



# MINUTES

## ORDINARY MEETING

## OF COUNCIL

22 JANUARY 2019



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FOR  
ORDINARY MEETING OF  
COUNCIL  
HELD ON 22 JANUARY 2019**

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## **SHIRE OF GINGIN**

### **MINUTES OF THE ORDINARY MEETING OF THE SHIRE OF GINGIN HELD IN THE COUNCIL CHAMBER ON TUESDAY, 22 JANUARY 2019 AT 3.12 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 3.12pm 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 W 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), A Butcher (Executive Manager Operations) (from 3.13pm), K Bacon (Acting Executive Manager Planning and Development), J Bayliss (Acting Manager Statutory Planning), M Taylor (Corporate Communications and Marketing Officer) and L Burt (Governance Officer/Minute Officer).

Gallery - There were no members of the public in the Gallery.

###### **2.2 APOLOGIES**

Nil

###### **2.3 LEAVE OF ABSENCE**

Nil



**3. DISCLOSURES OF INTEREST**

**3.1 Councillor J Morton  
Item 11.4.1 Unbudgeted Expenditure 2018/19 Capital Roadworks Program**

Councillor Morton declared a proximity interest in this item on the grounds that he has an interest in property directly adjoining Greenwood Road.

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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**

*The Executive Manager Operations entered the Council Chambers at 3.13pm.*

**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**

**COUNCIL RESOLUTION/OFFICER RECOMMENDATION**

**MOVED: Councillor Peczka SECONDED: Councillor Elgin**

**That the Minutes of the Ordinary Council meeting held on 18 December 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 AMENDMENT OF AUDIT AND GOVERNANCE COMMITTEE TERMS OF REFERENCE**

<b>File:</b>	FIN/54
<b>Author:</b>	Lee-Anne Burt – Governance Officer
<b>Reporting Officer:</b>	Aaron Cook – Chief Executive Officer
<b>Report Date:</b>	22 January 2019
<b>Refer:</b>	Nil
<b>Appendices:</b>	<ol style="list-style-type: none"><li>1. Amended Audit and Governance Committee Terms of Reference</li><li>2. Current Audit and Governance Committee Terms of Reference</li></ol>

### **DISCLOSURES OF INTEREST**

Nil

### **PURPOSE**

To consider amending the Terms of Reference for the Audit and Governance Committee to align with amendments to the *Local Government (Audit) Regulations 1996* and suggestions of the Shire's Chief Executive Officer.

### **BACKGROUND**

On 24 August 2017, State Parliament passed amendments to the *Local Government Act 1995* enabling the Auditor General to audit council finances and performance. The changes to the Act have been supported by amendments to the *Local Government (Financial Management) Regulations 1996* (Financial Management Regulations) and the *Local Government (Audit) Regulations 1996* (Audit Regulations), which were gazetted on Tuesday, 26 June 2018.

As a result of amendments to the Audit Regulations, Audit Committees have been empowered to "monitor and advise" the Chief Executive Officer in undertaking reviews of certain systems prescribed by both the Audit Regulations and the Financial Management Regulations.

Audit Committees will also support the auditor as required and have functions to oversee:

- The implementation of audit recommendations made by the auditor which have been accepted by Council; and
- Accepted recommendations arising from review of local government systems and procedures.

In addition to amendments arising from the above legislative changes, the Chief Executive Officer has also proposed that:

1. Consideration be given to amending the membership of the Audit and Governance Committee to include the Shire President, who would fill the role of Committee Chairperson.
2. An additional function be added to the Terms of Reference to make the Audit and Governance Committee responsible for coordinating the Chief Executive Officer performance review process and any matters subsequently arising from that process.

## COMMENT

The proposed amendments to the Terms of Reference were presented to the Audit and Governance Committee at its meeting on 18 December 2018. Following discussion, the Committee resolved to recommend that Council adopt the amended Terms of Reference.

A copy of the proposed amended Terms of Reference is provided as **Appendix 1**. For the purposes of comparison, the current Terms of Reference is provided as **Appendix 2**.

## STATUTORY ENVIRONMENT

### *Local Government Act 1995*

#### Part 5 – Administration

#### Division 5 – Annual reports and planning

#### Section 5.53 – Annual reports

#### Section 5.55A – Publication of annual reports

#### Division 7 – Access to information

#### Section 5.94 – Public can inspect certain local government information

#### Part 7 – Audit

#### Division 1A – Audit committee

#### Section 7.1A – Audit committee

#### Division 2 – Appointment of auditors

#### Section 7.1D – Application

#### Section 7.3 – Appointment of auditors

#### Section 7.7 – Departmental CEO may appoint auditor

#### Division 3 – Conduct of audit

#### Section 7.8A – Application

#### Section 7.9 – Audit to be conducted

#### Section 7.11 – Power to demand production of books etc

#### Division 3A – Financial audit

#### Division 3B – Supplementary audit

#### Division 3C – Performance audit

#### Division 3D – Other audits

#### Division 4 – General

#### Section 7.12A – Duties of local government with respect to audit

#### Section 7.13 – Regulations as to audits

Schedule 9.3 – Transitional provisions  
Division 4 – Provisions for the Local Government Amendment (Auditing) Act 2017

*Local Government (Audit) Regulations 1996*

- Reg. 8 – Departmental CEO to be notified of termination of audit agreement
- Reg. 9 – Performance of audit
- Reg. 9A – CEO to provide documents to Auditor General carrying out financial audit
- Reg. 13 – Prescribed statutory requirements for which compliance audit needed (Act s. 7.13(1)(i))
- Reg. 15 – Certified copy of compliance audit return and other documents to be given to Departmental CEO
- Reg. 16 – Functions of audit committee
- 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

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

**VOTING REQUIREMENTS – SIMPLE MAJORITY**

**COUNCIL RESOLUTION/OFFICER RECOMMENDATION**

**MOVED: Councillor Fewster SECONDED: Councillor Johnson**

**That Council adopt the amended Terms of Reference for the Audit and Governance Committee as shown in Appendix 1, with the following amendments:**

1. In Membership, delete clause 1 and substitute the following:
  1. The Committee shall consist of a minimum of four Councillor representatives and the Shire President.

**2. In Operating Procedures (Presiding Member):**

**a) Delete clause 1(a) and substitute the following:**

- a) The members of the Committee are to elect a presiding member and deputy presiding member from amongst themselves at the first meeting of the Committee and in accordance with the *Local Government Act 1995*, Schedule 2.3, Division 1.**

**b) Delete clause 1(b) and substitute the following:**

- b) The CEO or his delegated nominee will attend the first meeting to conduct the election of the Presiding Member and the Deputy Presiding Member or at a subsequent meeting if a new Presiding Member or Deputy Member is to be elected.**

**CARRIED UNANIMOUSLY**

**APPENDIX 1**



## TERMS OF REFERENCE

### AUDIT AND GOVERNANCE COMMITTEE

January 2019

Name:	Audit and Governance Committee
Role/Purpose:	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.
Aims & Functions:	<ol style="list-style-type: none"> <li>1. To guide and assist the local government in carrying out – <ol style="list-style-type: none"> <li>a. its functions under Part 6 (Financial Management) of the Act; and</li> <li>b. its functions relating to other audits and other matters related to financial management.</li> </ol> </li> <li>2. To guide and assist the local government in carrying out the local government's functions in relation to audits conducted under Part 7 (Audit) of the Act.</li> <li>3. To review a report in relation to risk management and/or internal control and/or legislative compliance given to it by the CEO under regulation 17(3) (the CEO's Report) and to: <ol style="list-style-type: none"> <li>a. report to the Council the results of that review; and</li> <li>b. give a copy of the CEO's report to the Council.</li> </ol> </li> <li>4. To monitor and advise the CEO when the CEO is carrying out functions in relation to a review under: <ol style="list-style-type: none"> <li>a. regulation 17(1) (a report in relation to risk management and/or internal control and/or legislative compliance); and</li> <li>b. the <i>Local Government (Financial Management) Regulations 1996</i> regulation 5(2)(c) (a report in relation to the appropriateness and effectiveness of the financial management systems and procedures of the local government).</li> </ol> </li> <li>5. To support the auditor of the local government to conduct an audit and carry out the auditor's other duties under the Act in respect of the local government.</li> <li>6. To oversee the implementation of any action that the local government: <ol style="list-style-type: none"> <li>a. is required to take by section 7.12A(3) in relation to matters raised in an Audit Report;</li> <li>b. has stated it has taken or intends to take in a report prepared under section 7.12A(4)(a) for submission to the Minister addressing matters identified in an Audit Report as significant;</li> <li>c. has accepted should be taken following receipt of a report of a review conducted under regulation 17(1) of the appropriateness and effectiveness of a local government's systems and procedures in relation to risk management and/or internal control and/or legislative compliance; and</li> </ol> </li> </ol>



	<p>d. has accepted should be taken following receipt of a report of a review conducted under the <i>Local Government (Financial Management) Regulations 1996</i> regulation 5(2)(c) in relation to the appropriateness and effectiveness of the financial management systems and procedures of the local government.</p> <p>7. To review the annual Compliance Audit Return and report the results of the review to Council in accordance with Regulation 14(3A) of the <i>Local Government (Audit) Regulations 1996</i>.</p> <p>8. To coordinate the CEO performance review process and any matters that may arise or result from that process.</p> <p>9. To perform any other function conferred on it by the <i>Local Government (Audit) Regulations 1996</i> or another written law.</p>
Membership:	<p>1. The Committee shall consist of the following representation:</p> <ul style="list-style-type: none"> <li>• Shire President</li> <li>• three Councillor representatives</li> </ul> <p>2. The CEO and employees are not members of the Committee (s7.1.A(3) and (4) <i>Local Government Act 1995</i>).</p> <p>3. The CEO and Executive Manager Corporate and Community Services will attend all meetings to provide technical advice and guidance to the Committee.</p> <p>4. A nominated deputy member may attend in place of an endorsed representative member.</p> <p>5. Membership shall be for a period of up to two years terminating on the day of the next ordinary Council elections, with retiring members eligible to re-nominate.</p> <p>6. Committee membership shall be appointed or removed by the Council.</p> <p>7. Members must comply with the Shire's Code of Conduct.</p> <p>8. The Committee has authority to second individuals from outside of the Committee, on a voluntary basis, for their expert advice.</p>
Operating procedures:	<p>1. Presiding Member:</p> <ul style="list-style-type: none"> <li>a) The Shire President will fill the role of Presiding Member.</li> <li>b) The CEO or his delegated nominee will attend the first meeting to conduct the election of the Presiding Member or at a subsequent meeting if a new Presiding Member is to be elected.</li> <li>c) The Presiding Member will preside at all meetings.</li> <li>d) In the absence of the Presiding Member, the Deputy Presiding Member will assume the chair, and in his/her absence, a person is to be elected by the Committee members present to assume the Chair.</li> <li>e) The Presiding Member is responsible for the proper conduct of the Committee.</li> </ul>

	<p>2. Meetings:</p> <p>a) The Committee shall meet as required, but must hold a minimum of two meetings in any one calendar year.</p> <p>b) Additional meetings can be scheduled by decision of the Council or the Committee.</p> <p>c) A Notice of Meeting, including an agenda, will be circulated to the Committee members (including deputy members) at least 72 hours prior to each meeting where possible.</p> <p>d) The Presiding Member shall ensure that detailed minutes of all meetings are kept and shall provide the Committee members (including deputy members) with a copy of such minutes.</p> <p>e) All Committee meetings will be conducted in accordance with the Shire of Gingin Meeting Procedures Local Law 2014.</p> <p>3. Quorum:</p> <p>The quorum for a meeting shall be at least 50% of the number of endorsed members.</p> <p>4. Reporting:</p> <p>a) The Minutes of every Committee meeting will be circulated for the information of all Councillors.</p> <p>b) Any Committee resolution requiring action on the part of the Council or requiring a Council commitment will be listed as a separate report on the Agenda for the next ordinary Council meeting.</p>
Appointing legislation:	The Committee is established under section 7.1A of the <i>Local Government Act 1995</i> .
Delegated Authority:	The Committee has no delegated power and has no authority to implement its recommendations without approval of Council.

Version	Decision Reference	Synopsis
1.	06/09/2005 – Item 10.2.1	Committee established and Terms of Reference adopted.
2.	22/10/2013 – Item 10.2	Terms of Reference reviewed.
3.	18/08/2015 – Item 11.1.6	Terms of Reference reviewed.
4.	19/09/2017 – Item 11.1.3	Terms of Reference reviewed. Aims & Functions cl. 16 added. Operating procedures cl. 2c deleted. Membership cl. 1 amended to include one external person.
5.	17/04/2018 – Item 11.1.1	Membership cl. 1 amended to delete external member. Committee name changed from Audit Committee to Audit and Governance Committee.
6.	22/01/2019 – Item .....	TOR amended to align with amendments to the <i>Local Government (Audit) Regulations 1996</i> . Committee membership amended to include Shire President as Chairperson. Additional function included with respect to coordination of CEO performance review process.

# APPENDIX 2



## TERMS OF REFERENCE

### AUDIT AND GOVERNANCE COMMITTEE

17 April 2018

Name:	Audit and Governance Committee
Role/Purpose:	<p>To accept responsibility for the annual external audit and liaise with the Shire's auditor so that Council can be satisfied with the performance of the Shire in managing its financial affairs.</p> <p>Reports from the Committee will assist Council in discharging its legislative responsibilities of controlling the Shire's affairs, determining the Shire's policies and overseeing the allocation of the Shire's finances and resources. The Committee will ensure openness in the Shire's financial reporting and will liaise with the CEO to ensure the effective and efficient management of the Shire's financial accounting systems and compliance with legislation.</p> <p>To facilitate:</p> <ul style="list-style-type: none"> <li>the enhancement of the credibility and objectivity of external financial reporting;</li> <li>compliance with laws and regulations as well as use of best practice guidelines relative to auditing; and</li> <li>the provision of an effective means of communication between the external auditor, the CEO and the Council.</li> </ul>
Aims & Functions:	<ol style="list-style-type: none"> <li>1. Provide guidance and assistance to Council as to the carrying out of the functions of the Shire in relation to audits;</li> <li>2. Develop and recommend to Council an appropriate process for the selection and appointment of a person as the local government's auditor;</li> <li>3. Develop and recommend to Council – <ul style="list-style-type: none"> <li>a list of those matters to be audited; and</li> <li>the scope of the audit to be undertaken;</li> </ul> </li> <li>4. Recommend to Council the person or persons to be appointed as auditor;</li> <li>5. Develop and recommend to Council a written agreement for the appointment of the auditor. The agreement is to include: <ul style="list-style-type: none"> <li>the objectives of the audit;</li> <li>the scope of the audit;</li> <li>a plan of the audit;</li> <li>details of the remuneration and expenses to be paid to the auditor; and</li> <li>the method to be used by the local government to communicate with, and supply information to, the auditor;</li> </ul> </li> </ol>

	<p>6. Meet with the auditor once in each year and provide a report to Council on the matters discussed and outcome of those discussions;</p> <p>7. Liaise with the CEO to ensure that the Shire does everything in its power to –</p> <ul style="list-style-type: none"> <li>• assist the auditor to conduct the audit and carry out his or her other duties under the <i>Local Government Act 1995</i>; and</li> <li>• ensure that audits are conducted successfully and expeditiously;</li> </ul> <p>8. Examine the reports of the auditor after receiving a report from the CEO on the matters and –</p> <ul style="list-style-type: none"> <li>• determine if any matters raised require action to be taken by the Shire; and</li> <li>• ensure that appropriate action is taken in respect of those matters;</li> </ul> <p>9. Review the report prepared by the CEO on any actions taken in respect of any matters raised in the report of the auditor and presenting the report to Council for adoption prior to the end of the next financial year or six months after the last report prepared by the auditor is received, whichever is the latest in time;</p> <p>10. Review the scope of the audit plan and program and its effectiveness;</p> <p>11. Review the local government's draft annual financial report, focusing on -</p> <ul style="list-style-type: none"> <li>• accounting policies and practices;</li> <li>• changes to accounting policies and practices;</li> <li>• the process used in making significant accounting estimates;</li> <li>• significant adjustments to the financial report (if any) arising from the audit process;</li> <li>• compliance with accounting standards and other reporting requirements; and</li> <li>• significant variances from prior years;</li> </ul> <p>12. Consider and recommend adoption of the annual financial report to Council. Review any significant changes that may arise subsequent to any such recommendation but before the annual financial report is signed;</p> <p>13. Address issues brought to the attention of the Committee, including responding to requests from Council for advice that are within the parameters of the Committee's terms of reference;</p> <p>14. Seek information or obtain expert advice through the CEO on matters of concern within the scope of the Committee's terms of reference following authorisation from the Council;</p> <p>15. Review the Statutory Compliance Return and make a recommendation on its adoption to Council; and</p> <p>16. Review the outcome of audits undertaken by Administration with respect to various internal controls and risk-related issues, as determined by the Committee in liaison with the CEO.</p>
Membership:	<p>1. The Committee shall consist of the following representation:</p> <ul style="list-style-type: none"> <li>• three Councillor representatives</li> </ul> <p>2. The CEO and employees are not members of the Committee (s7.1.A(3) and (4) <i>Local Government Act 1995</i>).</p>

