Intensive (Perennial Pastures by Centre Pivot) satisfies the applicable planning framework and is suitable on the subject property.

STATUTORY ENVIRONMENT

Local Planning Scheme No 9

Part 3 – Zones and the Use of Land
3.2 Objectives of the Zones

Part 4 – General Development Requirements
4.7 General Development Standards
4.8.6 General Rural Zones

Local Planning Policy 1.6 - Agriculture Intensive

Department of Health (DOH) Guidelines for Separation of Agriculture and Residential Land Uses (August 2012) (DOH Guidelines)

Environmental Protection Authority Guidance for the Assessment of Environmental Factors; Separation Distances between Industrial and Sensitive Land Uses (June 2005).

POLICY IMPLICATIONS

Nil

BUDGET IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Shire of Gingin Strategic Community Plan 2017-2027

Focus Area	*Economic Development*
Objective	*4. To support economic development through the Shire's service delivery.*
Outcome	*4.2 Food Bowl - A strategically significant agricultural hub to the Perth Metropolitan Area.*
Key Service Areas	*Economic Development & Tourism Infrastructure*
Priorities	*4.2.1 Support the development of Agri-industry processing*

VOTING REQUIREMENTS – SIMPLE MAJORITY

COUNCIL RESOLUTION/OFFICER RECOMMENDATION

MOVED: Councillor Fewster SECONDED: Councillor Court

That Council grant development approval for the proposed Agriculture Intensive (Perennial Pastures) on Lot 1728 (741) Bootine Road, Beermullah subject to the following conditions:

1. **The land use and development shall be in accordance with the approved plans and specifications (including any amendments marked in RED) unless otherwise conditioned by this approval;**

2. **All works required to satisfy a condition of this approval are required to be installed/constructed/maintained and undertaken in accordance with the approved plans and conditions of approval for the life of the development;**

3. **The development area shall be limited to a maximum of eight hectares at any one time; and**

4. **The development shall at all times comply with the Environmental Management Plan submitted as part of the proposal.**

Advice Notes

Note 1: If you are aggrieved by the conditions of this approval you have the right to request that the State Administrative Tribunal (SAT) review the decision, under Part 14 of the *Planning and Development Act 2005*.

Note 2: If the development subject to this approval is not substantially commenced within a period of two years, the approval shall lapse and have no further effect.

Note 3: Where an approval has so lapsed, no development may be carried out without further approval of the local government having first been sought and obtained.

Note 4: Premises are to comply with the requirements of the *Public Health Act 2016* and all relevant health legislation.

Note 5: The Applicant is reminded that this Development Approval is not to be interpreted as an approval to extract and use groundwater supplies, nor does it imply that the Shire of Gingin has knowledge in relation to availability of groundwater supplies.

Note 6: It is advised that the proposal should at all times comply with the *Biosecurity and Agriculture Management (Stable Fly) Management Plan 2016* in order to minimise the effects of stable flies on the community.

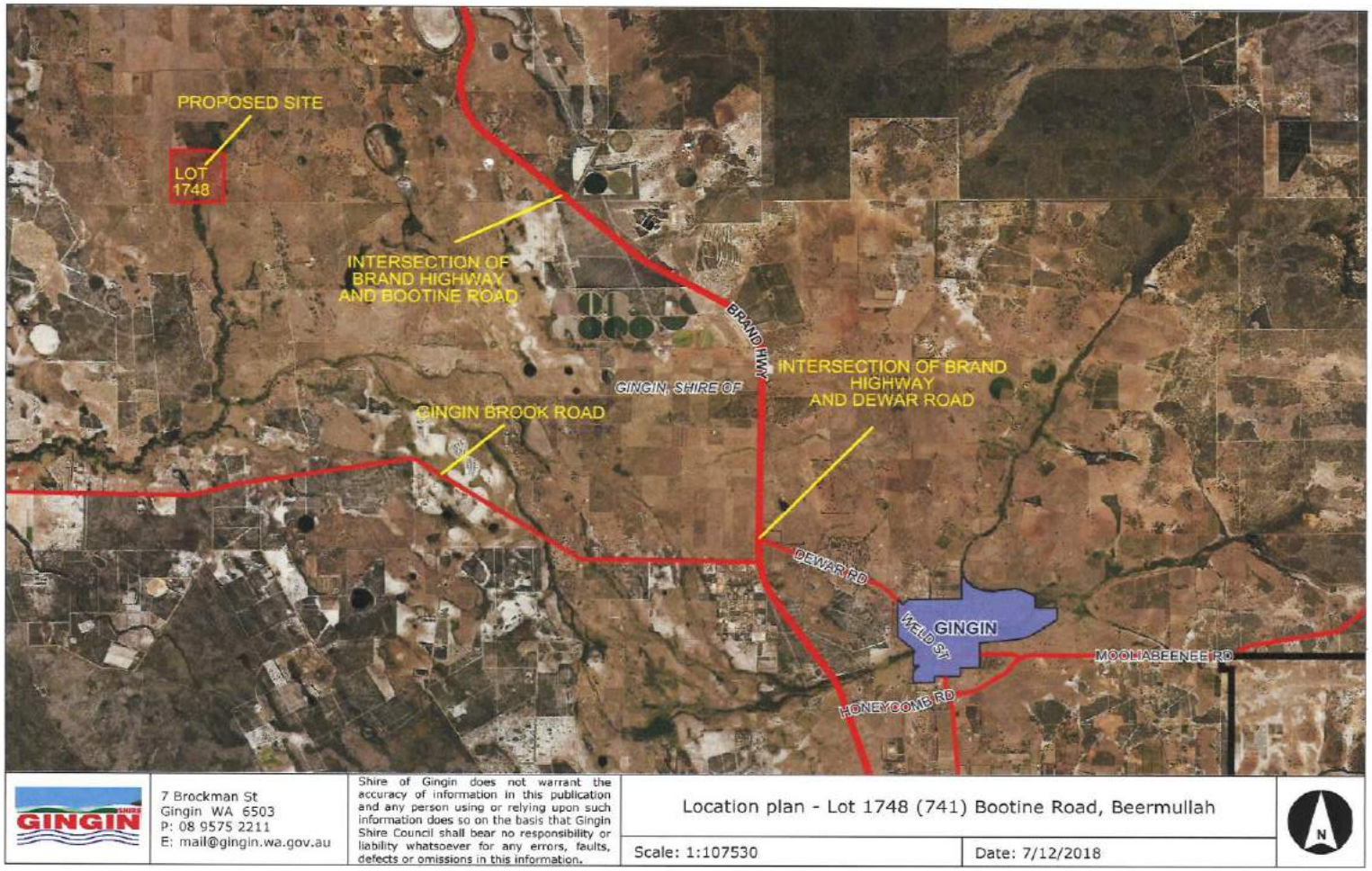
Note 7: The operation will be required to comply with the *Environmental Protection (Noise) Regulations 1997*.