	<ol style="list-style-type: none"> <li>3. The CEO and Executive Manager Corporate and Community Services will to attend all meetings to provide technical advice and guidance to the Committee.</li> <li>4. A nominated deputy member may attend in place of an endorsed representative member.</li> <li>5. Membership shall be for a period of up to two years terminating on the day of the next ordinary Council elections, with retiring members eligible to re-nominate.</li> <li>6. Committee membership shall be appointed or removed by the Council.</li> <li>7. Members must comply with the Shire's Code of Conduct.</li> <li>8. The Committee has authority to second individuals from outside of the Committee, on a voluntary basis, for their expert advice.</li> </ol>
Operating procedures:	<ol style="list-style-type: none"> <li>1. Presiding Member: <ol style="list-style-type: none"> <li>a) The members of the Committee are to elect a presiding member and deputy presiding member from amongst themselves at the first meeting of the Committee and in accordance with the <i>Local Government Act 1995</i>, Schedule 2.3, Division 1.</li> <li>b) The CEO or his delegated nominee will attend the first meeting to conduct the election of the Presiding Member or at a subsequent meeting if a new Presiding Member is to be elected.</li> <li>c) The Presiding Member will preside at all meetings.</li> <li>d) In the absence of the Presiding Member, the Deputy Presiding Member will assume the chair, and in his/her absence, a person is to be elected by the Committee members present to assume the Chair.</li> <li>e) The Presiding Member is responsible for the proper conduct of the Committee.</li> </ol> </li> <li>2. Meetings: <ol style="list-style-type: none"> <li>a) The Committee shall meet as required, but must hold a minimum of two meetings in any one calendar year.</li> <li>b) Additional meetings can be scheduled by decision of the Council or the Committee.</li> <li>c) A Notice of Meeting, including an agenda, will be circulated to the Committee members (including deputy members) at least 72 hours prior to each meeting where possible.</li> <li>d) The Presiding Member shall ensure that detailed minutes of all meetings are kept and shall provide the Committee members (including deputy members) with a copy of such minutes.</li> <li>e) All Committee meetings will be conducted in accordance with the Shire of Gingin Meeting Procedures Local Law 2014.</li> </ol> </li> </ol>

	<p>3. Quorum:</p> <p>The quorum for a meeting shall be at least 50% of the number of endorsed members.</p> <p>4. Reporting:</p> <p>a) The Minutes of every Committee meeting will be circulated for the information of all Councillors.</p> <p>b) Any Committee resolution requiring action on the part of the Council or requiring a Council commitment will be listed as a separate report on the Agenda for the next ordinary Council meeting.</p>
Appointing legislation:	The Committee is established under section 7.1A of the <i>Local Government Act 1995</i> .
Delegated Authority:	The Committee has no delegated power and has no authority to implement its recommendations without approval of Council.

Version	Decision Reference	Synopsis
1.	06/09/2005 – Item 10.2.1	Committee established and Terms of Reference adopted.
2.	22/10/2013 – Item 10.2	Terms of Reference reviewed.
3.	18/08/2015 – Item 11.1.6	Terms of Reference reviewed.
4.	19/09/2017 – Item 11.1.3	Terms of Reference reviewed. Aims & Functions cl. 16 added. Operating procedures cl. 2c deleted. Membership cl. 1 amended to include one external person.
5.	17/04/2018 – Item 11.1.1	Membership cl. 1 amended to delete external member. Committee name changed from Audit Committee to Audit and Governance Committee.

**11.1.2 2017/18 ANNUAL REPORT**

<b>File:</b>	COR/31
<b>Author:</b>	Lee-Anne Burt – Governance Officer
<b>Reporting Officer:</b>	Aaron Cook – Chief Executive Officer
<b>Report Date:</b>	22 January 2019
<b>Refer:</b>	Nil
<b>Appendices:</b>	1. 2017/18 Annual Report

**DISCLOSURES OF INTEREST**

Nil

**PURPOSE**

To consider and accept the Shire of Gingin 2017/18 Annual Report.

**BACKGROUND**

Section 5.53 of the *Local Government Act 1995* (the Act) requires all local governments to prepare an Annual Report, which must contain the following elements:

- A report from the President;
- A report from the Chief Executive Officer;
- An overview of the plan for the future of the district made in accordance with s5.56 of the Act, including major initiatives that are proposed to commence or to continue in the next financial year;
- The financial report for the financial year;
- The auditor's report for the financial year;
- Any matter on which a report must be made under s. 29(2) of the *Disability Services Act 1993*;
- Details of entries made under s. 5.121 of the Act in the register of complaints, including the number of complaints recorded in the register;
- Such information as may be prescribed in relation to payments made to employees;
- Information with respect to any modifications made during the financial year to the local government's strategic community plan and corporate business plan;

Under s. 5.54 of the Act, Council is required to accept the Annual Report by 31 December. In the event that this deadline cannot be met due to unavailability of the auditor's report, then the Annual Report must be accepted by the local government no later than two months after the auditor's report becomes available.

Once the Annual Report is received by Council, then under s. 5.27 of the Act it must be presented to an Annual General Meeting of Electors within 56 days.

At its meeting on 18 December 2018, Council received the Audit Report for the Shire of Gingin for the 2017/18 financial year, and resolved to hold its 2018/19 Annual General Meeting of Electors on 19 February 2019.



## COMMENT

The Act treats the Annual Report as a key accountability document.

The Shire of Gingin's 2017/18 Annual Report (**Appendix 1**) meets the reporting requirements of the Act and, in addition, provides the community with an overview of the programs, services and initiatives delivered by the Shire during the course of the 2017/18 financial year.

## STATUTORY ENVIRONMENT

*Local Government Act 1995*

Part 5 – Administration

Division 5 – Annual reports and planning

Section 5.54 – Acceptance of annual reports

## POLICY IMPLICATIONS

Nil

## BUDGET IMPLICATIONS

Nil

## STRATEGIC IMPLICATIONS

Shire of Gingin Strategic Community Plan 2017-2027

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

## VOTING REQUIREMENTS – ABSOLUTE MAJORITY

## **COUNCIL RESOLUTION/OFFICER RECOMMENDATION**

**MOVED: Councillor Peczka SECONDED: Councillor Elgin**

**That Council accept the Shire of Gingin 2017/18 Annual Report as provided in Appendix 1, subject to the following additional information being included:**

- 1. To be inserted in the Office of the Chief Executive section on pg 25 of the Annual Report:**

### ***Audit Committee***

***The Audit Committee oversees the Shire of Gingin's audit processes. The Committee's Terms of Reference are to provide guidance, assistance and oversight to the Council in relation to the:***

- Financial Audit***
- Risk Management Framework***
- Statutory Compliance Audit***

***The Audit Committee meets on an as-needs basis during the year, with the timing of each meeting coinciding with a particular aspect of the Shire's audit cycle. All recommendations made by the committee are referred to Council for consideration.***

***Three Audit Committee meetings were held during 2017-18: in July and November 2017, and March 2018.***

- 2. To be inserted in the Corporate and Community Services section on page 28 of the Annual Report:**

### ***Rates Levy***

***The Shire of Gingin's operating budget for 2017-18 was set at an estimated \$16.02 million. Of that figure, the rates levy set aimed to raise \$7.820 million towards the cost of providing the 100-plus Shire services to its community.***

***During the financial year the Shire was successful in levying \$7.820 million and collecting approximately 92 per cent of the rates levy set. This was achieved by working with ratepayers who experienced difficulty in paying.***

### ***Emergency Services Levy***

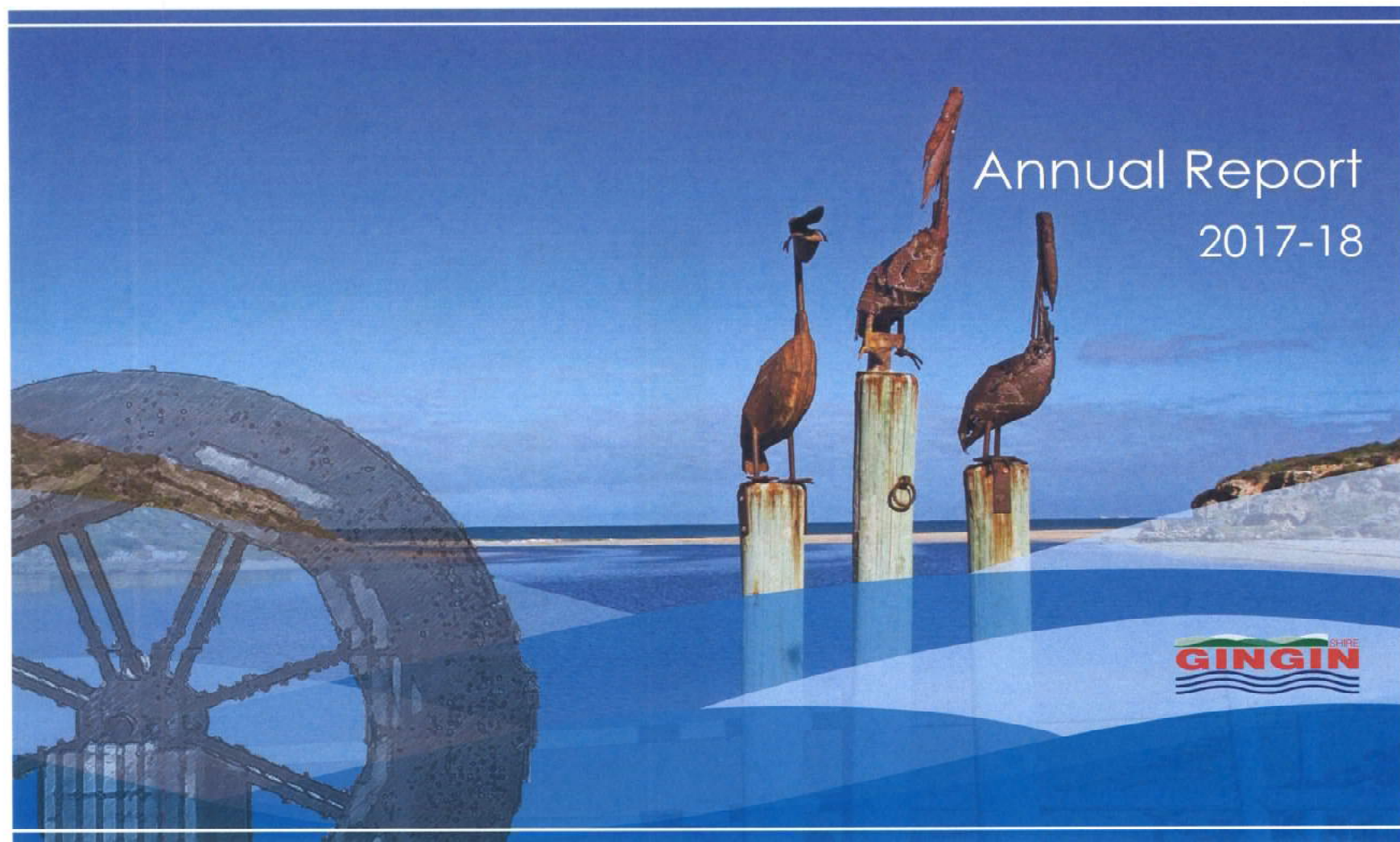
***The Shire of Gingin also collected \$386,523 on behalf of the State Government for the Emergency Services Levy (ESL).***

***During 2017-18 the Shire received an ESL operating grant from the Department of Fire and Emergency Services (DFES) of \$196,340 towards the cost of the Shire's Bush Fire Services, as well as \$52,250 pre-payment for 2018-19.***

**CARRIED BY ABSOLUTE MAJORITY  
9-0**

*Note: An amended Officer Recommendation incorporating additional information to be included in the Annual Report was tabled at the meeting after this information was found to be missing from the version of the Annual Report appended to the Agenda.*

**APPENDIX 1**



## District Map



### Shire of Gingin

Administration Centre and Council Chambers  
7 Brockman Street  
GINGIN WA 6503  
T: 9575 2211

E: [mail@gingin.wa.gov.au](mailto:mail@gingin.wa.gov.au)  
W: [www.gingin.wa.gov.au](http://www.gingin.wa.gov.au)

Lancelin Office  
255 Vins Way  
LANCCELIN WA 6044  
T: 9575 5155



### Photographer Credit

The Shire would like to thank the following community members for supplying photos for this Annual Report:

- |                 |                  |                   |                   |
|-----------------|------------------|-------------------|-------------------|
| • Bede Anderson | • Chad Donaldson | • Tracey Hagan    | • Jaime Stokke    |
| • Sam Collard   | • Cher Groves    | • Carolyn Johnson | • Meredith Taylor |
| • Jan Court     | • Lynley Fewster | • Joanne Sattler  |                   |
| • Jarrod Davies | • Fran Haenni    | • Leigh Solomon   |                   |



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## Shire of Gingin Councillors 2017 - 18



Cr Ian (Sam) Collard  
Shire President



Cr John Elgin  
Deputy Shire President



Cr Jan Court



Cr Wayne Fewster



Cr Frank Johnson



Cr Jacqui Lobb



Cr James Morlon



Cr Frank Peczka



Cr Kim Rule



## Executive Management Team Organisational Chart



### About the Shire of Gingin

**The Shire of Gingin** is a predominantly rural area strategically located 84 kilometres north of Perth. The Shire covers an area of 3,325km<sup>2</sup> and is home to a population of approximately 5,400 residents. There are five townships within the Shire being Gingin, Guilderton, Lancelin, Ledge Point and Seabird. In addition to the townships there are six rural residential areas which include Woodridge, Sovereign Hill, Moondah Ridge, Seaview Park, Redfield Park and Ocean Farm.

Geographically the Shire stretches from the coastline across the flat sandy soils of the Swan Coastal Plain in the west to the hinterland and foothills of the Darling Scarp to the east.

The Shire's strategic location means that it is one of the fastest growing rural areas in Western Australia and it is anticipated that the Shire's population will grow by 40.7% to 6,577 by 2023, increasing to 7,879 (+58.35%) by 2031.

With a variety of medium and low density residential and rural locations, different areas within the Shire of Gingin have developed different roles within the housing market. The lower coastal area tends to attract more mature and established families as well as retirees, while the upper coastal area attracts younger families along with retiree households.

Peri-urban growth and associated pressure on market gardening has resulted in the Shire broadening its focus from traditional broad acre farming to intensive horticulture. Agriculture is the Shire's primary economic contributor, accounting for 41.9% of business and some 137,145 ha of land. Local industries within the Shire include cattle and sheep grazing, apiaries, irrigated horticulture, viticulture, olive groves, aquaculture, piggeries, poultry farms, wineries, abattoirs, feedlots and crayfishing.

In addition to rural industry the Shire's economy is also based around tourism, with coastal areas experiencing a large influx of people during the summer holiday season. As a result, the population of the four coastal townships – Guilderton, Seabird, Ledge Point and Lancelin – grows considerably, and can be in excess of 5,000 people at any given time.