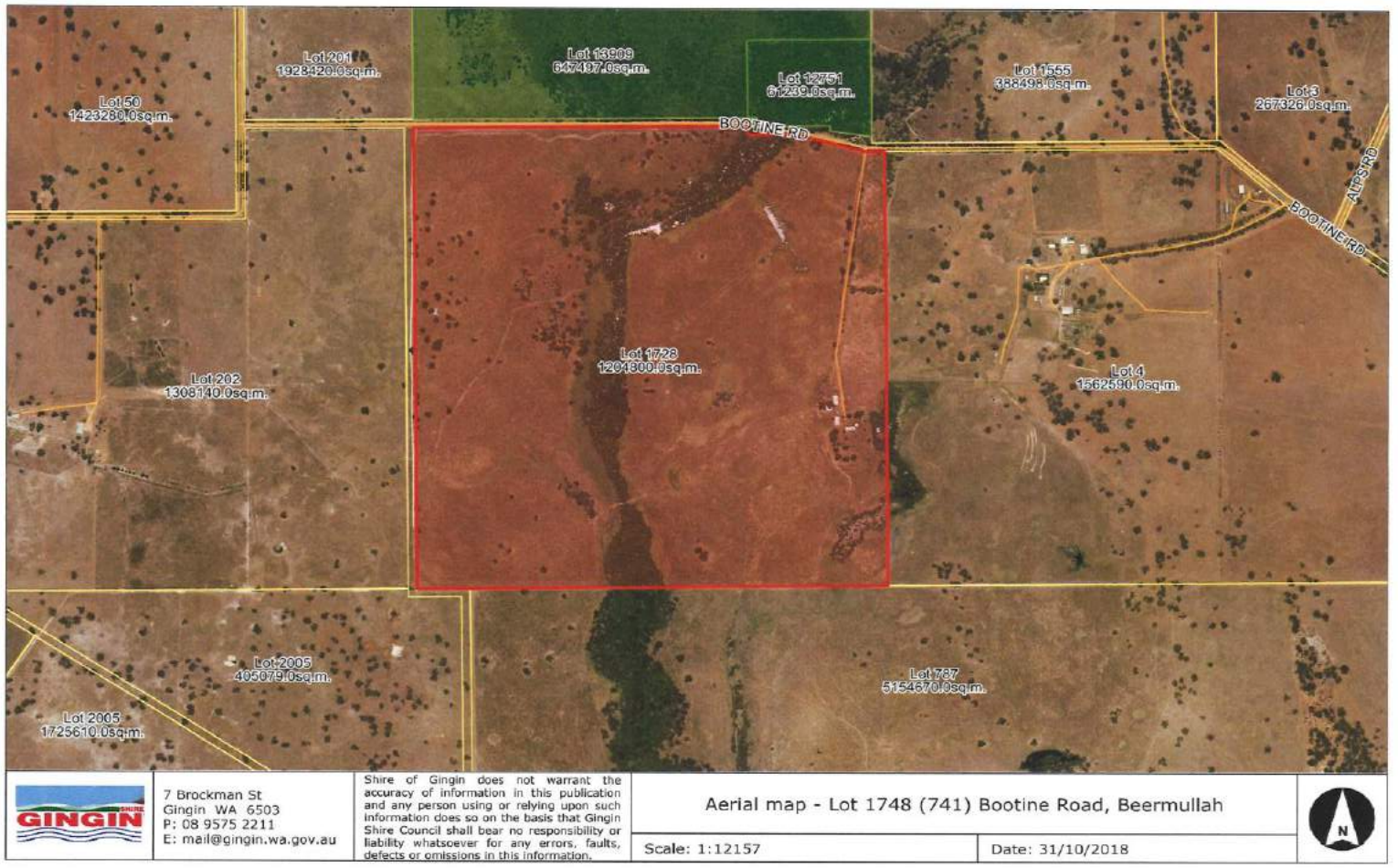
Note 8: It is the landowner's responsibility to implement and maintain bushfire protection and mitigation measures on their property.

Note 9: Please be advised that the property may attract Differential Rating for Intensive Agriculture.

CARRIED UNANIMOUSLY

APPENDIX 1


PROPOSED SITE
LOT 1748
INTERSECTION OF BRAND HIGHWAY AND BOOTINE ROAD
BRAND HWY
GINGIN, SHIRE OF
INTERSECTION OF BRAND HIGHWAY AND DEWAR ROAD
GINGIN BROOK ROAD
DEWAR RD
WELD ST
GINGIN
MOOLIABEENEE RD
HONEYCOMB RD
GINGIN
7 Brockman St
Gingin WA 6503
P: 08 9575 2211
E: mail@gingin.wa.gov.au
Shire of Gingin does not warrant the accuracy of information in this publication and any person using or relying upon such information does so on the basis that Gingin Shire Council shall bear no responsibility or liability whatsoever for any errors, faults, defects or omissions in this information.
Location plan - Lot 1748 (741) Bootine Road, Beermullah
Scale: 1:107530
Date: 7/12/2018
N


Lot 201
1928420.0sq.m.
Lot 13909
647497.0sq.m.
Lot 12751
61239.0sq.m.
Lot 1555
388498.0sq.m.
Lot 3
267326.0sq.m.
Lot 50
1423280.0sq.m.
BOOTINE RD
ALPS RD
BOOTINE RD
Lot 1748
1204800.0sq.m.
Lot 202
1308140.0sq.m.
Lot 4
1562590.0sq.m.
Lot 2005
405079.0sq.m.
Lot 2005
1725610.0sq.m.
Lot 767
5154670.0sq.m.
GINGIN
7 Brockman St
Gingin WA 6503
P: 08 9575 2211
E: mail@gingin.wa.gov.au
Shire of Gingin does not warrant the accuracy of information in this publication and any person using or relying upon such information does so on the basis that Gingin Shire Council shall bear no responsibility or liability whatsoever for any errors, faults, defects or omissions in this information.
Aerial map - Lot 1748 (741) Bootine Road, Beermullah
Scale: 1:12157
Date: 31/10/2018
N

APPENDIX 2

Lot 741 Bootine Road – Environmental Management Plan

History

The land has historically been flood irrigated by an artesian bore on the land for many years. In 2018 the previous owner proposed to alter the irrigation method to a sprinkler system by way of 8ha centre pivot. The new owner wishes to progress under the same water licence provisions.

Land Use

At this time the predominant use of the land is for grazing cattle. The centre pivot will be in operation for approximately five months of the year, generally over summer periods. The land is zoned general agriculture in the Shire's Local Planning Scheme No.9. A perennial pasture crop will be grown on the site and may include Lucerne/Sorghum/Oats/Clovers etc for hay production and/or grazing purposes. The Proponent however would like an approval for perennial pasture so a variety of pasture crops can be grown if required.

Water Usage

The Proponent has capped the existing artisan bore and will install a water meter on it to ensure that water is not wasted and is conserved if it is not required. The bore is already located on site therefore a new bore will not be installed. See attached provision for water licence that have been supplied to demonstrate the transfer of water to the new property owner with appropriate conditions for water use.

Setbacks

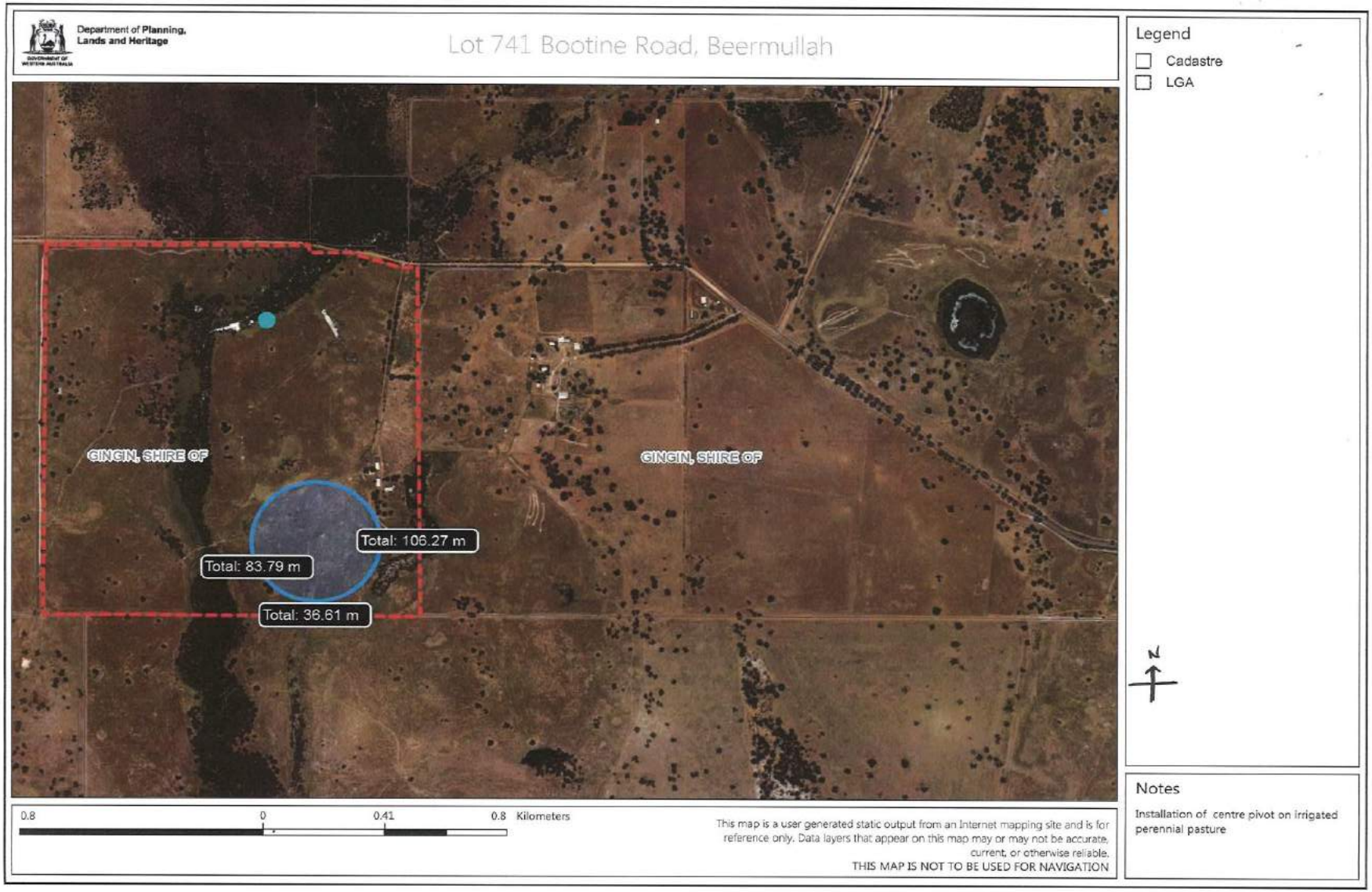
The Proposal has been designed to comply with all necessary setbacks and the project will not impact on the amenity of any nearby landowner. Further this location is the most suitable soil types for such activity and is same site as indicated on the water licence proposal.

Stable Fly

The land use of growing pasture does not breed stable fly and if Lucerne is produced it is baled and all matter is removed from the irrigation area so as not produce rotting organic matter.

Nutrient Management

The Proponent engages technical experts to consider the stem and leaf of plants at required intervals. This method determines the required nutrients and quantities of the plants to ensure that fertiliser is only allocated for required plant uptake only. Therefore no additional nutrients will enter the environment.


Department of Planning, Lands and Heritage
Lot 741 Bootine Road, Beermullah
Legend
Cadastre
LGA
GINGIN, SHIRE OF
GINGIN, SHIRE OF
Total: 106.27 m
Total: 83.79 m
Total: 36.61 m
N
0.8 0 0.41 0.8 Kilometers
This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.
THIS MAP IS NOT TO BE USED FOR NAVIGATION
Notes
Installation of centre pivot on irrigated perennial pasture

APPENDIX 3

SCHEDULE OF SUBMISSIONS AND RECOMMENDED RESPONSES

APPLICATION FOR DEVELOPMENT APPROVAL PROPOSED AGRICULTURE INTENSIVE – CENTRE PIVOT AT LOT 1748 BOOTINE ROAD, BEERMULLAH

No.	Submitter	Submission Detail	Recommended Response
1.	Ratepayer	The submitter makes the following **general comment:** *"We do not have any issues with the planned development of perennial pasture irrigation at 741 Bootine Road we understand water table depth will lower this is a common occurrence across all our farm land due to increased water usage on the Gingin Shire. We are strongly concerned of a change in crop type from perennial pasture to a vegetable/horticulture based industry if so in the future due to its affects on our business, lifestyle and most importantly our health due to its location on a South Western direction from our houses with spray drift and regular occurrence of stable fly breeding with this industry."*	1. Noted - In the event the cropping type changed from pastures to vegetables or the like, a separate development approval would be required to include this change. This approval relates only to perennial pastures.
2.	Ratepayer	The submitter makes the following **general comment:** *"Please see Stakeholder comments below:* *Examples of Horticulture in our Gingin Shire proved over time to have a lot of down sides.* *The rush to move this industry to other shires outside the traditional ones without proper thought has been a major burden on existing landowners.* *We have Trandoss Farm on our East side has resulted in Stable fly activity to the point of 500 metres of our boundary being usable at times of the year.*	2. Dismissed - This proposal does not relate to Trandos Farms or the growing of corn.

		We have had to change our management techniques, though at times even they have been unworkable. *Insects and stable fly's work on cycles and centre pivots create cycles monthly not yearly.* *Water table issues have now come to our Farm as we have had to drill 2 bores to replace 100 year old wells.* *The old Bootine soak which has produced water all year round does now not run.* *Livestock producers are now struggling with coexistence with Horticulture.* *Land Values will come down in the shire if this style of farming held accountable.* *LOT 1778.* *The previous owner rarely used his water license and thus the results to neighbours has been minimal.* *The water license if managed by Government properly should have been taken back or never issued.* *It has an adjoining block which has been set aside as a reserve.* *It is surrounded by Livestock breeders and this should be taken into account.*	3. Dismissed - Water availability is not a land use consideration. It should also be noted local government does not issue water licenses.

		A centre Pivot will impact regardless and possibly in the future Horticulture may take over this sight thus stable fly issued will arise. *If this pivot is approved then Government, Shire and Owners of this Lot should be accountable. Financial Guarantees should be put in place to Rate Payers in the district for the results which may come from such a decision.* *Drying up wells through the lowering of the water table, Mungala brook water supply drying up as Gingin Brook has with no water for stock. Issues with insects and fly's attracted to this environment. Lowering of land Values.* *If this Permit is granted it should be based on the Guarantees and the permit to be revoked if any of these issues arise. The land not be used for Horticulture in the future."*	
3.	Department of Biodiversity, Conservation and Attractions (DBCA)	The submitter makes the following **general comment:** "*We spoke yesterday regarding your enquiry, seeking the Geomorphic Wetland mapping for Lot 1728 Bootine Road, Gingin. As you are now aware this mapping is publicly available at the following location https://maps.slip.wa.gov.au/landgate/locate/.* *Please find below a link to Guidance Statement 33. Sections B4 and B5 discuss Wetland and Waterways and how they should be considered in a land use planning context.*	4. Noted

		The 'minimum 50m buffer', which you asked about, is specified at the following location. *Guidance Statement 33, Attachment B4-3, IDENTIFYING WETLAND BUFFERS (page 18 of this section)* *http://www.epa.wa.gov.au/policies-guidance/environmental-guidance-planning-and-development-gs-33* *I recommend reading this section of the document which also discusses site specific buffer requirements, beyond the minimum 50m, which included consideration for 'threats posed by adjacent activities, land use or development.'* *Please note – The advise we have provided for this property is general. More specific advise can be given if further detail of the request is provided."*	

11.4. OPERATIONS-CONSTRUCTION

11.4.1 PERFORMANCE BASED STANDARD SCHEME APPLICATION FOR WANNAMAL ROAD WEST, BOONANARRING

Location:	Wannamal Road West, Boonanarring
Applicant:	Main Roads WA Heavy Vehicle Services
File:	RDS/10
Reporting Officer:	Allister Butcher - Executive Manager Operations - Construction
Report Date:	18 December 2018
Refer:	Nil
Appendices	1. Location Plan

DISCLOSURES OF INTEREST

Nil

PURPOSE

To determine the level of support for an application received from Main Roads WA Heavy Vehicle Services (HVS) for a Performance Based Standard (PBS) Scheme heavy vehicle combination, being a 42m A Triple combination with Accredited Mass Management Scheme (AMMS) Level 3 on Wannamal Road West from Brand Highway to the Image Resources entrance (380m).

BACKGROUND

HVS has received a 42m (in length) 'A Triple' PBS In Principle Vehicle Access Approval application, requesting AMMS Level 3 Mass (17.5t for tandem axle groups and 23.5t for tri axle groups) for Wannamal Road West from Brand Highway to the Image Resources entrance. Only a short section of Wannamal Road West is impacted, given that the entrance to the Image Resources facility is just 380m east of Brand Highway. A Location Plan is attached as **Appendix 1**.

Council Policy 7.6 Road Transport Heavy Vehicle Combinations relates to the approval of Restricted Access Vehicles (RAV) up to Network 4 (up to 27.5m in length). This application is for a vehicle length in excess of that covered by Policy 7.6, and therefore must be considered by Council.

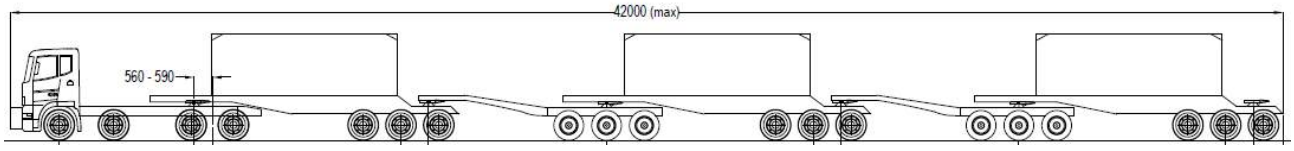
The PBS scheme offers potential for heavy vehicle operators to achieve higher productivity and improved safety through innovative vehicle designs. There are many benefits in providing access for PBS vehicles. Some of these benefits include:

- Braking capability and vehicle stability is improved with a mandatory requirement in WA for Electronic Braking Systems (EBS) and Rollover Stability Systems (RSS), which is not a requirement on conventional road trains.
- PBS vehicles are often height restricted, which is determined by the PBS assessment which further reduces the rollover risk and improves overall stability.