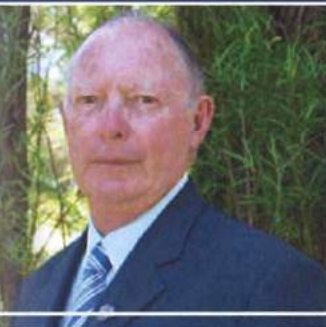


## Five Year Key Summary of Statistics

	2013 - 14	2014 - 15	2015 - 16	2016 - 17	2017 - 18
<b>Shire of Gingin Population</b>	<b>4,975</b> ID Forecast	<b>5,266</b> ID Forecast	<b>5,368</b> ID Forecast	<b>5,439</b> ID Forecast	<b>5,400</b> Estimate
<b>Total number of rateable properties</b>	<b>5,233</b>	<b>5,298</b>	<b>5,319</b>	<b>5,326</b>	<b>5,357</b>
<b>Minimum general residential rate</b>	<b>831</b>	<b>889</b>	<b>951</b>	<b>980</b>	<b>997</b>
<b>Rates levied (excluding refuse)</b>	<b>\$6,386,653</b>	<b>\$6,867,678</b>	<b>\$7,448,146</b>	<b>\$7,661,438</b>	<b>\$7,839,382</b>
<b>Operating revenue</b>	<b>\$11,856,035</b>	<b>\$15,026,808</b>	<b>\$14,155,752</b>	<b>\$15,737,628</b>	<b>\$ 14,805,939</b>
<b>Total current assets</b>	<b>\$4,712,896</b>	<b>\$6,689,302</b>	<b>\$6,889,724</b>	<b>\$7,321,896</b>	<b>\$6,308,950</b>
<b>Capital grants revenue</b>	<b>\$1,577,494</b>	<b>\$2,599,897</b>	<b>\$3,589,599</b>	<b>\$2,400,330</b>	<b>\$3,009,444</b>
<b>Operating grants revenue</b>	<b>\$1,261,966</b>	<b>\$3,872,048</b>	<b>\$1,989,009</b>	<b>\$3,581,963</b>	<b>\$2,428,253</b>
<b>Debt service cover ratio</b>	<b>4.34</b>	<b>6.58</b>	<b>8.36</b>	<b>13.89</b>	<b>5.00</b>
<b>Full-time equivalent staff</b>	<b>52.8</b>	<b>52.6</b>	<b>54.9</b>	<b>57.8</b>	<b>60</b>
<b>Planning applications approved</b>	<b>120</b>	<b>109</b>	<b>108</b>	<b>122</b>	<b>126</b>
<b>Building applications approved</b>	<b>263</b>	<b>250</b>	<b>234</b>	<b>234</b>	<b>213</b>
<b>Licensed dogs registered</b>	<b>*461</b>	<b>1,462</b>	<b>1,133</b>	<b>1,089</b>	<b>1,199</b>
<small>*Please note these figures represent dogs registered well in respective year.</small>					
<b>Licensed cats registered</b>	<b>41</b>	<b>96</b>	<b>127</b>	<b>104</b>	<b>134</b>
<b>Waste services provided (weekly)</b>	<b>3,512</b>	<b>3,747</b>	<b>3,774</b>	<b>3,798</b>	<b>3,849</b>
<b>Library loans of books &amp; other items</b>	Gingin 3,000 Lancelin 2,342	Gingin 4,356 Lancelin 2,260	Gingin 4,626 Lancelin 2,915	Gingin 4,451 Lancelin 2,356	Gingin 4,232 Lancelin 2,639



## Shire President's Report



**On behalf of Council** I am pleased to present the Shire of Gingin Annual Report 2017-18.

Every year the Shire of Gingin works hard to deliver the projects and services that fulfil our community's wishes in accordance with our Strategic Community Plan. Doing so is always a challenge given our size as a Shire, the number of towns and rural living areas we support, and extensive road networks we maintain with the limited ratepayer base and finances at our disposal. However, in spite of these challenges, I am pleased to report that our hard working staff and Council are continuing to fulfil these wishes to the highest possible standards as equitably and sustainably as possible across the board.

We are also mindful of the economic times affecting our communities whenever we set rates, and for the 2017-18 financial year Council adopted its lowest rates rise in almost 30 years - a modest 1.75%. This was a prudent and welcome decision that offered both our residents and businesses respite from the ever increasing cost of living.

### Major Projects

In 2017-18 we were able to deliver a number of capital works projects, including:

- Lancelin Skate and BMX Park – construction of new pump track, concrete ramps and jumps
- Gingin Cemetery – new fence installation
- Nilgen Fire Shed replacement
- Gingin Bowling Club – construction of disability access-friendly ramp
- Hinchcliffe Hill Lookout, Lancelin – construction of new boardwalk and staircase
- Gingin Hockey Grounds – slope stabilisation and limestone wall works
- Guilderton Boardwalk – deck replacement

### Rollout of Recycling Service

As part of our commitment to support a healthy, natural environment within the Shire we introduced a new two-bin waste collection service to include recyclables. In August 2017 the Shire's waste management contractor, Avon Waste, delivered new Shire-branded red lid bins (general waste) and yellow lid bins (recycling) to all residents on the Shire's waste collection service. Diverting recyclable items away from general waste to be reconstituted will go a long way to reducing unnecessary waste at our landfill sites.

### Early Rates Incentive Scheme

This is the fourth year that the Shire has conducted an Early Rates Incentive competition and I'm pleased to report that **67%** of rates were paid on or before the early cut-off date of 13th September – this is a 2% increase over last year and an excellent response by our community, and we extend sincere thanks to our local businesses and sponsors for helping us make this happen.

### Local Government Elections 2017

Following the local government elections in October we welcomed four new councillors – Frank Johnson, Jacqui Lobb, James Moreton and Kim Rule. Outgoing councillors were former Shire President David Roe, Sandra Smiles, Michael Aspinall and Val Ammon.

In addition, Cr John Elgin was elected as Deputy Shire President and I was elected as Shire President at the post-election Special Meeting of Council.

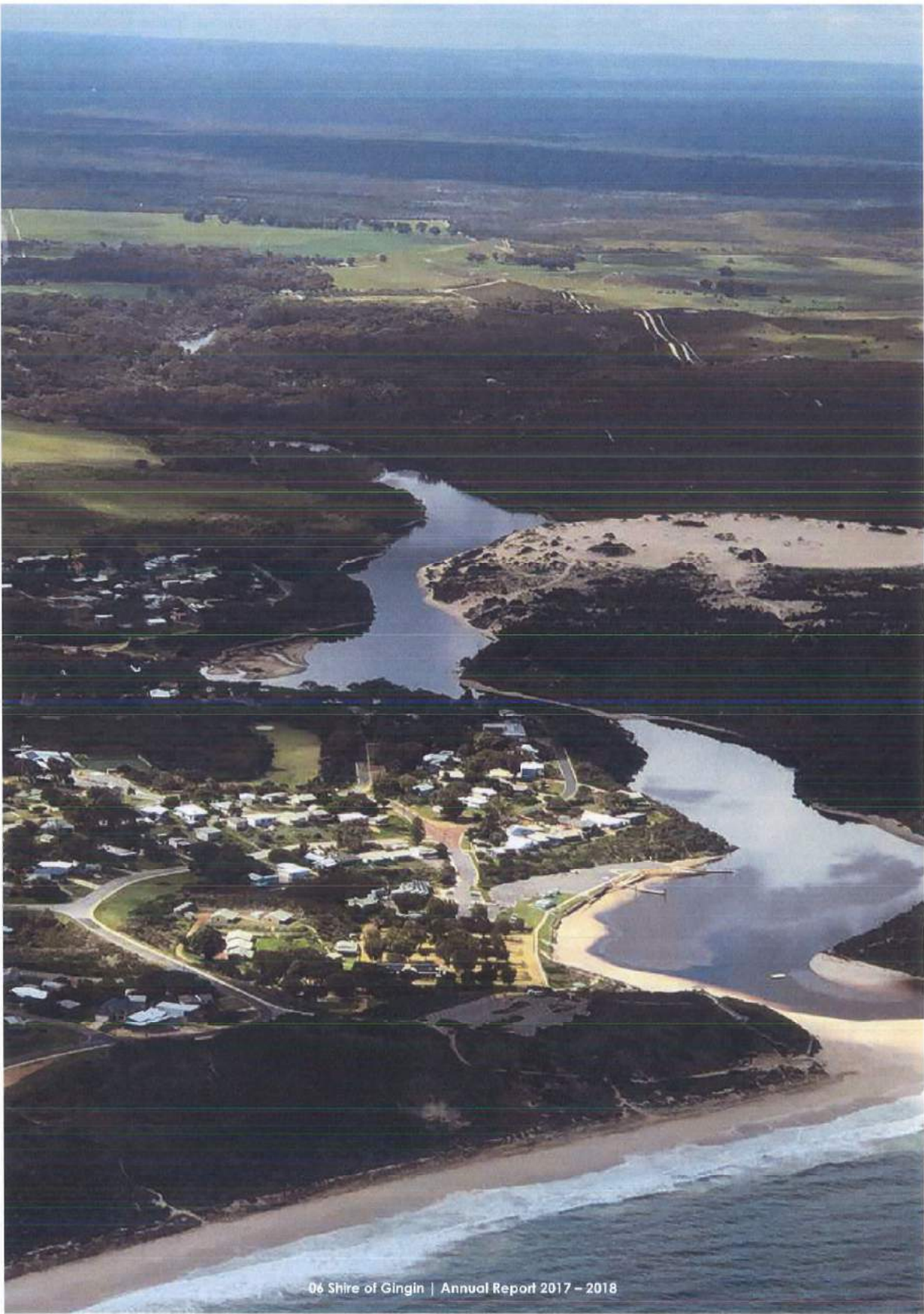
### New CEO

In March 2018 we said farewell to Jeremy Edwards who acted as the Shire's chief executive officer for five years, and in June we welcomed Aaron Cook into the role. Aaron has come to us with over 25 years country and metro local government experience which included CEO positions with the Shire of Narrogin and the Shire of Gnowangerup. Council is looking forward to working with Aaron over the coming years to take the Shire to the next level.

As 2017-18 was my first year as Shire President, I would like to extend my sincere appreciation to my fellow councillors, all the Shire staff, and community members for your support as I've settled into the role. It certainly has been an interesting year and I am very grateful to be working with so many caring and competent people who have made my job so much easier.

**Cr Sam Collard**  
Shire President





06 Shire of Gingin | Annual Report 2017 – 2018



## Chief Executive Officer's Report



### Welcome to the Shire of Gingin's Annual Report 2017-18.

While the past 12 months have seen a number of changes to the Shire's leadership, the focus on providing our community with best possible projects and services continued unhindered throughout 2017-18. The strength of the Shire's Strategic Community Plan continues to keep us on track and is testament to its usefulness as a framework for planning for our region's future.

### Community Perception Survey

One of the most important informing activities for the development of the Shire's Strategic Community Plan is the bi-ennial Community Perception Survey – getting feedback directly from our constituents as to what they need and want is a very important step in building happy, balanced and well-functioning communities.

### Staffing

In May 2018 we conducted another survey, results of which will be available in the next financial year and reported on in the 2018-19 annual report. A glimpse into some of the results has indicated a need to focus on improving our consultation and engagement with community, and solutions to coastal erosion.

Staff development and training continues to be a priority in order that our teams are able to carry out their roles to the highest possible standard.

### Staff Restructure

In 2017-18, the Shire saw the need to reassess a number of internal structures. An Assets Department was created to more efficiently manage the Shire's increasing public infrastructure and maintenance needs and an Executive Manager Assets was appointed in December 2017.

In addition, two civil engineering internships were offered to university students which provided the Assets Department with additional resources at no cost, and two young people got valuable on-the-job training.

### Coastal Erosion Working Group

In the 2017-18 financial year, the issue of coastal erosion came to the fore once again with considerable inundation threatening infrastructure and amenity at Grace Darling Park in Lancelin.

At the time of this report, the Shire is in the process of forming a working group to liaise with affected community stakeholders and State Government agencies on how best to tackle the problem.

### Tourism Strategy - Appointment of Economic Transitions

A contract was awarded to Economic Transitions to develop a tourism strategy for the Northern Growth Alliance in 2017-18. The alliance, which comprises the Shires of Gingin, Chittering and Dandaragan, works together to address shared issues and challenges. This includes planning for future growth and promoting the collective area to investors, businesses, tourists and locals as an accessible and vibrant region with a strong economic future.

It is expected that the completion of the new NorthLink Highway and Muchea Employment Node will have a positive economic impact on the Shire of Gingin by making access to the lower coastal and rural areas easier and in turn a desirable region to visit, work or call home.

In addition, ongoing pressure of land use will continue to see the areas as a whole develop and population expand into the future.

Being new to the helm since June 2018, I would like to thank Council for giving me this opportunity and I look forward to contributing to the Shire's continuing success. I would also like to thank the Executive Management Team for their guidance, and all the staff who have made my transition an enjoyable one so far.

**Aaron Cook**  
Chief Executive Officer





## Strategic Community Plan Overview

### Our Community Vision and Aspirations

*"We are a welcoming and progressive community that celebrates its diversity, and unique rural and coastal environment."*

Whether coastal or country, it is lifestyle that continues to be the primary reason why the community calls the Shire of Gingin home.

Located on the doorstep of Perth, the Shire of Gingin's friendly communities have a lot to offer. With spectacular coastline and rivers to picturesque rolling hills, our community is proud of its natural assets, agricultural roots and laidback lifestyle.

The following community aspirations and focus areas form the basis of the Shire of Gingin's Community Plan 2017-27, including priorities delivered via service areas to help the Shire fulfil these aspirations.

#### Focus Area: Community Wellbeing

- Community Aspiration: An active, healthy and safe community with a range of easily accessible services and facilities.
- Council Objective: To support the Shire of Gingin community to be inclusive, vibrant, healthy and safe through the Shire's service delivery.

#### Focus Area: Natural Environment

- Community Aspiration: The Shire of Gingin's natural assets are protected for future generations and recognised as one of the greatest sources of pride in our community.
- Council Objective: To develop the Shire's capacity to support the conservation of natural assets and undertake sustainable resource management.

#### Focus Area: Infrastructure and Development

- Community Aspiration: High quality infrastructure and development.
- Council Objective: To effectively manage growth and provide for community through the delivery of community infrastructure in a financially responsible manner.

#### Focus Area: Economic Development

- Community Aspiration: A strong economy based on tourism, agriculture, resources and supportive industries.
- Council Objective: To support economic development through the Shire's service delivery.

#### Focus Area 5: Governance

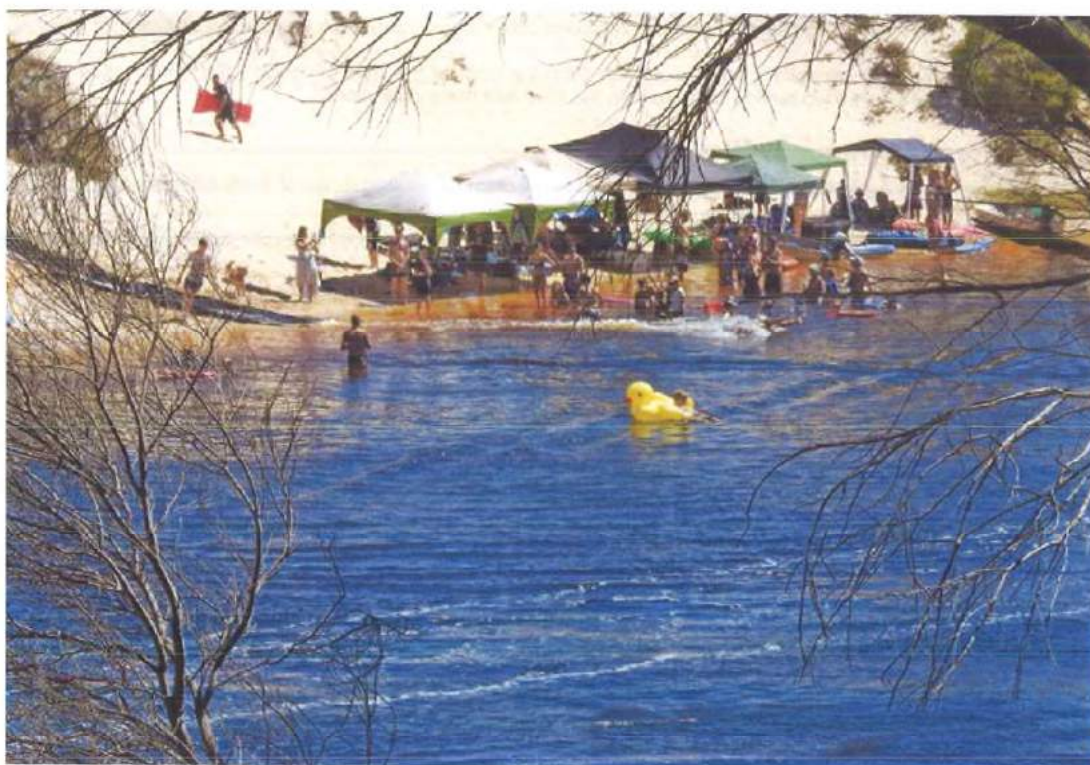
- Community Aspiration: Progressive and transparent leadership which is contemporary and involves the community in responsible governance.
- Council Objective: To demonstrate effective leadership, governance and advocacy on behalf of the community.



## Strategic Community Plan – Implementation, Resourcing and Performance

The Shire of Gingin's Strategic Community Plan is implemented through the four year Corporate Business Plan, which is reviewed and updated annually. The Corporate Business Plan 2017-21 includes a range of Actions for each of the *Priorities* identified in the Strategic Community Plan 2017-27. The Shire's 2017-18 capital and operating budget was aligned to these Actions along with projects identified in the Shire's long term financial planning documentation. In the 2017-18 financial year, 121 projects and 40 ongoing programs were planned for delivery. Across all the projects, 82% were successfully implemented as planned and 18% were either deferred, delayed or cancelled. All ongoing programs were successfully delivered.

The following pages list the Strategic Community Plan 2017-27 *Outcomes and Priorities* and their corresponding Corporate Business Plan Actions & Major Projects for the 2017-18 financial year. An overview of 2017-18 progress against these is provided, along with an outlook for the future 2018-19 financial year.





## Measuring Our Success

The Shire's Strategic Community Plan includes a number of Key Performance Indicators (KPIs) to measure progress against Objectives. It includes a mix of indicators measuring the performance of the Shire as well as *Community Measures*. These *Community Measures* are indicators of the broader environment that the Shire is seeking to influence in partnership with the community, the private sector and all levels of government.