- PBS vehicles are subject to stringent axle spacing requirements, reducing the impact on the road infrastructure
- PBS vehicles reduce the number of vehicle movements compared to conventional heavy vehicles which overall reduces congestion and the crash risk exposure.

The approval enables the proposed vehicle to operate on specific roads throughout Western Australia, subject to passing a PBS assessment. Once the vehicle is built, certified and ready for operation, Main Roads will issue a PBS Permit. It is up to the affected local government to assess whether it will allow the proposed PBS to operate on their roads.

The configuration of the proposed PBS (denoted as a PBS 3D (B) by HVS) is in accordance with the diagram below.



The proposed PBS utilises a fifth wheel gooseneck type attachment for the trailers in lieu of a traditional ring feeder attachment for the dog trailer. This allows an additional 20 tonnes to be carried over what would be possible with a similar traditional Restricted Vehicle Access (RAV) Network 7 (b-double and dog combination) with AMMS Level 3. The gross mass for the PBS combination (with AMMS Level 3) is 147 tonnes. Due to the gooseneck attachments compared to a b-double trailer setup for RAV Network 7, the PBS has a reduced swept path reducing wear at intersections and crossovers from scuffing. The additional 20 tonne payload for the PBS will essentially equate to reduced heavy vehicle movements on the affected roads, as the PBS will save one trip in every five compared to RAV Network 7 (AMMS Level 3).

Image Resources has advised that at this stage it will only be operating three PBS 3D (B) vehicles per day.

Image Resources, as part of the mineral sand mine development on Lot 5550 Brand Highway, Boonanarring, has upgraded the intersection of Wannamal Road West and Brand Highway and the crossover (including asphalting Wannamal Road West at the crossover) for the mine on Wannamal Road West at its own cost. Image Resources has also paid to recondition the unsealed shoulders and reseal Wannamal Road West from Brand Highway to the mine access. The employment opportunities that Image Resources has provided for local residents are evidenced by the fact that 50% of the workforce resides in the Shire of Gingin and surrounding districts.

The pavement of the affected section of Wannamal Road West was installed in 1997 and has an estimated remaining useful life of 19 years. The existing sealed surface is 7m wide and as stated above has just been resealed and 1.5m of the unsealed shoulders (on each side) have been reconditioned at Image Resources' expense.

COMMENT

Administration initially had concerns regarding the extra weight being carried across the Shire road asset of Wannamal Road West and the deterioration of the pavement with the use of the proposed combinations. Administration has met with Image Resources regarding ongoing maintenance of the section of road concerned and Image Resources have advised that they are willing to look at repairs and/or contributions to repairs to Wannamal Road West, dependant on the cause of damage (i.e. normal deterioration of the road asset or damage caused specifically by Image Resources). Administration is currently seeking written confirmation from Image Resources in this regard.

This specific vehicle combination is already being used in the following areas within Western Australia:

- Esperance (Eyre Highway);
- Kambalda;
- Ravensthorpe; and
- Cataby to Bunbury (as of March 2019).

The Officer supports approval of this application, given that Image Resources has an extremely good track record of responsible operation and interaction with the Shire, and has proven itself to be a good corporate citizen.

STATUTORY ENVIRONMENT

Nil

POLICY IMPLICATIONS

Council Policy 7.6 Road Transport Heavy Vehicle Combinations

BUDGET IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Shire of Gingin Strategic Community Plan 2017-2027

Focus Area	*Built Environment*
Objective	*3 To effectively manage growth and provide for community*
Outcome	*3.1 Meet transport infrastructure and service needs*
Strategy	*3.1.1 Effective integrated transport planning and implementation in partnership with State and Federal Government Agencies*
Focus Area	*Local Business*
Objective	*4. To facilitate local business growth*
Outcome	*Nil*
Strategy	*Nil*

VOTING REQUIREMENTS – SIMPLE MAJORITY

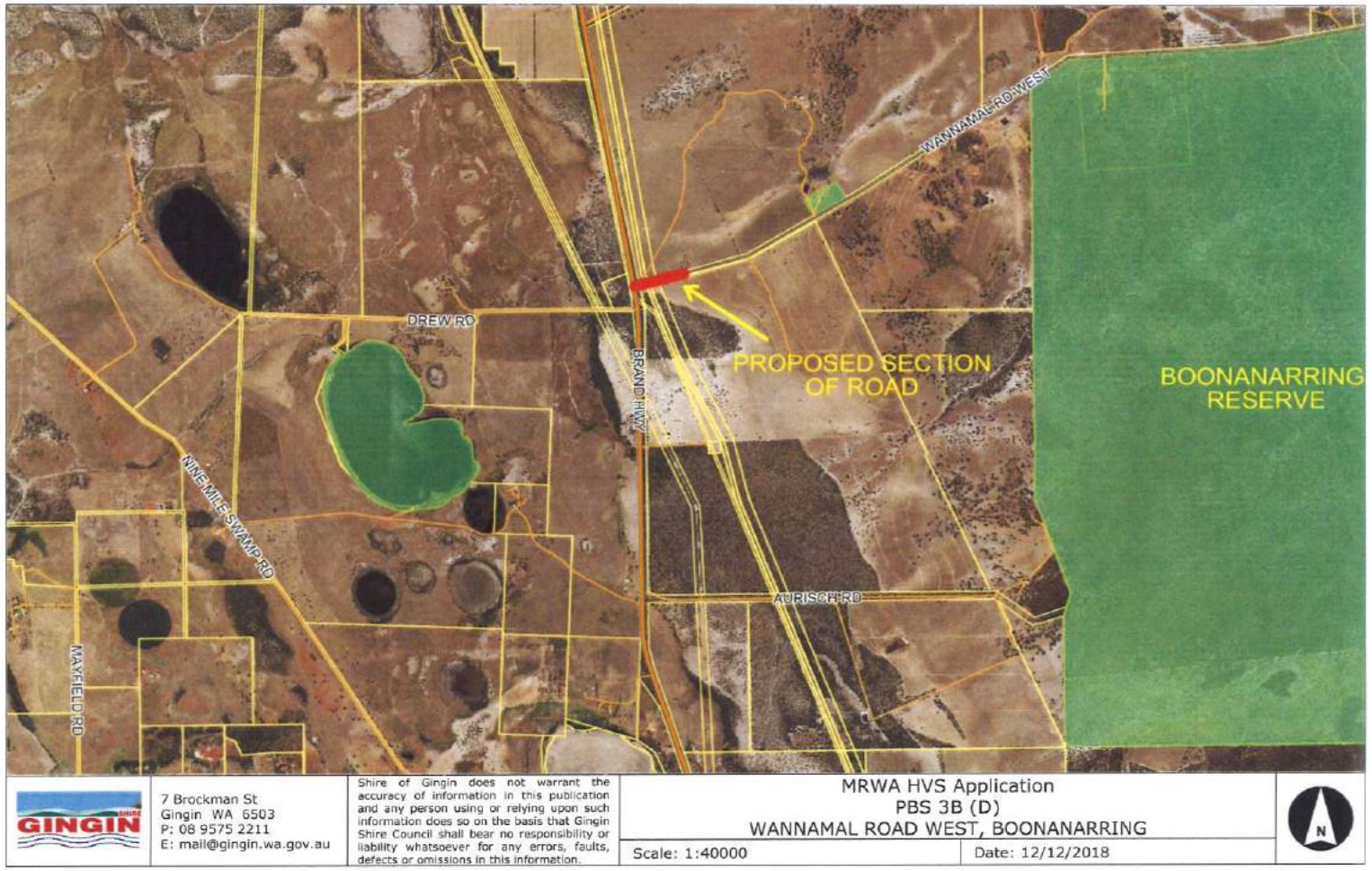
COUNCIL RESOLUTION/OFFICER RECOMMENDATION

MOVED: Councillor Elgin SECONDED: Councillor Johnson

That Council approve the use by Image Resources of a 42m length 'A Triple' Performance Based Standard PBS Scheme Vehicle with AMMS Level 3 for Wannamal Road West from Brand Highway to the Image Resources Mine Access (380m from Brand Highway).

CARRIED UNANIMOUSLY

APPENDIX 1


WANNAMAL RD WEST
DREW RD
BRAND HWY
PROPOSED SECTION OF ROAD
BOONANARRING RESERVE
NINE MILE SWAMP RD
AURISCH RD
MAYFIELD RD
GINGIN
7 Brockman St
Gingin WA 6503
P: 08 9575 2211
E: mail@gingin.wa.gov.au
Shire of Gingin does not warrant the accuracy of information in this publication and any person using or relying upon such information does so on the basis that Gingin Shire Council shall bear no responsibility or liability whatsoever for any errors, faults, defects or omissions in this information.
MRWA HVS Application
PBS 3B (D)
WANNAMAL ROAD WEST, BOONANARRING
Scale: 1:40000
Date: 12/12/2018
N

11.5. ASSETS

11.5.1 LEASE - RESERVE 27949 ON LOT 232 WEST STREET, GUILDERTON TO OPTUS MOBILE PTY LTD FOR THE PURPOSES OF INSTALLING LOW IMPACT TELECOMMUNICATIONS INFRASTRUCTURE

Location:	Lot 232 Wedge Street, Guilderton
Applicant:	Optus Mobile Pty Ltd
File:	RES/7, BLD/2010, BLD/3778
Reporting Officer:	Raees Rasool – Executive Manager Assets
Report Date:	18 December 2018
Refer:	17 May 2016 Item 11.3.1
Appendices:	1. Site Layout and Elevations 2. Optus Proposal to Lease Letter 3. Certificate of Title

DISCLOSURES OF INTEREST

Nil

PURPOSE

To consider leasing a portion of Reserve 27949 (Lot 232) Wedge Street, Guilderton to Optus Mobile Pty Ltd for the purpose of installing low impact telecommunications infrastructure.

BACKGROUND

Reserve 27949 is vested in the Shire of Gingin for the purpose of recreation. The Vesting Order includes power to lease for any term not exceeding 21 years. The Shire currently leases a portion of this Reserve to Telstra Corporation Limited for the purposes of installation and operation of a telecommunications facility. This lease expires on 30 April 2025.

At its meeting on 17 May 2016, Council considered a proposal from Optus Mobile to excise a portion of Reserve 27949 to facilitate a lease between the then Department of Lands and Optus for the purpose of erecting telecommunications infrastructure (Mobile Phone Base Station). Council ultimately resolved to refuse the proposal.

Optus has now approached the Shire to lease a portion of the land adjacent to the Telstra facility for the installation of five equipment cabinets on the ground, including a connection to power supply, together with installation of antennas and ancillary equipment on the existing Telstra facility.

Optus seeks a six year lease term to co-exist with the Telstra tower lease, with the standard terms of agreement between the Lessee and Lessor regarding both parties' rights to termination.

A copy of the site layout and elevations are attached within **Appendix 1**.

COMMENT

As mentioned above, Optus has approached the Shire to install low impact telecommunications equipment on the existing monopole and ground (an approximate 3.5m x 5.8m area) for the purposes of equipment cabinets and associated infrastructure located on Reserve 27949 see appendix 2 and 3.

Telstra currently leases a portion of the Reserve for the same purposes. Should Council wish to enter into a lease agreement with Optus, then it will be necessary to seek confirmation from Telstra that there is no objection to the proposed co-location of infrastructure on Telstra's monopole. It is understood Optus will enter into a colocation agreement with Telstra Corporation Ltd for the installation of antennas and ancillary equipment on the existing facility. Under the terms of the current lease between the Shire and Telstra (cl. 3.4(a)), any sublease that may be entered into by Telstra must also be subject to the Shire's consent.

Optus advises that it is a licenced telecommunications carrier in Australia, has a licence to use specific radio frequencies that are owned by Optus and has exclusive use of those frequencies. The use of different radio frequencies across the spectrum is managed and regulated by the Australian Communications and Media Authority (ACMA) under the *Radiocommunications Act 1992*. In the unlikely event that any interference to other services occurs, there are processes and investigation procedures that are followed to identify the source or cause of the interference and rectify it.

Allowing for the lease to proceed will provide increased telecommunications coverage for ratepayers and visitors to the locality.

It is pointed out that the proposed lease is a disposition of property for the purposes of the *Local Government Act 1995* (the Act). The Act specifies that a local government can only dispose of property to either the highest bidder at public auction or via a public tender process unless, before agreeing to dispose of the property, it gives local public notice of the proposed disposition and invites public submissions with respect to the proposal. The lease is subject to endorsement by the Minister for Lands as it relates to a reserve.

STATUTORY ENVIRONMENT

Local Government Act 1995
Part 3 – Functions of Local Governments
Division 3 – Executive functions of Local Governments
Section 3.58 – Disposing of property

Land Administration Act 1997
Part 2 – General administration
Division 3 – General
Section 18 – Crown land transactions that need Minister's approval

POLICY IMPLICATIONS

Nil

BUDGET IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Shire of Gingin Strategic Community Plan 2017-2027

Focus Area	*Infrastructure and Development*
Objective	*3. To effectively manage growth and provide for community through the delivery of community infrastructure in a financially responsible manner.*
Outcome	*3.3 Connectivity & Accessibility - The Shire's community infrastructure supports connectivity and accessibility*
Key Service Areas	*Community Infrastructure*
Priorities	*3.3.3 Advocate for improved telecommunications infrastructure.*

VOTING REQUIREMENTS – SIMPLE MAJORITY

COUNCIL RESOLUTION/OFFICER RECOMMENDATION

MOVED: Councillor Johnson SECONDED: Councillor Morton

That Council:

1. **Agree in principle to lease a portion of Reserve 27949 (Lot 232) Wedge Street, Guilderton to Optus Pty Ltd for the purpose of installing low impact telecommunications infrastructure, subject to the requirements of Section 3.58(3) of the *Local Government Act 1995* first being met and provided:**

    a. **Optus agrees to meet the cost of ascertaining the market value of the disposition and advertising costs applicable to complying with Section 3.58 of the *Local Government Act 1995*, and to pay the Shire's legal fees for the preparation and completion of the lease documents;**

    b. **Telstra does not object to the lease between Optus and the Shire of Gingin; and**

    c. **Provide consent to Telstra to enter into a sublease or licence arrangement with Optus Mobile Pty Ltd for the installation of low impact facilities on Telstra's existing infrastructure located on Reserve 27949 in accordance with cl. 3.4(a) of the lease agreement between the Shire of Gingin and Telstra Corporation Ltd commencing 1 May 3026.**