Throughout 2017-18 the Shire continued the development of systems and processes to support the monitoring of KPIs. The following table provides the most recent available information sourced from the Community Perceptions Survey 2018, Regional Competitive Index data and Tourism data, with commentary for each KPI. It also highlights changes in KPIs made during this period or planned for next financial year.

### Community Wellbeing

Key Performance Indicator	Current Result	Previous Result	Trend
Community satisfaction with the Shire as a place to live. (Community Measure)	Mostly Satisfied (2018)	Mostly Satisfied (2016)	-
Community satisfaction with quality of life. (Community Measure)	Average employment and study opportunities, approximately 30% of households with incomes less than \$900 per week.	N/A	-
Community satisfaction with Shire events.	Mostly Satisfied (2018)	Mostly Satisfied (2016)	-

### Natural Environment

Key Performance Indicator	Current Result	Previous Result	Trend
Community satisfaction with weekly rubbish collection.	High Overall Satisfaction (2018)	Strong Satisfaction (2016)	▲
Community satisfaction with local rubbish tips.	High Overall Satisfaction (2018)	Strong Satisfaction (2016)	▲
Community satisfaction with verge side green waste collection.	Mostly Satisfied (2018)	Mostly Satisfied (2016)	-
Community satisfaction with conservation and environmental management.	So/so Satisfaction (2018)	So/so Satisfaction (2016)	-
Community satisfaction with kerbside recycling.	Mostly Satisfied (2018)	N/A	-

## Infrastructure and Development

Key Performance Indicator	Current Result	Previous Result	Trend
Community satisfaction with libraries.	High Overall Satisfaction (2018)	Strong Satisfaction (2016)	-
Community satisfaction with parks and reserves.	Mostly Satisfied (2018)	Strong Satisfaction (2016)	▼
Community satisfaction with sport and recreation facilities.	Mostly Satisfied (2018)	Mostly Satisfied (2016)	-
Community satisfaction with community buildings.	Mostly Satisfied (2018)	Mostly Satisfied (2016)	-
Community satisfaction with management and control of traffic on local roads.	Mostly Satisfied (2018)	Mostly Satisfied (2016)	-
Community satisfaction with maintenance of unsealed roads.	Low Satisfaction (2018)	So/so (2016)	▼
Community satisfaction with maintenance of sealed roads.	Low Satisfaction (2018)	Low Satisfaction (2016)	-
Community satisfaction with building and planning permit approvals.	So/so Satisfaction (2018)	Mostly Satisfied (2016)	▼
Increase metres of dedicated walk and cycle trails.	Nil	191m	-

## Economic Development

Key Performance Indicator	Current Result	Previous Result	Trend
Number of tourists who visit the Shire of Gingin. (Community Measure)	626,000 (2017)	556,000 (2016)	▲
Average dollars spent per trip to the Shire of Gingin. (Community Measure)	\$132 (2017)	\$139 (2016)	▼
Percentage share of WA visitors. (Community Measure)	2.1% (2017)	2% (2016)	▲

## Governance

Key Performance Indicator	Current Result	Previous Result	Trend
Increase community satisfaction with the Shire of Gingin's overall performance.	So/so Satisfaction (2018)	Mostly Satisfied (2016)	▼
Increase community satisfaction with the Shire's community consultation and engagement.	Low Satisfaction (2018)	Low Satisfaction (2016)	
Increase community satisfaction with how the Shire informs community about local issues.	So/so Satisfaction (2018)	So/so Satisfaction (2016)	

## Notes:

- Community Perception Survey results are sourced from the 2018 Community Perception Survey commissioned by the Shire and conducted by Research Solutions in 2018. Performance results were defined as follows: **high overall satisfaction:** more than 80% of users were satisfied or very satisfied, **mostly satisfied:** 60-80% satisfied or very satisfied, **mixed satisfaction:** where 45-59% satisfied or very satisfied, **areas of opportunity:** where fewer than 45% satisfied or very satisfied.
- Tourism data is sourced from Tourism Research Australia (2016 & 2017) Local Government Area Profiles, 2016 & 2017 Gingin, WA. Published by Tourism Research Australia, Australian Government, Austrade.
- Community Wellbeing data (*Community Measure*) Regional Australia Institute (RAI) In-sight Regional Competitive Index (out of 563 Local Government Authorities) – Human Capital (Learning and Earning 272, Labour Market Efficiency Participation Rate) % population over 15+ in labour force 237.
- Community Wellbeing data (*Community Measure*) Australian Bureau of Statistics.
- Australian Council of Social Service (ACOSS) – Poverty Line <https://www.acoss.org.au/poverty>.



## Overview of Strategic Community Plan Progress

### Community Wellbeing

To support the Shire of Gingin community to be inclusive, vibrant, healthy and safe through the Shire's service delivery.

#### Outcome: Inclusive Community

Our community has access to a range of community programs, services and initiatives that support wellbeing and inclusion.

#### SCP Priority

Support aging in place by developing the 'four planks' of Aging in the Bush.

CBP Actions & Major Projects		2017-18 Progress	2018-19 Outlook
Action	Gingin Independent Living Units.	Development Approval to H&H for an eco-lifestyle village on Lot 11 Mooliabeenee Road, Gingin.	Support an increase in the number of Independent Living Units available within the Shire in partnership with the private sector and/or through direct service provision.
Action	Shire supported community/ social housing units in Lancelin and Gingin.	Operational service activity – manage new clients and lease arrangements successfully delivered.	The Shire will continue its commitment to support and manage units in Lancelin and Gingin.
Action	Advocacy – Senior Services.	The Gingin Community Transport initiative (February 2017) now has a sister initiative in Lancelin (November 2017).	Council has indicated support for both initiatives for the next five years.

#### SCP Priority

Improve activities for children and young people.

CBP Actions & Major Projects		2017-18 Progress	2018-19 Outlook
Project	Youth Officer to be considered for 2018-19 and included in the Workforce Plan.	Youth Strategy undertaken with recommendations.	Inclusion of a part-time Youth Officer in the 2018-19 Municipal Budget.

#### Outcome: Vibrant Community

Our community can participate in a range of activities and events that celebrate and promote our unique lifestyle and heritage.

#### SCP Priority

Support community groups and volunteers.

CBP Actions & Major Projects		2017-18 Progress	2018-19 Outlook
Action	Partner and deliver a range of community events.	Operational service activity - annual Suite of Events successfully delivered.	Ongoing partnership and delivery of a range of community events.
Project	Partner and deliver a range of community events within existing operational resources - deliver annual Suite of Events.	Operational service activity - annual Suite of Events successfully delivered.	Partner and deliver a broad range of community events.

#### SCP Priority

Ongoing delivery of a Community Grants Program to support the Shire's Strategic Objectives.

CBP Actions & Major Projects		2017-18 Progress	2018-19 Outlook
Action	Deliver a Community Grants Program to support the Shire's Strategic Objectives.	Operational service activity - Community Grants Program successfully delivered.	Ongoing delivery of a Community Grants Program to support the Shire's Strategic Objectives.

**Outcome: Healthy and Safe**

Our community has access to quality health and community safety programs, services and initiatives that promote resilience.

CBP Actions & Major Projects		2017-18 Progress	2018-19 Outlook
Action	Shire supported GP Services.	Operational service activity - delivery of essential services provided.	Ongoing delivery of General Practitioner Service in Gingin and Lancelin will continue.
Action	Deliver essential services in Bush Fire Prevention and Control, Ranger Services and Environment Health to support law, order and public safety.	Operational service activity - delivery of essential services provided.	Ongoing delivery of Local Emergency Services, Ranger Services and Environmental Health Services.
Project	Nilgen Fire Shed.	Project completed.	N/A.

**SCP Priority**

Advocate improved access to medical services.

CBP Actions & Major Projects		2017-18 Progress	2018-19 Outlook
Action	Lobby the State Government and health providers for the ongoing provision of a permanent local General Practitioner and preventative health programs.	Research being undertaken into local government GP service models. Question surrounding GP visitations in Community Perception Survey 2018.	Continued research to be undertaken into a more effective/robust delivery of medical services within the Shire.

## Community Wellbeing

To develop the Shire's capacity to support the conservation of natural assets and undertake sustainable resource management.

### Outcome: Conservation

The Shire's ecological services and natural assets are respected and enhanced.

#### SCP Priority

Coastal planning and adaptation.

CBP Actions & Major Projects		2017-18 Progress	2018-19 Outlook
Action	Ongoing implementation of the Coastal Hazard Risk Management and Adaptation Plan.	Project cancelled – funding not successful - Coastal Adaptation and Protection - Ledge Point Wave Attenuation Project.	Application for funding for monitoring for Ledge Point Groynes.
Project	Coastal Hazard Risk Management.	Project underway to be completed 2018-19.	C/F to 2018-19 for completion.
Action	Consider a permanent Coastal Planning Officer for inclusion in the Workforce Plan.	Dependent on recommendations from the Coastal Hazard Risk Management project.	Recommendations pending the Coastal Hazard Risk Management Plan (completion 2018-19).

#### SCP Priority

Improving the Shire's Natural Areas Management.

CBP Actions & Major Projects		2017-18 Progress	2018-19 Outlook
Action	Deliver essential services in Ranger Services.	Operational service activity - delivery of essential services provided.	Ongoing delivery of appropriate Ranger Services.

### Outcome: Sustainable Resource Management

The Shire practices Sustainable Resource Management within its operations and supports the community to do the same.

CBP Actions & Major Projects		2017-18 Progress	2018-19 Outlook
Action	Deliver essential services in Waste Services.	Operational service activity – delivery of essential services provided.	Ongoing delivery of Waste Services.
Project	Wannamal Road West Facility Environment Study.	Not completed – further hydro studies required prior to the landfill development.	N/A at this time.

## Infrastructure And Development

To effectively manage growth and provide for community through the delivery of community infrastructure in a financially responsible manner.

### Outcome: Development

New and existing developments meet the Shire's Strategic Objectives and Outcomes.

CBP Actions & Major Projects		2017-18 Progress	2018-19 Outlook
Project	Marchmont drainage.	Completed.	N/A.
Action	Deliver essential services in building and planning permits.	Operational service activity - delivery of essential services provided.	Ongoing timely delivery of Building and Planning Services.

### SCP Priority

Support strategies that facilitate commercial development.

CBP Actions & Major Projects		2017-18 Progress	2018-19 Outlook
Project	Lancelin – Commercial Centre/Plaza – road works, car parking and landscaping design construct (2018-19).	Preliminary design works including feature survey geotechnical report commenced.	C/F design works to continue followed by construction works.
Project	Lancelin – Commercial Centre/Plaza – servicing and sale of UCL land.	Negotiations continuing into 2018-19.	C/F.
Action	Deliver essential services in planning permits.	Operational service activity - delivery of essential services provided.	Ongoing timely delivery of Planning Services.

### SCP Priority

Support strategies that facilitate an increase in housing diversity.

CBP Actions & Major Projects		2017-18 Progress	2018-19 Outlook
Action	Develop and implement a program to increase connection to existing sewerage schemes.	Ongoing.	Ongoing.
Action	Deliver essential services in planning permits.	Operational service activity - delivery of essential services provided.	Ongoing timely delivery of Planning Services.

### Outcome: Community Infrastructure

The Shire provides fit-for-purpose community infrastructure in a financially responsible manner.

### SCP Priority

Improve the use and financial sustainability of community infrastructure.

CBP Actions & Major Projects		2017-18 Progress	2018-19 Outlook
Project	Lancelin – Lancelin Golf Course reticulation expansion.	Completed.	N/A.
Project	Gingin – Gingin Pistol Club – review facilities.	Completed.	N/A.
Project	Gingin – hockey field bank stabilisation.	Completed.	N/A.
Project	Ledge Point playground renewal.	Completed.	N/A.
Project	Roads to Recovery.	RTR projects completed.	Ongoing.

**Outcome: Connectivity and Accessibility**

The Shire's community and infrastructure supports connectivity and accessibility.

**SCP Priority**

Undertake effective integrated transport planning and its implementation.

CBP Actions & Major Projects		2017-18 Progress	2018-19 Outlook
Project	Maintain existing road and path network.	Completed other than Cullalla Road/Ashworth Road intersection, KW Road, Lancelin Road, Hinchcliffe Hill carpark and pathway and pathways expansion.	C/F projects plus scheduled projects.
Project	Review road hierarchy plan.	Portion C/F to 2018-19.	Portion to be completed 2018-19.
Project	Cowalla Road Bridge.	C/F- to be finalised in 2018-19 (MRWA).	Portion to be completed 2018-19.
Project	Murray Road Bridge.	Completed.	N/A.
Action	Deliver key service area – advocacy – community and public transport.	Council financial support for the provision of community car transport to medical appointments.	Ongoing.

**SCP Priority**

Improve the provision of age-friendly infrastructure for all, including Disability Access and Inclusion Planning.

CBP Actions & Major Projects		2017-18 Progress	2018-19 Outlook
Action	Implementation of the Age Friendly Communities Report within existing resources and facilities.	Operational service activity – dual use pathways and ramps.	Ongoing.

**SCP Priority**

Advocate improved telecommunications infrastructure.

CBP Actions & Major Projects		2017-18 Progress	2018-19 Outlook
Action	Deliver key service area – advocacy – telecommunications.	NBN rollout within the Shire of Gingin complete.	Ongoing – new technologies/ blackspots etc.



## Economic Development

To support economic development through the Shire's service delivery.

### Outcome: Tourist Playground

An internationally acclaimed tourist playground.

#### SCP Priority

Support the development of the Shire of Gingin as a premier tourist destination for ocean and sand adventures.

CBP Actions & Major Projects		2017-18 Progress	2018-19 Outlook
Project	Lancelin Skate and BMX Park.	Completed.	Stage Two of the project (concept/funding etc).
Project	Recreational Boat Launching Facility – Planning Study.	A component of the project to be C/F to 2018-19.	To be completed in 2018-19.
Project	Lancelin Foreshore Development – Cunliffe Street carpark.	Deferred 2018-19.	Project to progress to concept planning and funding stage.
Project	Lancelin Foreshore Development – Hinchcliffe Street recreational area (north and south sides).	Completed.	Carparking and pathway component to be completed in 2018-19.
Project	Lancelin – Lancelin South Caravan Park – acquisition of assets.	Completed.	N/A.
Action	Lancelin – Lancelin South Caravan Park – finalise lease.	Completed.	N/A.
Action	Deliver key service area – advocacy – tourist accommodation.	Tourism Strategy undertaken in 2017-18 – component to C/F.	Ongoing.

### Outcome: Food Bowl

A strategically significant agricultural hub to the Perth metropolitan area.

#### SCP Priority

Support the development of agri-industry processing.

CBP Actions & Major Projects		2017-18 Progress	2018-19 Outlook
Project	Wheatbelt Development Commission agri-industry processing hub site identification.	Component to be C/F.	Project to be completed in 2018/19.

### Outcome: Innovation

Innovation is the foundation of economic growth across the Shire.

#### SCP Priority

Improve local economic development support.

CBP Actions & Major Projects		2017-18 Progress	2018-19 Outlook
Action	Improve partnerships with CCI and CRC.	Lancelin CCI and CRC – support for Lancelin Ocean Classic.	Ongoing.
Action	Support CRC to deliver education and training, and provide work experience opportunities within the Shire.	Ongoing service delivery and partnership – lease Gingin Railway Station.	Ongoing.
Action	Work in partnership with the Growth Alliance and WDC to develop a Growth Plan.	Progressing.	Ongoing.

## Governance

To demonstrate effective leadership, governance and advocacy on behalf of community.

### Outcome: Values

Our organisational/business values are demonstrated in all that we do.

### SCP Priority

Develop the skills and capabilities of our elected members and staff.

CBP Actions & Major Projects		2017-18 Progress	2018-19 Outlook
Action	Executive Management Team – TRACK leadership.	Ongoing – mentoring of staff.	Ongoing.
Action	Elected member training and development.	Ongoing – elected members attended various training opportunities.	Ongoing.
Action	Staff training and development.	Ongoing as determined/required via the Performance Review process.	Ongoing.

### SCP Priority

Improve the financial position of the Shire.

CBP Actions & Major Projects		2017-18 Progress	2018-19 Outlook
Action	Annual review and quarterly reporting on corporate business.	Q1-4 Reports completed; 2017-18 review completed.	Ongoing.
Action	Annual review of Workforce Plan.	Review of Workforce Plan undertaken in 2017-18.	Ongoing.
Project	Road assets re-value.	Mostly completed in 2017-18 component to C/F in 2018-19.	C/F.
Action	Annual audit compliance.	Completed.	Ongoing.
Action	Undertake periodic reviews of Council Policies and Local Laws.	Undertaken when required via Council Meeting process.	Ongoing.
Project	Maintain administration plant, furniture and equipment.	Items budgeted and purchased. Nil plant purchased in 2017-18 – funds transferred to Reserve.	Scheduled replacement items budgeted.

### Outcome: Service

Provides customer focused service delivery.