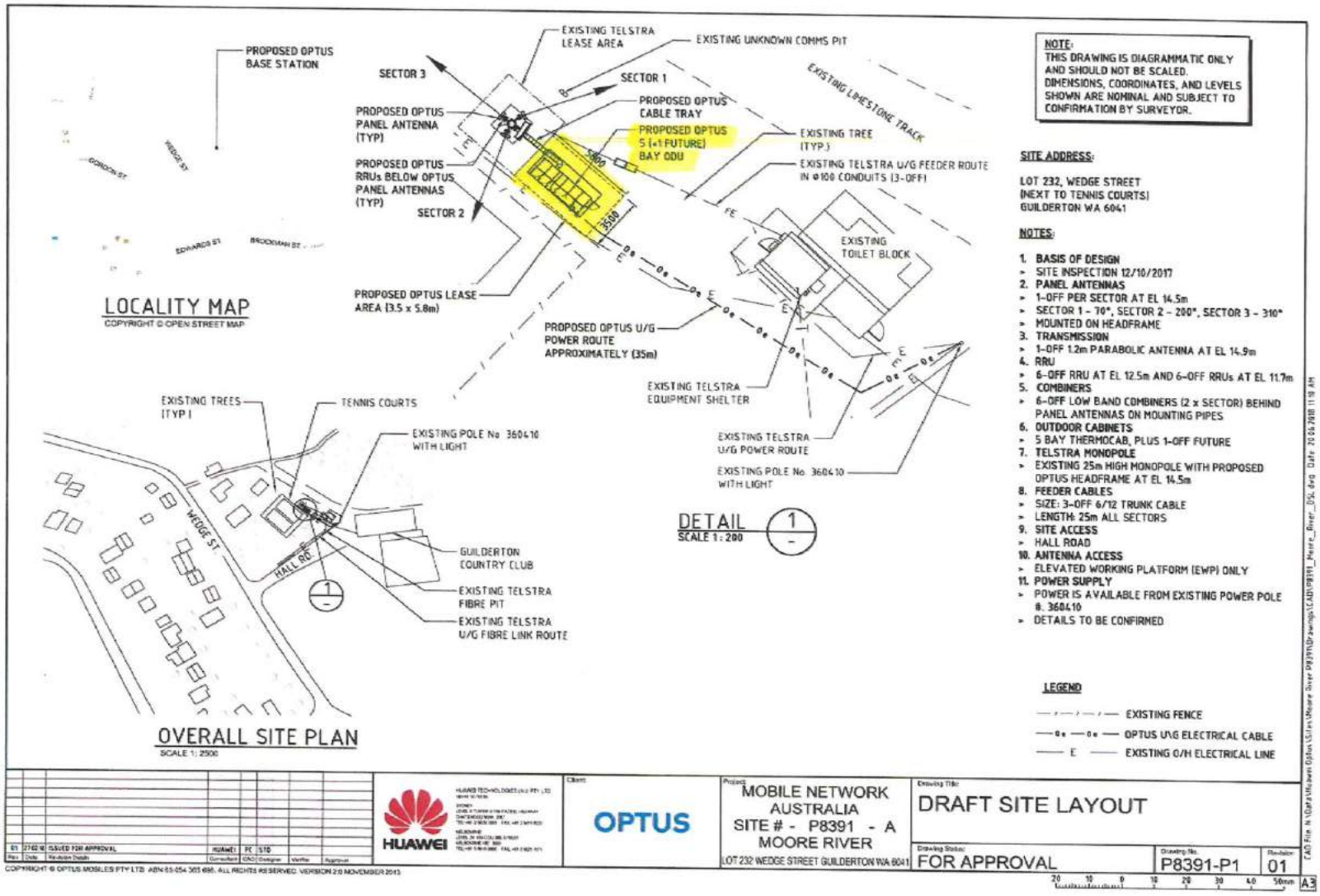
2. **Authorise the Chief Executive Officer to progress the requirements of Section 3.58(3) of the *Local Government Act 1995* with respect to the proposed sub-lease and report back to Council in the event any submissions are received at the close of the public notice period.**

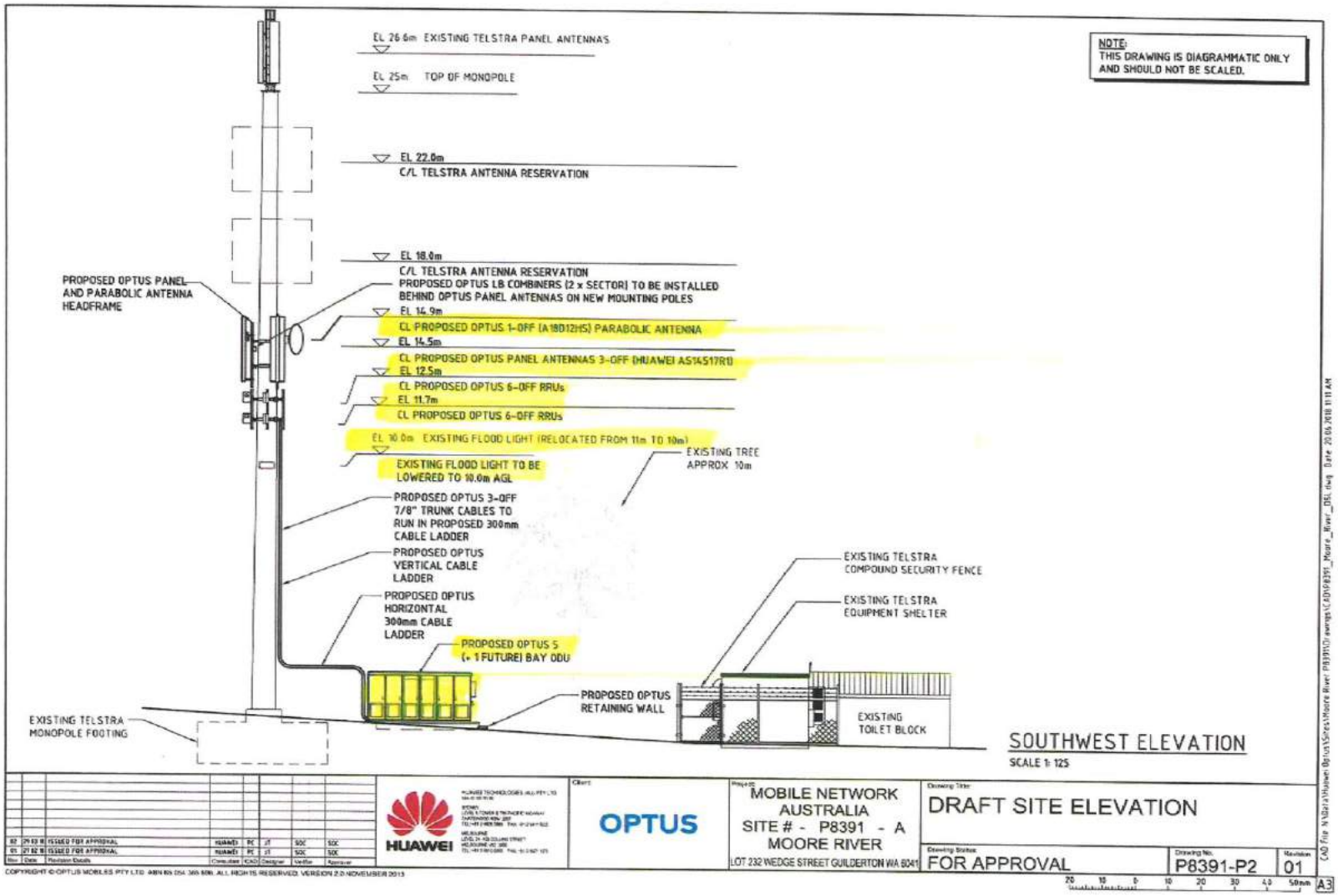
3. In the event that no submissions are received, authorise the Chief Executive Officer to negotiate an appropriate lease agreement with Optus Pty Ltd, subject to endorsement by the Minister for Lands.

4. Authorise the Shire President and Chief Executive Officer to sign and affix the Common Seal of the Shire of Gingin to the resulting lease document.