CBP Actions & Major Projects		2017-18 Progress	2018-19 Outlook
Action	Delivery key service area – Customer Service.	Customer Service Charter in use.	Community Perception Survey 2018 provides indication on how customer service is performing.
Action	Deliver key service area – Human Resources.	Operational activity/service.	Ongoing.
Action	Develop Employee Recognition Program.	Employees highlighted in "Team Focus" internal staff newsletter.	Ongoing.
Action	Stakeholder and community engagement.	Developing policy.	Ongoing.
Action	Implement on-line timesheets.	Completed.	Ongoing use.

**Outcome: Partner**

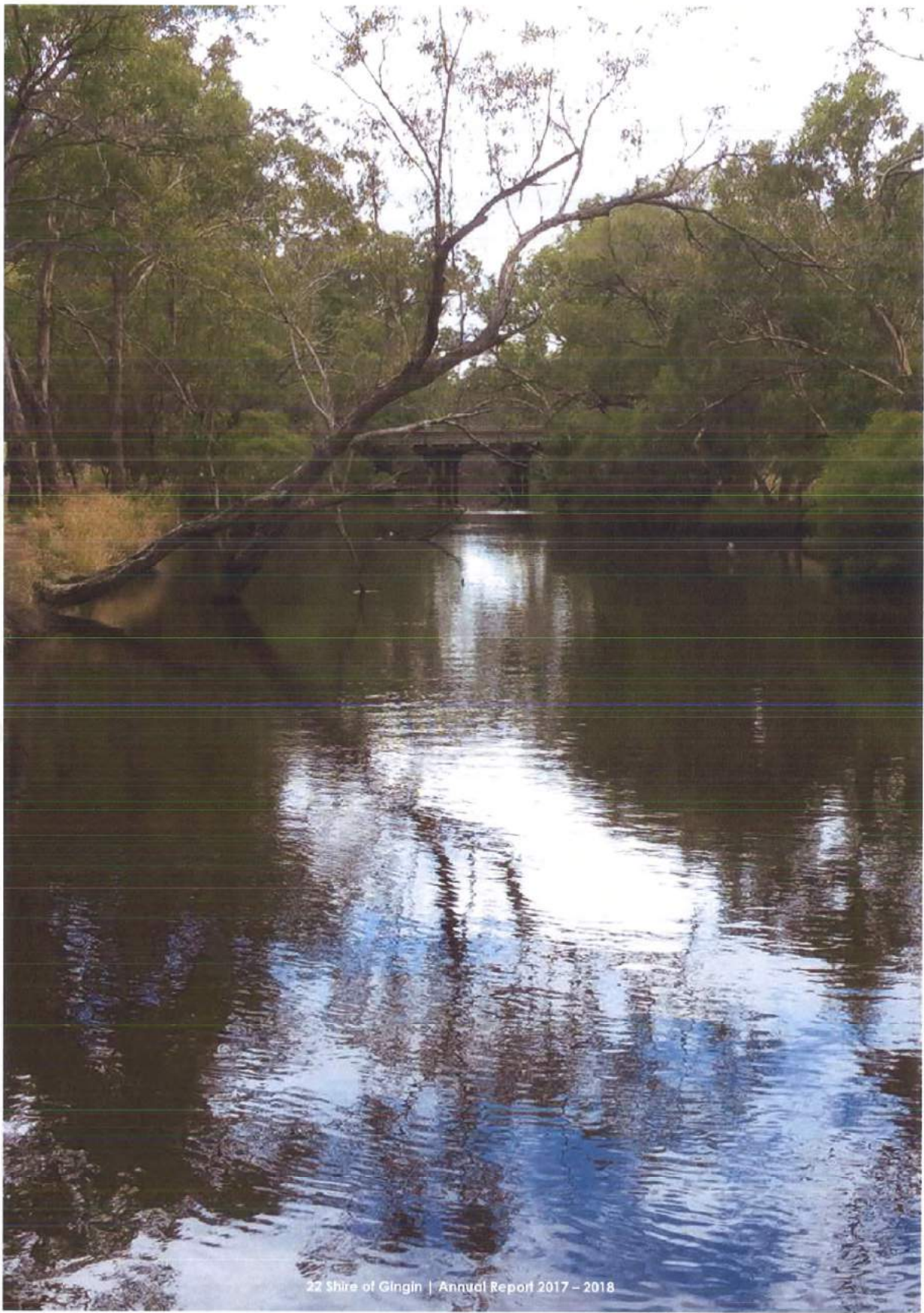
The Shire works productively with a range of partners to deliver better outcomes for community.

**SCP Priority**

Advocate on behalf of community towards Strategic Community Plan aspirations, objectives, outcomes and priorities.

CBP Actions & Major Projects		2017-18 Progress	2018-19 Outlook
Action	Continue to work with the Northern Growth Alliance on regional projects.	Partnership continues with Shires of Dandaragan and Chittering – Tourism Strategy, Agri-Industry.	Ongoing.
Action	Deliver Key Service Area – Advocacy Partnerships	Partnership continues with Shires of Dandaragan and Chittering – Tourism Strategy, Agri-Industry.	Ongoing.





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## Office of the Chief Executive

### Governance

#### Review of Policies

During the period 1 July 2017 to 30 June 2018, Council adopted three new policies, amended one existing policy and repealed one policy.

#### Review of Delegations

In accordance with section 5.46 of the *Local Government Act 1995*, a review of the Shire's Delegation Register was undertaken during the period, with Council adopting the review at its meeting on 19 June 2018.

#### Completion of Annual Returns

In accordance with section 5.76 of the *Local Government Act 1995*, a total of 21 Councillors and Designated Officers were required to complete and submit an Annual Return by 31 August 2017. One Return was not received by the due date as a result of the Officer concerned being on leave. The Return was completed and submitted by the Officer on 12 September 2017 following their return to work. The matter was reported to relevant authorities as required by legislation, with no further action being taken.

#### Annual Compliance Audit Returns

All local governments are required to carry out an Annual Compliance Audit for the period 1 January to 31 December as specified by the *Local Government Act 1995*. The return includes a range of compliance categories to be met by local governments.

The 2017 Annual Compliance Audit Return for the Shire of Gingin was received by Council at its meeting on 20 March 2018 and subsequently submitted to the Department of Local Government and Communities in accordance with Regulations 14 and 15 of the *Local Government (Audit) Regulations 1996*.

The audit, which was undertaken internally, found that the Shire's standard of compliance was once again very high, with only one instance of non-compliance out of a total of 94 items included in the Return. This equates to an achievement of 98.94% compliance, which is consistent with the results for 2016 and 2017.

The one instance of non-compliance detected related to the failure to record a delegation in the Shire's Delegated Authority Register.

At its meeting on 19 December 2017, Council delegated authority to the Chief Executive Officer Recruitment Committee to fulfil a number of functions under Regulations 18A and 18C of the *Local Government (Administration) Regulations 1996*.

This delegation was not recorded in the Delegated Authority Register in accordance with s. 5.18 of the *Local Government Act 1995*, and Committee members were not provided with a written Instrument of Delegation.

This omission has been noted by Administration and greater attention will be paid to this requirement in the future.



## Complaints of Minor Breach

In accordance with sections 5.53(2) and 5.121 of the *Local Government Act 1995*, the Annual Report is required to disclose the number of complaints of minor breach received each year.

Number of Complaints 2017-18	Outcome	Action Taken
Nil	-	-

## Human Resources

The Shire of Gingin continues to enjoy a reputation for being an "Employer of Choice" and this is evident in the high numbers of applications received for advertised vacancies.

In the 2017-18 financial year the main emphasis was on providing staff with adequate training to better equip them in their roles, especially in the areas of Occupational Health and Safety and IT.

Employees working in the areas of Planning, Building and Health attended on-site SynergySoft training provided by IT Vision which provided them with skills on how to use this software system to higher levels of functionality and proficiency.

In the area of Occupational Health and Safety, training was provided in Emergency Evacuation Procedures, Manual Task Awareness, Office Ergonomic Set-Ups, First Aid, Drug and Alcohol Policy, and Machinery Ergonomic Awareness. In addition, our Maintenance Officers attended a Kidsafe WA accredited Playground Visual Inspection Course.

In terms of restructuring, the Shire of Gingin underwent a number of changes throughout the year, with the creation of an Assets Department and with other departments employing staff to take on new roles and responsibilities. In 2017-18 the following new positions were created:

- Stable Fly Inspector – part-time
- Environmental Health Support Officer – part-time
- Civil Engineering Intern – part-time
- Executive Manager Assets – full-time

The Building Maintenance Trainee completed his traineeship and achieved a Certificate II in Construction Pathways (Building Maintenance) and our Youth Development Scholarship recipient achieved a Certificate IV in Local Government Administration. It is hoped that in the 2018-19 financial year the Shire will be able to offer a Youth Officer role in the Corporate and Community Services department. The Shire also provided opportunities for a number of students to undertake work experience in the Rangers, IT, Engineering, Maintenance and Mechanics areas.

The Shire has a full-time equivalent (FTE) staffing level of 60 persons and a total of 73 staff members, including vacancies, staff on parental leave, secondment and short term contracts. The Shire regularly receives "Expressions of Interest" for employment through the Shire's website.

Factors such as population growth, increased building and planning development applications and an increase in the demand for community services will have a significant effect on the workforce and its capabilities in the future.

## Payment to Employees

Salary Band \$	Number of Officers	
	2017-18	2016-17
100,000 – 110,000	1	1
110,000 – 120,000	1	1
120,000 – 130,000	0	1
130,000 – 140,000	2	1
140,000 – 150,000	1	0
150,000 – 160,000	0	0
160,000 – 170,000	0	0
170,000 – 180,000	1	2
180,000 – 190,000	0	0
190,000 – 200,000	1	0

## Equal Employment Opportunity

Section 146 of the *Equal Opportunity Act 1984* requires local governments to report on the progress of their diversity and inclusion activities and programs, and workforce data to the Director of Equal Opportunity in Public Employment (DEOPE). In May 2018, the Shire of Gingin participated in the Equal Employment Opportunity Survey administered by the Public Sector on behalf of the DEOPE in order to meet this legislative requirement.

In addition, the Shire focussed on providing employment opportunities for Aboriginal Australians and People Aged 24 Years and Under (Youth). In addition to the Shire's usual channels, all vacant positions were advertised through the South West Aboriginal Land and Sea Council, and the Shire provided a traineeship and a scholarship for two young people.

The Shire of Gingin is committed to providing a workplace where every individual is treated with respect in an environment free from discrimination and harassment.







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## Corporate & Community Services

### Financial Review

The following tables provide a snapshot of the Shire of Gingin's major financial activities for 2017-18. For a more detailed explanation of these financial activities please refer to the audited Financial Report on page 47.

Table 1  
Operating Revenue

This graph represents the operating revenue totalling \$17,845,269 by percentage.

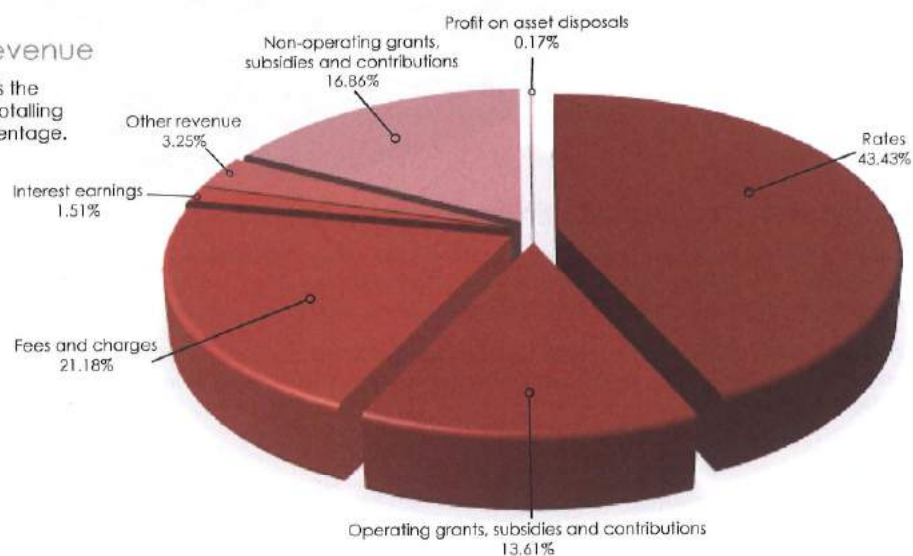


Table 2  
Operating Expenditure

This graph represents the operating expenditure totalling \$19,723,373 by percentage.

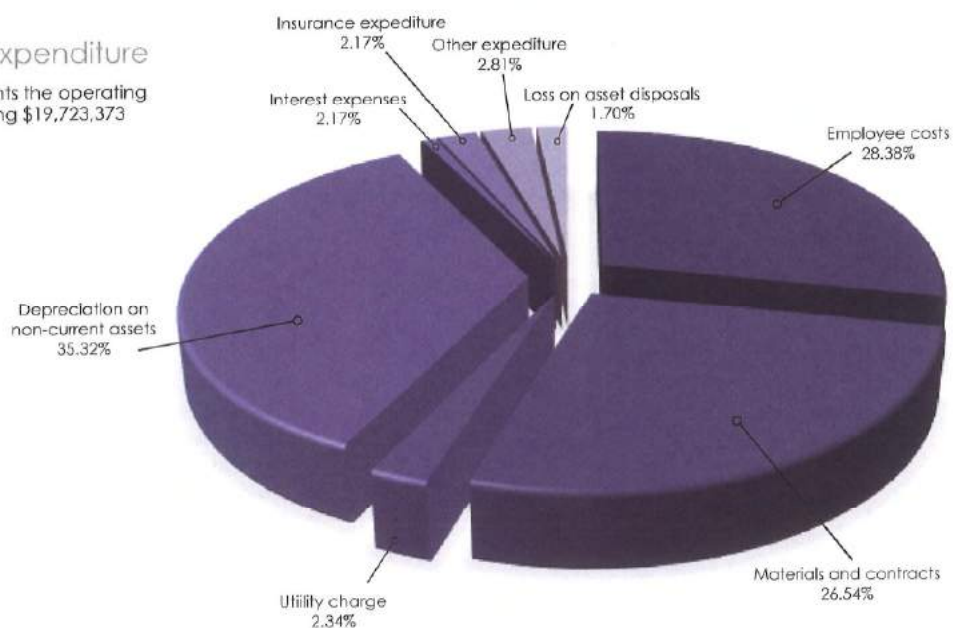
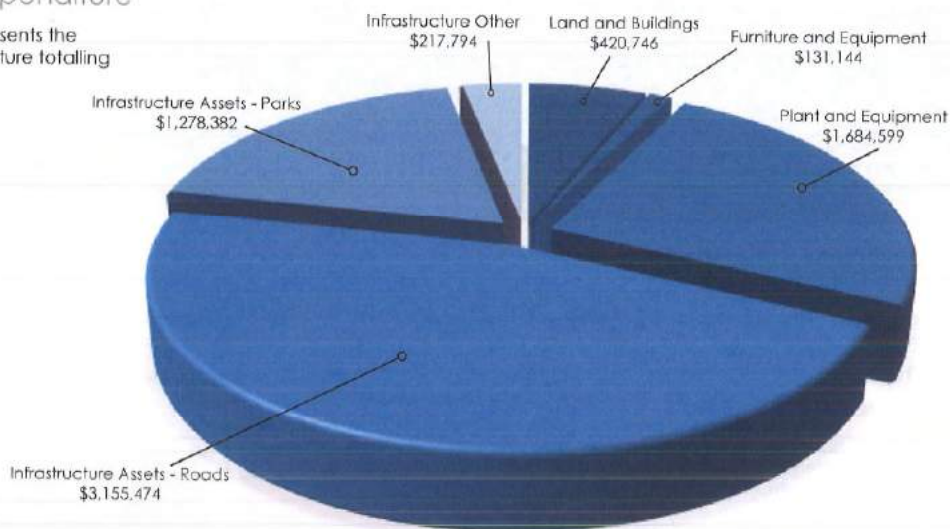


Table 3  
Capital Expenditure

This graph represents the capital expenditure totalling \$6,833,614.



### Community Services and Engagement (CSE)

The Community Services and Engagement team had another exceptionally busy year working on a range of different deliverables. The CSE team comprises three part-time staff (equating to two full-time-employees) including Community Development Officer, Club Development Officer, and new Coordinator Community Services and Engagement.

In addition to community liaison, writing Council papers, CSE reporting and financial management, attending meetings, back-filling staff during staff change-over periods and various other work requirements, the team undertook the following deliverables in the 2017-18 period.

### Events

#### Shire-Managed Events

The Shire coordinated numerous annual events in 2017-18 including:

- Seniors Day, 4 November
- Party in the Park and Market Day, Lancelin: 6 and 7 January
- Australia Day, Neergabby (including Citizenship Ceremony): 26 January
- Lancelin Triathlon: 18 February
- Melody and Movie in the Park: 3 March
- Gingin Triathlon: 25 March
- School Holiday Activities: 17 April and 26 September
- Citizenship Ceremonies: 19 September, 26 January, 19 June

#### Supported Community-Run Events

The Shire of Gingin continues to support a range of community-run events through financial contribution (community grants) and/or staff in-kind support.