CARRIED UNANIMOUSLY

APPENDIX 1


PROPOSED OPTUS BASE STATION
EXISTING TELSTRA LEASE AREA
EXISTING UNKNOWN COMMS PIT
SECTOR 3
SECTOR 1
SECTOR 2
PROPOSED OPTUS CABLE TRAY
PROPOSED OPTUS PANEL ANTENNA (TYP)
PROPOSED OPTUS 5 (+1 FUTURE) BAY ODU
PROPOSED OPTUS RRUs BELOW OPTUS PANEL ANTENNAS (TYP)
EXISTING LIMESTONE TRACK
EXISTING TREE (TYP.)
EXISTING TELSTRA U/G FEEDER ROUTE IN ø100 CONDUITS (3-OFF)
EXISTING TOILET BLOCK
PROPOSED OPTUS LEASE AREA (3.5 x 5.8m)
PROPOSED OPTUS U/G POWER ROUTE APPROXIMATELY (35m)
EXISTING TELSTRA EQUIPMENT SHELTER
EXISTING TELSTRA U/G POWER ROUTE
EXISTING POLE No. 360410 WITH LIGHT
LOCALITY MAP
COPYRIGHT © OPEN STREET MAP
EXISTING TREES (TYP.)
TENNIS COURTS
EXISTING POLE No. 360410 WITH LIGHT
WEDGE ST
HALL RD
GUILDERTON COUNTRY CLUB
EXISTING TELSTRA FIBRE PIT
EXISTING TELSTRA U/G FIBRE LINK ROUTE
DETAIL 1
SCALE 1:200
OVERALL SITE PLAN
SCALE 1: 2500
NOTE:
THIS DRAWING IS DIAGRAMMATIC ONLY AND SHOULD NOT BE SCALED. DIMENSIONS, COORDINATES, AND LEVELS SHOWN ARE NOMINAL AND SUBJECT TO CONFIRMATION BY SURVEYOR.
SITE ADDRESS:
LOT 232, WEDGE STREET
(NEXT TO TENNIS COURTS)
GUILDERTON WA 6041
NOTES:
1. BASIS OF DESIGN
- SITE INSPECTION 12/10/2017
2. PANEL ANTENNAS
- 1-OFF PER SECTOR AT EL 14.5m
- SECTOR 1 - 70°, SECTOR 2 - 200°, SECTOR 3 - 310°
- MOUNTED ON HEADFRAME
3. TRANSMISSION
- 1-OFF 1.2m PARABOLIC ANTENNA AT EL 14.9m
4. RRU
- 6-OFF RRU AT EL 12.5m AND 6-OFF RRUs AT EL 11.7m
5. COMBINERS
- 6-OFF LOW BAND COMBINERS (2 x SECTOR) BEHIND PANEL ANTENNAS ON MOUNTING PIPES
6. OUTDOOR CABINETS
- 5 BAY THERMOCAB, PLUS 1-OFF FUTURE
7. TELSTRA MONOPOLE
- EXISTING 25m HIGH MONOPOLE WITH PROPOSED OPTUS HEADFRAME AT EL 14.5m
8. FEEDER CABLES
- SIZE: 3-OFF 6/12 TRUNK CABLE
- LENGTH: 25m ALL SECTORS
9. SITE ACCESS
- HALL ROAD
10. ANTENNA ACCESS
- ELEVATED WORKING PLATFORM (EWP) ONLY
11. POWER SUPPLY
- POWER IS AVAILABLE FROM EXISTING POWER POLE #. 360410
- DETAILS TO BE CONFIRMED
LEGEND
EXISTING FENCE
OPTUS U/G ELECTRICAL CABLE
EXISTING O/H ELECTRICAL LINE
HUAWEI
OPTUS
MOBILE NETWORK AUSTRALIA
SITE # - P8391 - A
MOORE RIVER
LOT 232 WEDGE STREET GUILDERTON WA 6041
DRAFT SITE LAYOUT
FOR APPROVAL
P8391-P1
01
A3


EL 26.6m EXISTING TELSTRA PANEL ANTENNAS
EL 25m TOP OF MONOPOLE
NOTE:
THIS DRAWING IS DIAGRAMMATIC ONLY AND SHOULD NOT BE SCALED.
EL 22.0m
C/L TELSTRA ANTENNA RESERVATION
EL 18.0m
C/L TELSTRA ANTENNA RESERVATION
PROPOSED OPTUS LB COMBINERS (2 x SECTOR) TO BE INSTALLED BEHIND OPTUS PANEL ANTENNAS ON NEW MOUNTING POLES
PROPOSED OPTUS PANEL AND PARABOLIC ANTENNA HEADFRAME
EL 14.9m
C/L PROPOSED OPTUS 1-OFF (A18D12HS) PARABOLIC ANTENNA
EL 14.5m
C/L PROPOSED OPTUS PANEL ANTENNAS 3-OFF (HUAWEI AS14517R1)
EL 12.5m
C/L PROPOSED OPTUS 6-OFF RRUs
EL 11.7m
C/L PROPOSED OPTUS 6-OFF RRUs
EL 10.0m EXISTING FLOOD LIGHT (RELOCATED FROM 11m TO 10m)
EXISTING FLOOD LIGHT TO BE LOWERED TO 10.0m AGL
EXISTING TREE APPROX 10m
PROPOSED OPTUS 3-OFF 7/8" TRUNK CABLES TO RUN IN PROPOSED 300mm CABLE LADDER
PROPOSED OPTUS VERTICAL CABLE LADDER
PROPOSED OPTUS HORIZONTAL 300mm CABLE LADDER
PROPOSED OPTUS 5 (+ 1 FUTURE) BAY ODU
EXISTING TELSTRA COMPOUND SECURITY FENCE
EXISTING TELSTRA EQUIPMENT SHELTER
PROPOSED OPTUS RETAINING WALL
EXISTING TELSTRA MONOPOLE FOOTING
EXISTING TOILET BLOCK
SOUTHWEST ELEVATION
SCALE 1: 125
HUAWEI
OPTUS
MOBILE NETWORK AUSTRALIA
SITE # - P8391 - A
MOORE RIVER
LOT 232 WEDGE STREET GUILDERTON WA 6041
DRAFT SITE ELEVATION
FOR APPROVAL
P8391-P2
01
A3

APPENDIX 2

OPTUS

16 October 2018

Attention: Raees Rasool

Shire of Gingin
7 Brockman Street
Gingin WA 6503

Sent via email: ema@gingin.wa.gov.au

Dear Raees,

Re: Optus Mobile Pty Ltd Lease from Shire of Gingin

Site Address: Telstra monopole, Lot 232 Wedge Street, Guilderton
Site Name: Moore River
Site Code: P8391

Optus has entered into an agreement with Huawei to establish telecommunication infrastructure for their mobile telecommunication network. Huawei has appointed Aurecon to assist with the property, town planning and design activities. We write to you in this capacity.

Optus are looking to secure a site within the Guilderton area which is suitable for the installation of mobile telephone antennas and equipment cabinets.

Following a review of the target area, the property at the abovementioned address has been identified as a possible location for a proposed telecommunications facility which, if established, will provide increased mobile phone coverage and high speed wireless internet access to the area.

The purpose of this letter is to obtain Council consent to enter into a new lease arrangement at the above site, the terms of the proposal are outlined below. These terms will be included in the Lease(s) to be executed by Optus and the Lessor. The Lease will be on Optus' standard Lease terms as amended by this Heads of Agreement.

Your in-principal approval to these terms will subsequently allow Optus to proceed with detailed design drawings, obtaining any necessary planning approvals and formalising a tenure agreement with a degree of confidence.

optus.com.au

SingTel Optus Pty Ltd
ABN 90 052 833 208

1 Lyonpark Road, Macquarie Park, NSW 2113 Australia

PO Box 888, North Ryde, NSW 1670 Australia

Telephone +61 2 8082 7800
Facsimile +61 2 8082 7100

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The terms of this proposal are as follows:

Lessor:	Sublessor: Shire of Gingin
Lessor ABN:	85679704946
Lessee:	Optus Mobile Pty Ltd - ABN: 65 054 365 696
Leased Area/Premises:	Part of the property described in certificate(s) of Crown Title Volume LR3135 Folio 994 and known as Lot 232 Wedge Street, Guilderton shown by the attached preliminary drawings.
Permitted Use:	The Lessee may use the Premises for the purpose of constructing, maintaining and operating a telecommunications network and telecommunications service including but not limited to installing, storing, operating, repairing, maintaining, altering, dismantling, renewing and replacing Telecommunications Equipment consistent with the evolving nature of telecommunications services.
Equipment:	Includes any and all equipment, ancillary installations and necessary or desirable equipment required to operate and maintain a telecommunications network and telecommunications service now and in the future.
Construction and Alterations	The Lessee may, with the Lessor's prior consent (not to be unreasonably withheld) and at the Lessee's cost, install, dismantle, repair, replace and maintain upon the Premises security fencing and any building(s) necessary to shelter its Equipment and a free standing monopole, guy tower, antenna support structure and all necessary connecting appurtenances.
Access:	The Lessor grants the Lessee (and persons authorised by the Lessee) with or without materials, plant and other apparatus and vehicles, and without the need for prior notice, access to the site for the purpose of exercising its rights under the Lease at all times of the day and night.
Commencement Date of Lease:	The date that the final leases are issued to the Lessor for execution.
Initial Term of Lease:	To coexist with existing Telstra lease with expiry 30 April 2025.
Break Dates:	The Lessee may give the Lessor at least 6 months' notice that it wishes to end the term on the date that is 15 years, 10 years or 5 years before the date of expiration.
Consecutive Term(s):	Nil

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Rent:	$3,000 (plus GST) per annum paid annually in advance by electronic funds transfer. The rent is a gross amount and includes all rates, taxes and outgoings in respect of the land and Premises. Rent will be payable from the date the Lessee substantially commences physical installation of the Lessee's Equipment.
Rent Reviews:	2.5% fixed increase annually, with the first rent increase to take place on the next anniversary of the commencement date under the Tower Lease*. *The Tower Lease is the lease between the Lessor and Telstra Corporation Limited
Electricity:	The Lessor must, at Optus' request and at Optus' cost, provide to Optus the ability to connect the Premises to an electricity supply through a dedicated usage meter accountable to the relevant authority.
Insurance:	Optus will maintain insurance policies for such sum as would be prudent for Optus to effect from time to time and workers' compensation insurance as it is required by law to maintain. Optus has group wide insurance policies so it cannot accept any requests that may require a change in its policies.
Assignment and Subletting:	The Lessee may from time to time assign the Lease to a related Body Corporate of the Lessee without the consent of the Lessor. The Lessee may assign, sublet, part with or share its right to possession of the premises upon written notice to the Lessor.
Holding Over:	If the Lessee occupies the Premises after the Date of Expiration (other than pursuant to the grant of a further lease) the Lessee must do so as a yearly tenant for yearly terms thereafter on the same terms and conditions as the Lease as far as they apply to a yearly tenancy.
Legal Fees:	Each party to pay its own legal costs and disbursements in connection with the preparation and negotiation of the Lease The Lessee must pay all stamp duty (including penalties and fines other than penalties and fines due to the default of the Lessor) which the Lessor may reasonably suffer or incur in consequence of and incidental to the stamping and registration (if applicable).
Document	The parties agree to use the Lessee's/Licensee's pro-forma Lease, which can be provided on request. The pro forma Lease is specifically written for telecommunications facilities and includes all of the terms and conditions necessary for the development, operation and maintenance of wireless telecommunications infrastructure.