Examples of 2017-18 events included:

- |  |   |
|--|---|
| • Lancelin Ocean Classic               | • Gingin CRC Easter Hunt in the Park    |
| • John Bray Junior Fishing Competition | • Seabird Gala Day                      |
| • Gingin British Car Day               | • Gingin Science Festival               |
| • Lancelin P & C Monster Fête          | • Brand to Brand Community Litter Drive |
| • Gingin ANZAC Day Ceremony            | • Garage Sale Trail                     |
| • Ledge Point Sandcastle Competition   | • Neergabby Fireworks Night             |
| • Guilderton Music in the Park         | • Woodridge Spring Fair                 |
| • Lancelin CWA Easter Fair             | • Ledge Point Polocrosse                |
| • Gingin CRC Arts in the Park          | • Gingin Carols in the Park             |

### Event Applications

Staff facilitate the review of event applications across the Shire of Gingin, with the peak season being from September to April. Each year an increasing number of event applications are received for a range of private and public events, including celebratory and community events and filming activities - all of which contribute to the Shire of Gingin being a vibrant place to live.

## Community Development

### Club Development

The Shire of Gingin has supported 80% of its Incorporated Associations with updating their constitutions and has developed a Constitutional Resource folder for 13 sports. Additional resources and support for all community groups and events was delivered via monthly Club and Community newsletters with subscriptions increasing by 47%. To support clubs with succession planning a management and legal documents folder was developed for 31 clubs. In recognition of the success of the Shire of Gingin Club Development Scheme, the Department of Local Government, Sport and Cultural Industries contracted the Shire to develop a Club Sustainability Plan for Wheatbelt local governments.

### Community Capacity Building Workshops

The Shire of Gingin introduced the Planning for Action '*Communities Making a Difference Workshop Series*' with the first grant information session held in October 2017 in partnership with Bendigo Bank Gingin and Lancelin Branches, Lancelin CRC and Gingin CRC. Following the success of this event two more grant information sessions and two project planning workshops were held in February 2018 which were both coordinated, designed and delivered by the CSE team. A total of 33 participants were spread across all four activities. The participants rated an increase of more than 110% in skills, knowledge and confidence, and the sessions were highly recommended by all. The timing of these activities coincided with the Shire's Community Grant rounds. In addition, two volunteer management workshops were provided on invitation by Volunteering WA Northam in Lancelin and Gingin.

### Community Grants

The role of the CSE team includes answering community grant questions, providing support with applications, preparing assessment information for Council review, and overseeing grant correspondence and acquittals. The mid-year grants resulted in nine applications requesting a total of \$14,300 (ex. GST) of which seven were successful. The total number of community grant applications received for the 2017-18 financial period was 53 for a total of \$322,984 with allocated funding.

Staff have also acquitted several external grants for the Shire.

### Community Projects

Support was provided to several partnered community projects including NAIDOC school holiday activities with DADAA, and Seabird Rehabilitation Project 2 with Seabird Progress Association. Support was also provided to the Gingin and Lancelin Community Car volunteers (overseen by the Gingin Care Group and Lancelin Lions Club) including simplifying forms and processes based on the volunteers' feedback.

## Community Infrastructure

Staff assisted and liaised with and on behalf of the community on various infrastructure projects.

### Signage

Three signage projects were progressed which resulted in several set-backs due to the complexities of data required and external factors. The first project was the reproduction of the map and community/historical signs at Neergabby and involved working closely with the North Stock Route Working Group. The second was a community initiated project and involved the design of content and maps of four large information signs and two paddleboards to be located along the Lancelin coast. The Neergabby and Lancelin signs project will be installed in the 2018-19 financial year. The third signage project, in partnership with four State government departments, four coastal community associations, and St John Ambulance Lancelin, is the implementation of the Beach Emergency Number (BEN) Sign Program. This program, which is still in progress, is designed to improve emergency response by installing signs along the Shire of Gingin coast (70 kms) with a unique code at beach access point. These signs provide emergency service personnel with specific location information in the event of an incident on the coast.

### Aged Accommodation

The Shire of Gingin offers affordable Aged Accommodation in our regional centres: Lancelin (11 units) and Gingin (4 units). This accommodation is perfect for independent seniors downsizing and wanting to still live locally. This financial year air conditioners were installed in the Lancelin units. All of these units are currently occupied.

### Lease Agreements

Throughout the year, Community Services staff liaise with community groups and enterprises to formalise occupation of a number of Shire premises. In 2017-18 eight leases were endorsed by Council. Community leases are negotiated in a standard lease format for a term of two years, with a further two year option.

## Planning and Development

### Youth Strategy

In 2017-18 the CSE team commenced development of a Youth Strategy with support from various stakeholders including the Gingin District High School, the School's Youthcare Chaplain and Bendigo Bank. Research included consulting with 166 young people aged from 12 to 24 years within the Shire of Gingin. Strategies were developed under the five key headings of Education Training and Employment, Community Support and Health Services, Leisure Recreation and Social Life, Housing and Transport, and Engagement and Communications. A comprehensive report including a five year action plan will be presented to Council in 2018-19.

### Reconciliation Action Plan

Working with the Yued Nyoongar Elders, a contracted consultant and Shire staff, the RAP draft was reviewed in 2017-18 with a number of amendments made. RAP projects were also initiated in the 2017-18 period including preparations for a NAIDOC Week display and the relocation of the Guilderton Yued plaque.

### Trails Master Plan

In 2017-18 staff commenced development of a Trails Master Plan, to include a period of a community consultation. This is expected to be finalised and presented to Council in the 2018-19 financial year.

### Continuous Improvements

A number of service area processes were reviewed and updated based on staff and/or community/stakeholder feedback. This included the community grants applications and guidelines, community group/club lease agreements, and the introduction of the Project Enquiry form on the Shire's website to request new fixed infrastructure and/or additions/ amendments or improvements for existing fixed infrastructure owned or managed by the Shire of Gingin. In addition, an annual Service Plan was developed for the CSE team to assist with planning and resourcing annual deliverables as well as for service delivery evaluation and improvement.

### Recovery Coordination

The Coordinator Community Development and Services and Community Development Officer share the Recovery Coordinator function at the Shire of Gingin, with both officers attending two-day training as new to the role. Influenced by the experience of the Waroona Shire President and the training content, they and the Shire's Acting Community Emergency Services Manager contacted the neighbouring Shires of Dandaragan, Moora and Chittering to discuss the prospect of partnering in a recovery awareness presentation specifically aimed at Elected Members, Staff and the Local Emergency Management Advisory Committees.

They also attended Local Emergency Management Advisory Committee meetings, and coordinated and participated in a regional Emergency Management risk planning workshop.

## Record Keeping

The *State Records Act 2000* requires all government organisations to include in their Annual Report a statement on their compliance with their Record Keeping Plan. All employees of the Shire of Gingin are legally required to comply with the contents of this Plan. Reviews of the Record Keeping Plan are required to be carried out not less than once every five years. The efficiency and effectiveness of the Shire's Record keeping procedures was reviewed during 2017-18 and a revised Record Keeping Plan was submitted to the State Records Commission (RKP 2017016). The review confirmed that the Shire's procedures are compliant, and approval was received from the State Records Commission on 24 October 2017. The next review is scheduled for 2022.

The Shire of Gingin's electronic management system, SynergySoft Central Records, enables reliable, secure recording of and access to documents. Records Officers appraise, retain and dispose of records in accordance with the General Disposal Authority for Local Government Records. The Synergy customer service module enables the recording and response details of all customer service requests received by telephone, electronic mail and hard copy correspondence.

Every new employee who is required to use the record keeping/information management system must attend a records induction training session at commencement of duties. The induction sessions are delivered by experienced Records Officers. Further training is available to all officers on a one-to-one basis. Compulsory, in-house record keeping training sessions are held for all employees to ensure sound understanding and awareness of record keeping responsibilities. Responsibilities of records management of electronic communications are included in the Shire of Gingin's Operational Policy Manual. Records Officers also attend external training.

The Shire of Gingin will continue to work towards improving record keeping practises and electronic document management, aiming to reduce the use and storage of paper records.

## Freedom of Information

Under the *Freedom of Information Act 1982 (FOI)*, the Shire of Gingin provides the public with access to Council documents upon request. An Application for Access to Documents form is available on the Shire's website or in hard copy. More detailed information on FOI is contained in the Shire's Freedom of Information Statement which is available on its website.

During 2017-18 the Shire received six Freedom of Information requests.

## National Competition Policy and Competitive Neutrality (Under CPA)

The Competition Principles Agreement (CPA) is a contractual agreement between Federal Government and all States and Territory Governments. The CPA aims to ensure all public enterprises operate in a transparent manner and in the best interests of the public. Under the CPA, public enterprises are required to review their operations to ensure they have no competitive advantages or disadvantages as a result of their public status.

### Competitive Neutrality

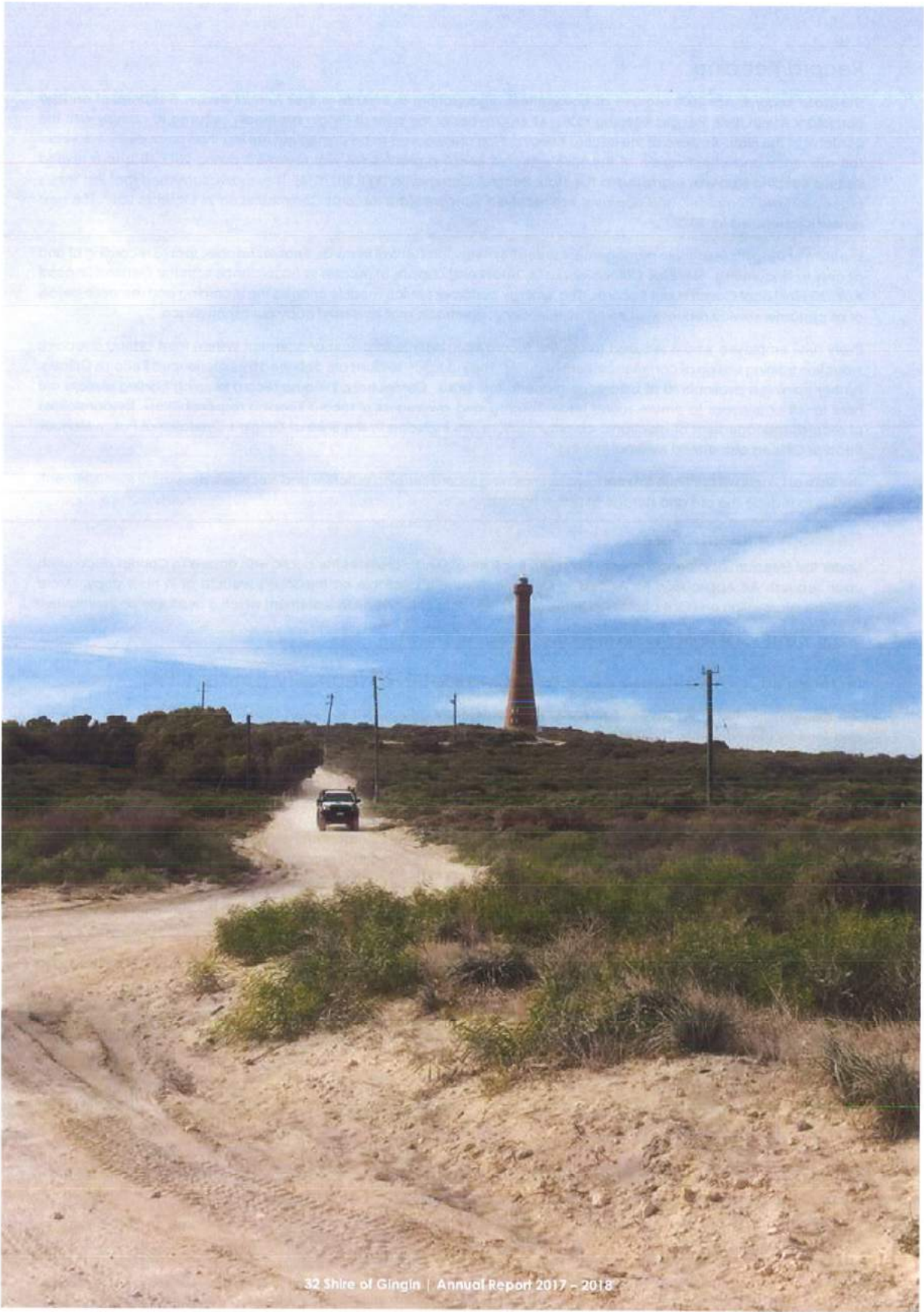
During 2017-18 the Shire of Gingin met its obligations under the National Competition Policy. Competitive neutrality addresses the potential advantages and disadvantages the Shire would have as a public enterprise compared to businesses operating within the private sector.

Local government is only required to implement these principles to the extent that the benefits far outweigh the costs with respect to individual activities exceeding \$500,000 in income.

Listed below are all activities provided by the Shire through an open tendering process that would fall within the definition of the CPA:

1. Provision of Tender for the operation of Guilderton Caravan Park contracted to Mr Geoffrey Liddelow.
2. Domestic waste collection, and collection of waste with parks and reserves, contracted to Avon Waste.





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## Operations - Construction

### Road Construction

In 2017-18 the Shire of Gingin spent \$3.233 million on road construction projects. Some of the major capital roadworks programs undertaken were:

• Gingin Brook Road (reconstruct road, widen road width and widen seal to 8m)	\$972,621
• Walker Avenue (widen road, kerb and asphalt)	\$223,818
• Red Gully Road (resheet gravel road)	\$408,344
• Dewar Road/ Weld Street and Brockman Street intersection (upgrade works)	\$242,815
• Ashby Road (reseal sealed road)	\$93,891
• McHavloe Drive drainage (install revetment to stop erosion)	\$137,504
• Military Road (install centre line marking)	\$18,310

To assist with the road construction program for 2017-18 funding was received from the following areas:

• State Government (Regional Road Group and Direct Grant)	\$767,119
• Roads to Recovery (Federal Government) – various roads	\$798,547
• State Black Spot (State Government)	\$78,015

The Federal Government funded local governments in 2017-18 through the Roads to Recovery Program. This funding was used to renew local road assets by resheeting Fynes Road, replacing an old wooden bridge on Murray Road with culverts, reseal and asphalt on Seabird Road, resheet Ferguson Road, Walker Avenue widening, and asphalt works and resheeting on Red Gully Road.

The Shire has been working with State Government agencies, Main Roads WA and local agricultural lime producers regarding the movement of heavy haulage vehicles moving through the Shire of Gingin. This includes working on a long term strategy for the heavy haulage vehicles on the Shire's roads for agricultural lime cartage.

The Shire of Gingin is continually looking for ways to increase the quantity and standard of work completed to ensure the roads assets are renewed and upgraded in a sustainable manner. The Shire is upgrading the major sealed roads connecting the Shire to other regions in a progressive manner to ensure these road assets are able to withstand current and projected future traffic volumes.

### Road Maintenance

The Shire of Gingin not only constructs roads and drains but maintains these assets so that the public can continue to utilise this infrastructure safely. The Shire of Gingin has 923km of roads with 494km of sealed roads and 429km of unsealed roads spread over 3,325km<sup>2</sup>. In the 2017-18 financial year the Shire spent approximately \$2.653 million on maintaining the Shire's road associated assets, including the following areas:

• General Maintenance – Sealed Roads	\$765,138 (4% decrease from 2016-17)
• General Maintenance – Gravel Roads	\$868,437 (8% increase from 2016-17)
• Verge Maintenance	\$516,865 (8% decrease from 2016-17)
• Traffic Signs and Equipment	\$103,725 (91% increase from 2016/17)



The Shire's road associated assets are continually deteriorating and require increased maintenance annually. The Shire of Gingin endeavours to maintain its assets to the highest standards with the funds and resources at its disposal, ensuring funds are spent as efficiently as possible. There was a marked increase in unsealed road maintenance expenditure due to the increased heavy traffic utilising the Shire's unsealed roads in association with an ever-intensifying and diversifying agricultural and horticultural industry. The biggest mover percentage-wise was traffic signs, indicating that the Shire is having to replace many non-reflective signs across the Shire to ensure safety for all road users.

### Staffing Movements

Owing to an organisational restructure in 2017-18, town maintenance staff (Upper Coastal, Lower Coastal and Gingin) were moved from Operations to a new division - Assets. As a result, there was no longer a requirement for an Operations Manager and an additional 0.5 full-time employee was added to the Operations Department for operational support to assist with administrative workload.

### Plant & Machinery Replacement

In 2017-18 the Shire of Gingin replaced a number of items of plant to assist with the completion of its Works Program and maintain a sustainable and economic fleet. The Shire spent a total of \$393,635 on purchasing plant and machinery. The major items of new plant purchased in 2017-18 were:

• Front End Loader	\$313,000
• Kanga Loader and Trailer	\$51,997

The 2017-18 financial year was quite lean for the replacement of plant in comparison to previous years, so a transfer of \$467,682 was made to the Plant and Equipment Reserve to assist with future plant and equipment purchases.