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Telecommunications Act 1997 (Cth):	This letter and any proposed Lease is to be without prejudice to Optus' rights pursuant to Schedule 3 of the *Telecommunications Act 1997 (Cth)*.
Confidentiality:	The terms of this proposal and the negotiations between the Lessee (or its representative) and all parties are strictly confidential.
Consents	The Lessor will do all things reasonably required by the Lessee (at the cost and expense of the Lessee) to authorise or assist the Lessee in obtaining the consent/approval of any government agency necessary for the Lessee to develop and use the Premises for the Permitted Use.

Please submit the proposal for Council consideration and advise if it is willing to enter into a lease with Optus on the above terms. Should you have any queries, please contact me on mobile 0414 804487 or by email trobinson@proptel.com.au.

Yours sincerely,

Tanya Robinson
Property Consultant
Proptel on behalf of Huawei and Aurecon

optus.com.au

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APPENDIX 3

WESTERN AUSTRALIA

REGISTER NUMBER	
232/DP209323	
DUPLICATE EDITION	DATE DUPLICATE ISSUED
N/A	N/A

VOLUME LR3135 FOLIO 994

RECORD OF QUALIFIED CERTIFICATE OF CROWN LAND TITLE

UNDER THE TRANSFER OF LAND ACT 1893
AND THE LAND ADMINISTRATION ACT 1997
NO DUPLICATE CREATED

The undermentioned land is Crown land in the name of the STATE OF WESTERN AUSTRALIA, subject to the interests and Status Orders shown in the first schedule which are in turn subject to the limitations, interests, encumbrances and notifications shown in the second schedule.

REGISTRAR OF TITLES

LAND DESCRIPTION:

LOT 232 ON DEPOSITED PLAN 209323

STATUS ORDER AND PRIMARY INTEREST HOLDER:
(FIRST SCHEDULE)

STATUS ORDER/INTEREST: RESERVE UNDER MANAGEMENT ORDER

PRIMARY INTEREST HOLDER: SHIRE OF GINGIN OF 7 BROCKMAN STREET, GINGIN
(XE J616331) REGISTERED 8/2/2006

LIMITATIONS, INTERESTS, ENCUMBRANCES AND NOTIFICATIONS:
(SECOND SCHEDULE)

1. F161340 PART RESERVE 27949 FOR THE PURPOSE OF RECREATION REGISTERED 14/4/1993.
J616331 MANAGEMENT ORDER. CONTAINS CONDITIONS TO BE OBSERVED. WITH POWER TO LEASE FOR ANY TERM NOT EXCEEDING 21 YEARS, SUBJECT TO THE CONSENT OF THE MINISTER FOR LANDS. REGISTERED 8/2/2006.
2. J346060 LEASE TO TELSTRA CORPORATION LTD OF TELSTRA CENTRE, 80 STIRLING STREET, PERTH EXPIRES: SEE LEASE. AS TO PORTION ONLY REGISTERED 1/7/2005.
N300777 CAVEAT AFFECTING LEASE J346060, CAVEAT BY TELSTRA CORPORATION LIMITED LODGED 13/4/2016.

Warning: (1) A current search of the sketch of the land should be obtained where detail of position, dimensions or area of the lot is required. Lot as described in the land description may be a lot or location.
(2) The land and interests etc. shown hereon may be affected by interests etc. that can be, but are not, shown on the register.
(3) The interests etc. shown hereon may have a different priority than shown.

----------END OF CERTIFICATE OF CROWN LAND TITLE----------

STATEMENTS:

The statements set out below are not intended to be nor should they be relied on as substitutes for inspection of the land and the relevant documents or for local government, legal, surveying or other professional advice.

SKETCH OF LAND: DP209323

END OF PAGE 1 - CONTINUED OVER

LANDGATE COPY OF ORIGINAL NOT TO SCALE Wed Jul 12 12:36:18 2017 JOB 54354847

Landgate
www.landgate.wa.gov.au

ORIGINAL CERTIFICATE OF CROWN LAND TITLE
QUALIFIED

REGISTER NUMBER: 232/DP209323 VOLUME/FOLIO: LR3135-994 PAGE 2

PREVIOUS TITLE:	LR3096-765
PROPERTY STREET ADDRESS:	LOT 232 WEDGE ST, GUILDERTON.
LOCAL GOVERNMENT AUTHORITY:	SHIRE OF GINGIN
RESPONSIBLE AGENCY:	DEPARTMENT OF LANDS (SLSD)

NOTE 1: J616329 CORRESPONDENCE FILE 01100-1964-03RO

LANDGATE COPY OF ORIGINAL NOT TO SCALE Wed Jul 12 12:36:18 2017 JOB 54354847

Landgate
www.landgate.wa.gov.au

12. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

13. COUNCILLORS' OFFICIAL REPORTS

13.1 LOWER COASTAL NEIGHBOURHOOD WATCH MEETING – 5 DECEMBER 2018

LOCATION: Seabird
FILE: GOV/20-1
COUNCILLOR: Ian (Sam) Collard (Shire President)
REPORT DATE: 18 December 2018

On Wednesday 5 December, I attended the Lower Coastal Neighbourhood Watch meeting at the Seabird Hall. There were approximately 30 people there.

Mrs Carolyn Johnson gave a talk on crime in our society with some very interesting stats on the cost to community and the varying ages of offenders.

Helen Sutherland gave a brief account of the new intended BEN system that is hoped to be rolled out along our coastline in conjunction with Police and St Johns.

Sargent Steve McGrath outlines the crime stats for our region but would not comment on the recent drowning in the Moore River estuary as it was the subject of a coronary investigation.

13.2 SHIRE OF GINGIN EVENTS ATTENDANCE – DECEMBER 2018

LOCATION: Gingin
FILE: GOV/20-1
COUNCILLOR: Wayne Fewster
REPORT DATE: 18 December 2018

Councillor Fewster attended Groovy Movie at the Aquatic Centre on Friday, 14 December. He expressed thanks to the pool staff, it was a great evening.

Councillor Fewster also attended Carols in the Park on Saturday, 15 December. At the event Brian Barlow was presented with Gingin/Chittering Lions Club Life Membership, he is currently the only life member of the Club. Councillor Fewster requested that a letter of congratulations be issued by the Shire.

13.3 ORAL HISTORY PROJECT – COMMUNITY RESOURCE CENTRE

LOCATION: Gingin
FILE: GOV/20-1
COUNCILLOR: Wayne Fewster
REPORT DATE: 18 December 2018

Councillor Fewster advised that he had requested the CRC Manager to provide an update on the oral history project part funded by the Shire. Councillor Fewster circulated a brief update provided by the CRC Manager.

14. NEW BUSINESS OF AN URGENT NATURE

Nil

15. MATTERS FOR WHICH MEETING IS TO BE CLOSED TO THE PUBLIC

Nil

16. CLOSURE

There being no further business, the Shire President declared the meeting closed at 4.14pm.

The next Ordinary meeting of Council will be held in Council Chambers at the Shire of Gingin Administration Centre, 7 Brockman Street, Gingin on Tuesday, 22 January 2019 commencing at 3.00pm.

_____
Councillor I B Collard
Shire President
22 January 2019