## Planning & Development

### Strategic Planning & Development

#### Guilderton Caravan Park

The Guilderton Caravan Park continues to attract tourists and continues to operate at maximum capacity over the summer months and long weekends. Significant investment to the park includes ongoing chalet refurbishment and the installation of limestone retaining walls at the site.

#### Coastal Hazard Risk Management and Adaptation Plan (CHRMAP)

Cardno was awarded grant funding provided primarily by the Department of Planning, Lands and Heritage to continue with the preparation of the Shire of Gingin CHRMAP process. The CHRMAP is a requirement imposed by State Government under the Western Australian Planning Commission State Planning Policy 2.6 for Coastal Development which requires local governments to undertake assessment of its coastal zones. In April 2018, all ratepayers of Guilderton, Seabird, Ledge Point and Lancelin were sent an invitation to a Community Engagement Session in Lancelin to further discuss the draft CHRMAP and provide feedback. The CHRMAP is expected to be finalised in 2018-19 financial year.

#### Shire of Gingin Heritage List

In accordance with provisions in the *Planning and Development Act 2005* the Shire has prepared a Heritage List. The Heritage List is a register of important heritage properties in the Shire which will assist with the documentation and, if applicable, the preservation of those sites. Laura Gray, a heritage consultant, was engaged to assist with the process and the list was completed in October 2017.

#### Seabird Tourist Development

Scheme Amendment No.16 to Local Planning Scheme No.9 for the rezoning of Lot 2 at Breton Bay from a General Rural Zone to a Tourist Precinct was approved by the Hon Minister for Planning, Lands and Heritage on 6 April 2018 and was published in the Government Gazette on 15 May 2018.

The landowners propose to develop a caravan park, strata survey lots and a resort at the site adjacent to the coast.

#### Scheme Amendment to Shire of Gingin Local Planning Scheme No.9 – Scheme Amendment No. 20

The Shire received Scheme Amendment No.20 in June 2018 which proposes to introduce the additional land use of 'Resource Recovery Centre (premises other than a waste facility) used for the recovery of resources from waste' at Lot 39 (56) Hoy Road, Coonabidgee.



## Ranger Services

Shire Rangers are involved with community education, awareness and enforcement of various legislation, which include the Dog Act 1976, Local Government Act 1995 (sections 3.39, 9.11, 9.13, 9.15, 9.16), Bushfires Act – Fire Control Officer, Litter Act, Control of Vehicles (Off-Road Areas) Act, and the Shire's local laws.

Within the 2017-18 period, Rangers issued the following infringements:

Infringement Type	Number issued 2017-18
Fire	113
Camping	72
Dog	77
Cal	22
Litter	9
Off-Road Vehicle	6
Parking	505
Other	1

## Guilderton Foreshore Paid Parking

In July 2017 the Shire of Gingin Council resolved to implement paid parking at the Guilderton Foreshore and in March 2018 parking meters were installed on Foreshore River Reserve. The decision to introduce paid parking was made to help mitigate considerable congestion issues at the Foreshore during peak periods and meet increasing maintenance costs during these times. The Shire of Gingin community was invited to have their say on the issue via survey. Of the 139 valid responses received, 101 were in favour of paid parking.

Two free parking passes are issued to all Shire ratepayers with the annual rates notice mailout.

## Environmental (Public) Health

The Environmental (Public) Health section's priorities are to administer public and environmental health legislation, policy and best practice measures in the community. It delivers its service in accordance with legislation, community needs and expectations in a progressive and efficient manner, in the expectation that public health will be preserved and improved. This is supported by the vision, mission and values of the Shire's Strategic Community Plan.

### Overview of Local Government Reporting

The *Public Health Act 2016* requires a local government to report on:

1. The performance of its functions under the Act and
2. Any proceedings for an offence undertaken under the Act.

### Performance of Functions

As the main enforcement agency of the *Public Health Act 2016*, local governments will be required to report to the Chief Health Officer on their performance of functions under this Act.

Strategies that best support the Shire's activities and direction from the Health Department are:

- Reduce unnecessary barriers to new business and for the success of local business.
- Create opportunities for and access to social participation and inclusion in support of community health and wellbeing.
- Seek and implement best options for waste management and water usage.
- Provide education and communication on leading practices to the community.
- Focus on improved customer service, communication and consultation with government instrumentalities and primary producers.



## Lines of Business

- Food Safety – I'm Alert food programme, investigation into food recalls and nationwide food investigations.
- Health Premises – food premises, residential, public buildings.
- Water Safety – recreational waters, public pools.
- Environmental Concerns – noise, air quality, asbestos.
- Disease Prevention – support to the HDWA by investigation into the increase of Salmonellosis.
- Waste Management – ensure compliance with licence conditions.
- Event Management – ensure public safety at events.
- Health Promotion – commence the community health requirements of the new *Public Health Act 2016*.
- Customer Service – maintain good customer relations.

The table below is a snapshot of core functions and number of actions taken by the Shire's Environmental Health Officer during 2017-18:

Health Program	Statutory Function	Number
Safe accommodation	Lodging houses, caravan parks and public buildings	25
Safe Food	Food premises and temporary food stalls; and	82
	Food sampling and food recalls	83
Safe Events	Event and festival compliance and public safety	33
Safe Disposal of Effluent	On-site effluent disposal and grey water re-use and ATUs	75
Disease Control	Food poisoning investigations and notifiable diseases	3
Pollution Compliance	Environmental nuisances, community noise and environmental pollution	12

## Free Online &amp; Interactive Food Safety Training – I'M ALERT Food Safety.

This training program assists food business managers in ensuring all staff are trained in this important area and thereby reducing any risk of food borne illness resulting from poor food handling practices. This will remain a high priority for the Shire's Health Services in order that more food handlers participate in the training program in the 2018-19 financial year, with a particular focus on community organisations and volunteer food stalls.

Milestone reached in 2017: 100 Certificates of Completion issued since commencement of programme in 2015.

## Environmental Water Monitoring 2017-18

The Shire participated in the Health Department WA Recreational Water Sampling (Bacteriological) Programme, during the period November 2017 – February 2018. Whilst the sampling programme provides valuable information into the health of rivers being tested, it is also recognised that normal environmental conditions are essential for gauging the true health of the river.

Signage erected at prominent locations along the Moore River in the previous season advising the community of the dangers of water borne disease remain in place.

## Stable Fly Complaints 2017-18

During 2017-18, the Shire received a total of 192 Stable Fly complaints. Officers from the Shire and DAFWA have maintained a vigilant approach to monitoring and pursuing complaints from the community. The Shire, after lobbying the Department of Primary Industries and Regional Development (DPIRD), has been successful in providing a centralised reporting mechanism for all residents.

## Statutory Planning

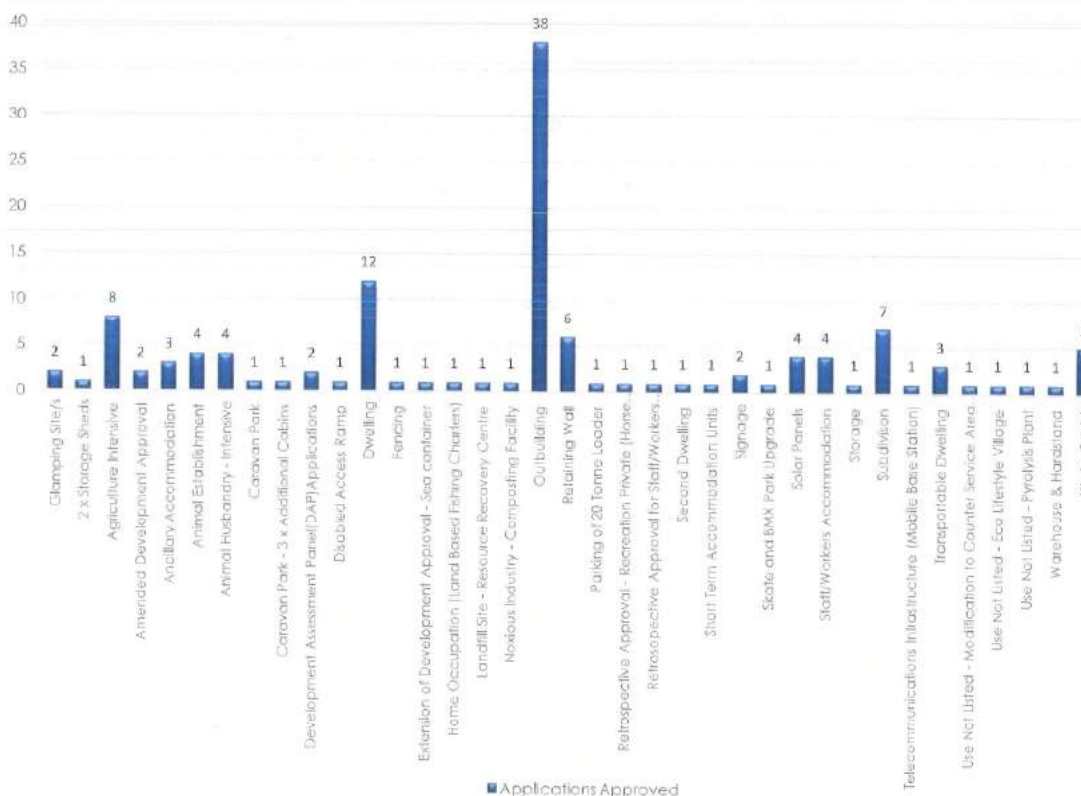
The Shire of Gingin's Statutory Planning Department, otherwise known as 'town planning', regulates land use and development throughout the Shire. Planning legislation, policy and statutory processes guide decisions that shape local communities to provide a high level of amenity expected by residents.

There are two key components to the planning department:

1. Strategic planning, which focuses on the big picture and sets a framework for future development of towns and regions, to effectively guide land supply, land use, and urban and regional development.
2. Statutory planning, which is guided by legislation and concerns the day-to-day decision making on applications for development approval and subdivision.

During 2017-18, the Statutory Planning Department received 143 applications for development approval varying from small scale patios to large scale agriculture intensive activities. Part of the Planning Department's role is to enforce the provisions of Local Planning Scheme No. 9 which at times requires notices to be issued on landowners who commence development without receiving the required approvals. This, unfortunately, is not a rare occurrence.

## Development Applications Approved 1 July 2017 - 30 June 2018











## Assets

### Asset Management

Asset management can be defined as the sustainable provision of infrastructure to meet a particular level of service. It requires short to long term planning for the renewal, replacement, maintenance and upgrading of infrastructure given community expectations, budgets and staffing.

During the 2017-18 financial year, the Assets Department engaged contractors to undertake condition inspections of all the Shire's parks and open space infrastructure. This detail will be utilised for funding applications, maintenance planning and renewal projects. Additionally waste management plans were commenced and are estimated to be completed during the 2018-19 financial year to help inform the long term planning of our landfills. Finally, we arranged for a series of training workshops with staff to improve the overall asset management capability within the Shire. The future outcome will be to create asset management plans for all infrastructure and moving towards a rational, data-driven approach to infrastructure service provision.

### Structure & Staffing

2017-18 saw an organisational restructure across the Shire leading to the creation of the Assets Department and a new position, Executive Manager Assets. This position and department are responsible for the following services provided by the Shire:

- Open Space and Building Maintenance
- Disability Access and Inclusion
- Building Services
- Asset Management
- Waste Management and Recycling
- Customer Service Requests
- Project Management of Infrastructure (excluding roads)

The Executive Manager Assets position formally commenced in September 2017, and includes the management of seven full-time employees and six part-time employees.

During the year, a civil engineering internship programme was implemented to provide civil engineering students an opportunity to work in an unpaid placement under the mentorship of the Executive Manager Assets. The Shire benefits with the additional staffing resources, as the student undertakes civil infrastructure and maintenance projects for a period of 12 weeks full time (or longer if completed part time). The student also benefits as they obtain the practical experience necessary to graduate and further their career. Advertisements were placed on university career websites, social media and the Shire's website without cost (excluding staff time). For each advertisement, 25 and 9 applications were received and upon completion of the internships, the students have proven themselves capable, earning part-time temporary contracts at the Shire.





### Public Open Space and Building Maintenance

The Shire has numerous areas of public open space (parks, gardens, beaches and foreshores) and buildings to maintain covering five town sites and six rural living areas. Expenditure on public open spaces and buildings for significant locations during 2017-18 included:

Infrastructure	Amount \$
Gingin Recreation Ground	105,899
Ledge Point Recreation Ground	69,485
Guilderton Foreshore	56,998
Woodridge Recreation Ground	32,404
Lancelin Recreation Ground	49,473
Guilderton Foreshore Boardwalk	3,464
Haran St Building Maintenance (Lions Men's Shed)	3,131
Gingin Medical Ctr Maintenance	13,678
Gingin Sale Yards Maintenance	4,833
Pool Gardens Maintenance	6,706
Ledge Point Foreshore	17,980
Seabird Foreshore	9,531
Roman - Annual Maintenance	6,713
Seabird Recreation Ground	15,254
Red Cross Building Maintenance	408
Old Granville Building	1,688
Ablution Block - Woodridge Recreation Complex	90
Gingin CWA Building Lot 134 Constable Street	15,484
Neergabby Rec Ground Building Maintenance	160
Gingin Recreation Centre	9,948
Ablution Block - Guilderton Foreshore	3,788
Lancelin Foreshore	1,183
Playground Repairs/Maintenance	4,260
Shire Office Building Maintenance	65,074
<b>TOTAL</b>	<b>497,644</b>

Expenditure on maintenance of the Shire's assets includes staff time and contractor costs, with the most significant contractor cost being the turf maintenance contract.

### Disability Access and Inclusion

The Shire is committed to furthering the principles and objectives of the *Disability Services Act 1993* with a particular focus on the outcomes identified in the *Disability Services Regulations*. The guiding principle is inclusion for all people. The Shire's Disability Access and Inclusion Plan was last reviewed in the 2017-18 financial year and includes 10 strategies of which nine have been implemented and considered effective.

### Building Approvals

During 2017-18, the Shire issued 213 building and demolition approvals with an estimated value of \$16.8 million. The Shire also issued 24 permits for the installation of septic tanks. These figures, and a comparison with those from 2016-17, are summarised below.

Year	2016-17	2017-18	Change	%Change
Number Building/Demolition Approvals	234	213	-21	-9%
Value Building/Demolition Approvals (\$million)	21.1	16.8	-4.3	-20%
Septic tank Permits	53	24	-29	-55%

The overall quantum and dollar value of building, demolition and septic tank permits significantly reduced in the 2017-18 year. However, it is anticipated that demand for building approvals will increase due to the continued growth of the Shire's population, construction of the Northlink WA project at Muchea and continued developer interest.



### Recycling and Waste Management

The Shire owns and operates three landfill facilities in Gingin, Seabird and Lancelin through contractor management. Ratepayers are sent an annual tip pass entitling them to free tipping for small vehicles and trailers. During 2017-18 the Department of Water and Environmental Regulation (DWER) made several visits to the Shire's landfill sites with the specific purpose of ensuring compliance with the Shire's licence conditions.

During the 2017-18 year the Shire recycled:

Material	Quantity	Unit
Metal	7	T
Glass	7.5	T
Paper/Cardboard	42.3	T
HDEP Plastic	2	T
Plastic Film	28	T
PET Plastic	1.4	T
Batteries	11.3	T
Aluminium	6.7	T
Non Ferrous Metals	6.7	T
Oil	13	kL
Cars	16	T
Drum Muster	3859	Containers

In October and November of 2017-18, the Shire arranged for a kerbside green waste pickup allowing households to leave up to 5m³ of green waste on the verge. The uptake was reasonable, with Guilderton and Lancelin being the primary users of the service. The table below outlines the number of collections, number of non-compliant piles and the resulting amount of mulch that was generated.

Town	Dates 2017	N# of Collections	N# of Non-Compliant Piles	Mulch (m³)
GINGIN	16 Oct	34	2	30
WOODRIDGE	17-18 Oct	60	2	66
SOVEREIGN HILL	19 Oct	52	1	55
GUILDERTON	23-25 Oct	128	7	154
REDFIELD PARK	26 Oct	19	0	18
SEABIRD	26 Oct	13	0	11
LEDGE POINT	27 Oct	71	4	88
LANCELIN	31-2 Nov	133	5	187
SEAVIEW PARK	3 Nov	22	2	22
OCEAN FARM & SUNSET PARK	3 Nov	23	0	22
<b>TOTAL</b>		<b>555</b>	<b>23</b>	<b>653</b>

## Project Management of Infrastructure (Excluding Roads)

The Assets Department is responsible for the successful delivery of building, public open space and community related infrastructure projects. We follow the PMBOK (project management body of knowledge) principles as a framework to inform the delivery. The following table provides a summary of the key projects that were delivered in the shortened period of 9 months since commencement of the Executive Manager Assets role. All projects were completed and, where variances occurred, these were funded through savings on other projects.

Location	Project Name	Scope	Budget (Ex GST)	Actual (Ex GST)	Variance (Ex GST)
Gingin	Bowls Club Access Ramp	To construct a new disability friendly access ramp	\$48,500	\$33,430	\$15,070
Gingin	CWA Building Repairs	Structural repairs of the CWA building, including ceilings, electrical, plastering and painting	\$25,000	\$12,065	\$12,934
Gingin	Golf Clubhouse Roof	Remove the existing asbestos roof and replace with a new Zincalume option	\$9,488	\$9,488	\$0
Gingin	Medical Centre air conditioners	Replacement of ageing air conditioners	\$10,000	\$7,000	\$3,000
Gingin	Office Backup Generator	Replacement of the non-functioning generator	\$29,000	\$29,964	-\$964
Gingin	Recreation Centre Ceilings	Replacement of the deflecting ceilings with new LED lighting	\$37,000	\$20,453	\$16,547
Gingin	Tip Fence	Replacement of a section of damaged/corroded fencing	\$7,000	\$5,940	\$1,060
Guilderton	Caravan Park Solar Panels	Installation of solar panels atop the ablution block	\$34,990	\$37,308	-\$2,318
Guilderton	Information Bay	Installation of new panels and limestone earthworks	\$28,000	\$15,999	\$12,001
Guilderton	Top Boardwalk Deck Replacement	Replacement of the deck extending between the carpark and gazebo and repairs due to erosion	\$36,000	\$36,208	-\$208
Lancelin	Wangaree Basketball Court	Construction of a new basketball court, pole, ring and backboard	\$15,000	\$17,013	-\$2,013
Lancelin	Golf Course Reticulation Expansion	Provision of funding for the Lancelin Sporting Complex to extend the reticulation on the golf course	\$60,000	\$60,000	\$0
Lancelin	Harold Park Playground	Replacement of the existing playground at Harold Park with a corrosion resistant alternative	\$36,772	\$37,124	-\$352
Lancelin	Hinchcliffe Lookout Boardwalk	Construction of a new boardwalk, steps and deck replacement	\$160,000	\$160,212	-\$212
Lancelin	Aged Units Air-conditioning	Replacement of ageing air conditioners	\$36,572	\$24,681	\$11,891
Lancelin	Skate and BMX Park	Construction of a new pump track, concrete ramps and jumps	\$126,000	\$134,495	-\$8,495
Nilgen	New Fire Shed	Construction of a new fire shed	\$110,000	\$142,526	-\$32,526
Woodridge	Landscaping	Installation of boulders, rocks and landscaping around the existing pond at the recreation ground	\$6,500	\$5,500	\$1,000
<b>TOTAL</b>			<b>\$815,822</b>	<b>\$789,408</b>	<b>\$26,413</b>



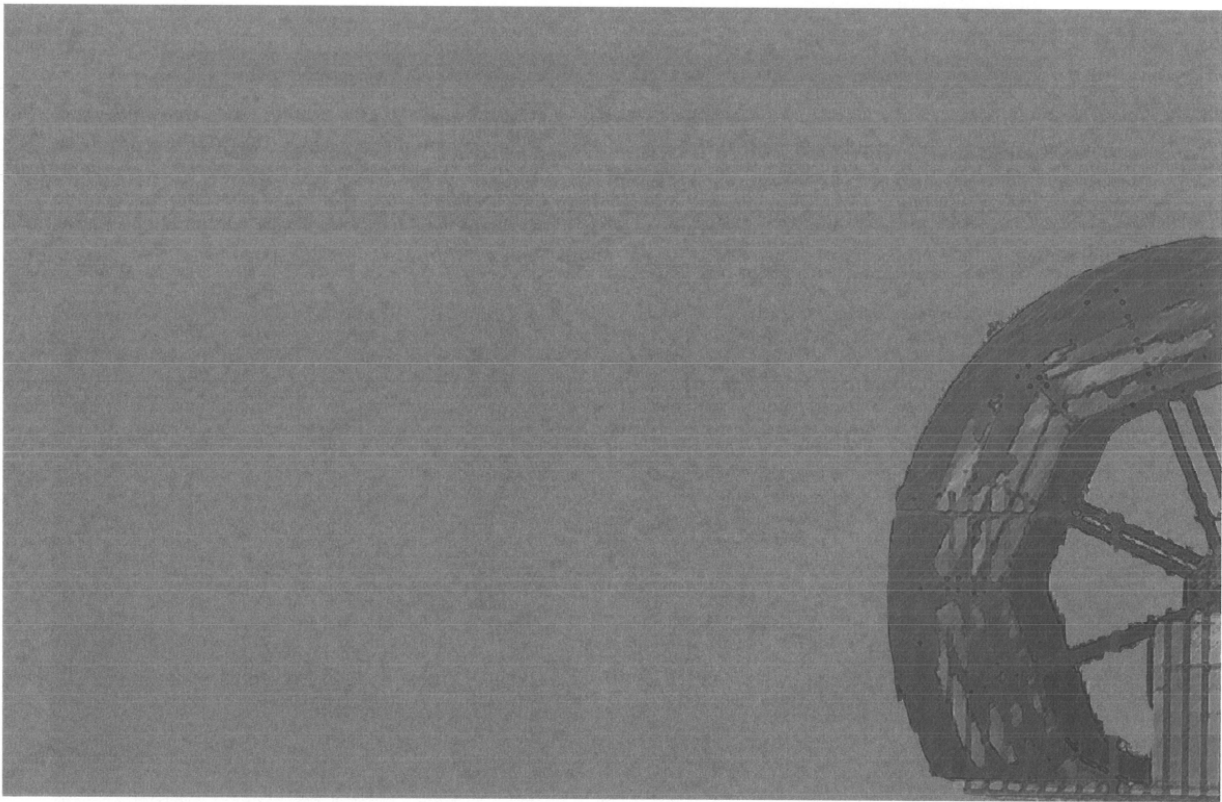
### Customer Service Requests

The Shire receives and responds to calls and emails relating to building approvals, open space and building maintenance, waste management, project management and asset management of civil infrastructure. The following table outlines the number of customer service requests received by staff within the Assets Department. A total of 393 were received, of which 304 required further investigation and responses. Importantly, these statistics do not capture requests of an urgent nature where response times do not allow for recording. Similarly, if customer requests are received through other mediums, then they are not captured, meaning the statistics under-estimate the total amount of requests received.

Responsible Officer	No further action	Responded to	Grand Total
Manager Building Services	5	15	20
Executive Manager Assets	30	63	93
Civil Engineering Student 1	13		13
Personal Assistant to EMA	39	224	263
Civil Engineering Student 2	2	2	4
<b>Grand Total</b>	<b>89</b>	<b>304</b>	<b>393</b>

During the 2017-18 financial year, a new process was rolled out to streamline Assets customer service. Advice was provided to community groups to email and/or call the Shire in the first instance if they were requesting works. Previously, some requests would be received through direct email via other departments or word of mouth, resulting in inaction. The new process centralised the receipt of this information allowing administrative staff to allocate requests to the relevant maintenance officers for review. This has led to a decrease in response times. It also allows the Shire to track work and produce statistics like the above.







# Financial Report

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**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 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 twelfth day of December 2018.



Aaron Cook  
Chief Executive Officer

**STATEMENT OF COMPREHENSIVE INCOME**  
**BY NATURE OR TYPE**  
**FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	2018 Actual \$	2018 Budget \$	2017 Actual \$
<b>Revenue</b>				
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
<b>Expenses</b>				
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
<b>Net result</b>		<b>(564,554)</b>	<b>97,958</b>	<b>1,680,740</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	10	41,893,518	0	1,363,794
<b>Total other comprehensive income</b>		<b>41,893,518</b>	<b>0</b>	<b>1,363,794</b>
<b>Total comprehensive income</b>		<b>41,328,964</b>	<b>97,958</b>	<b>3,044,534</b>

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 \$
<b>Revenue</b>	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
		<u>14,805,939</u>	<u>13,926,873</u>	<u>15,737,628</u>
<b>Expenses</b>	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)
		<u>(16,826,097)</u>	<u>(15,777,918)</u>	<u>(16,211,114)</u>
<b>Finance Costs</b>	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)
		<u>(139,798)</u>	<u>(140,556)</u>	<u>(146,964)</u>
		<u>(2,159,956)</u>	<u>(1,991,601)</u>	<u>(620,450)</u>
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
<b>Net result</b>		<b>(564,554)</b>	<b>97,958</b>	<b>1,680,740</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	10	41,893,518	0	1,363,794
<b>Total other comprehensive income</b>		<b>41,893,518</b>	<b>0</b>	<b>1,363,794</b>
<b>Total comprehensive income</b>		<b>41,328,964</b>	<b>97,958</b>	<b>3,044,534</b>

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 \$
<b>CURRENT ASSETS</b>			
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
<b>TOTAL CURRENT ASSETS</b>		<b>6,308,950</b>	<b>7,321,896</b>
<b>NON-CURRENT ASSETS</b>			
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
<b>TOTAL NON-CURRENT ASSETS</b>		<b>196,285,204</b>	<b>154,587,759</b>
<b>TOTAL ASSETS</b>		<b>202,594,154</b>	<b>161,909,655</b>
<b>CURRENT LIABILITIES</b>			
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
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,724,000</b>	<b>2,226,015</b>
<b>NON-CURRENT LIABILITIES</b>			
Long term borrowings	12(a)	2,177,844	2,202,180
Provisions	13	144,383	262,497
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>2,322,227</b>	<b>2,464,677</b>
<b>TOTAL LIABILITIES</b>		<b>4,046,227</b>	<b>4,690,692</b>
<b>NET ASSETS</b>		<b>198,547,927</b>	<b>157,218,963</b>
<b>EQUITY</b>			
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
<b>TOTAL EQUITY</b>		<b>198,547,927</b>	<b>157,218,963</b>

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
		\$	\$	\$	\$
<b>Balance as at 1 July 2016</b>		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
<b>Balance as at 30 June 2017</b>		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
<b>Balance as at 30 June 2018</b>		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
		\$	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
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
<b>Payments</b>				
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)
<b>Net cash provided by (used in) operating activities</b>	14	2,553,469	2,955,458	4,524,667
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
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
<b>Net cash provided by (used in) investment activities</b>		(3,412,913)	(5,455,458)	(4,296,934)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
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
<b>Net cash provided by (used in) financing activities</b>		(19,586)	715,164	55,900
<b>Net increase (decrease) in cash held</b>		(879,030)	(1,784,836)	283,633
Cash at beginning of year		5,234,835	5,694,755	4,951,202
<b>Cash and cash equivalents at the end of the year</b>	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
	\$	\$	\$
<b>OPERATING ACTIVITIES</b>			
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
<b>Revenue from operating activities (excluding rates)</b>			
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
<b>Expenditure from operating activities</b>			
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	(735,841)	(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)
<b>Operating activities excluded</b>			
(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
<b>Amount attributable to operating activities</b>	(2,870,567)	(3,361,061)	(672,476)
<b>INVESTING ACTIVITIES</b>			
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)	(4,802,545)
<b>Amount attributable to investing activities</b>	(3,447,672)	(5,455,458)	(4,307,555)
<b>FINANCING ACTIVITIES</b>			
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
<b>Amount attributable to financing activities</b>	(162,452)	579,737	(691,338)
<b>Surplus(deficiency) before general rates</b>	(6,480,691)	(8,236,782)	(5,671,369)
<b>Total amount raised from general rates</b>	20 7,745,098	7,760,106	7,603,161
<b>Net current assets at June 30 c/fwd - surplus</b>	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 inconsistent 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**

**Other revenue**

Reimbursements and recoveries  
 Other

	2018 Actual	2017 Actual
	\$	\$
Reimbursements and recoveries	337,618	270,184
Other	242,359	151,937
	579,977	422,121
<b>Fees and Charges</b>		
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
	\$	\$
<b>Operating grants, subsidies and contributions</b>		
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
<b>Non-operating grants, subsidies and contributions</b>		
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
<b>Total grants, subsidies and contributions</b>	<b>5,437,697</b>	<b>5,930,645</b>

#### 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

Grants, Donations and Other Contributions (Continued) 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.

#### Interest earnings

- Loans receivable - clubs/institutions  
- Reserve funds  
- Other funds  
Other interest revenue (refer note 20(c))

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
- 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**

**Auditors remuneration**

- Audit of the Annual Financial Report
- Other Services

**Interest expenses (finance costs)**

- Long term borrowings (refer Note 12(a))

**Rental charges**

- Operating leases

	2018	2017
	\$	\$
	23,822	22,987
	12,471	11,290
	36,293	34,277
	139,798	146,964
	139,798	146,964
	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**

	NOTE	2018	2017
		\$	\$
<b>3. CASH AND CASH EQUIVALENTS</b>			
Unrestricted		87,251	994,821
Reserves Restricted		3,507,648	3,330,023
Restricted Cash at Bank		760,906	909,991
		<b>4,355,805</b>	<b>5,234,835</b>
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	531,624
Guilderton Country Club Reserve	4	5,846	2,851
Unspent grants	19	760,906	909,991
		<b>4,268,554</b>	<b>4,240,014</b>

**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	382	(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	853,210	83,811	(75,000)	862,021	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	(7,296)	30,068	36,564	784	(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	14,389	(10,079)	53,292	49,002	13,624	(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
	\$	\$
<b>Current</b>		
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
<b>Non-current</b>		
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 to the impairment or otherwise of the totals of rates outstanding and sundry debtors is as follows:		
<b>Rates outstanding</b>		
Includes:		
Past due and not impaired		
1 to 5 years	298,362	235,603
more than 5 years	610,895	500,200
<b>Sundry debtors</b>		
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**

**Current**

Fuel and materials  
History books

2018	2017
\$	\$
20,505	16,714
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**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
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
	<u>16,422,000</u>	<u>16,892,000</u>
Land - vested in and under the control of Council at:		
- Independent valuation 2017 - level 3	3,823,555	3,823,555
	<u>3,823,555</u>	<u>3,823,555</u>
Total land	<u>20,245,555</u>	<u>20,715,555</u>
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	<u>(32,297)</u>	<u>0</u>
	<u>1,615,403</u>	<u>1,647,700</u>
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	<u>(475,904)</u>	<u>0</u>
	<u>23,399,028</u>	<u>23,404,900</u>
Total buildings	<u>25,014,431</u>	<u>25,052,600</u>
Total land and buildings	<u>45,259,986</u>	<u>45,768,155</u>
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	<u>(76,597)</u>	<u>(33,503)</u>
	<u>259,662</u>	<u>241,936</u>
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	<u>(1,602,461)</u>	<u>(907,275)</u>
	<u>5,627,234</u>	<u>4,977,421</u>



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)

Tools at:  
- Independent valuation 2016 - level 3  
Less: accumulated depreciation

2018	2017
\$	\$
12,900	12,900
(5,415)	(3,623)
7,485	9,277
51,154,367	50,996,789

Total property, plant and equipment

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	50,998,788
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	45,259,906	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
<b>Land and buildings</b>					
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
<b>Furniture and equipment</b>	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
<b>Plant and equipment</b>					
- 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
<b>Tools</b>	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
<b>Total infrastructure</b>	<b>144,985,455</b>	<b>103,442,072</b>

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  
FOR THE YEAR ENDED 30TH JUNE 2018

## 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
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Plant and Equipment</b>								
<b>Health</b>								
Sale of 6GG	25,168	18,182	0	(6,986)	0	0	0	0
<b>Community amenities</b>								
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
<b>Transport</b>								
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
Bostit 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	181,498	29,886	(40,828)	0	0	0	0
<b>Land and Building</b>								
Sale of Lot 20 Moolabeense 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	579,364
Furniture and equipment	44,995	33,503
Plant and equipment	856,245	1,026,489
Tools	1,702	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:

- 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
- 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) Sealed roads and streets (reducing balance)	40 Years
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) Water supply piping and drainage systems (reducing balance)	80 Years
	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  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

## 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  
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11. TRADE AND OTHER PAYABLES

Current

Sundry creditors
Accrued interest on long term borrowings
Accrued salaries and wages
ATO liabilities
Other

2018	2017
\$	\$
456,769	1,164,462
29,840	30,606
45,466	0
98,274	144,639
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		Principal 30 June 2018		Interest Repayments	
				Actual	Budget	Actual	Budget	Actual	Budget
<b>Health</b>		\$	\$	\$	\$	\$	\$	\$	\$
L 100 Gingin Medical Centre	6.51%	209,565	0	24,424	24,425	185,141	185,139	12,584	13,252
<b>Housing</b>									
L129 Aged Accommodation		0	0	0	0	0	700,000	0	0
<b>Community amenities</b>									
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	18,832	18,900	181,108	181,100	4,222	2,500
<b>Recreation and culture</b>									
L114 Guilderton Country Club	7.14%	463,497	0	28,952	28,952	434,545	434,545	32,350	32,588
L119 LP C/Club & Graville Centre	7.19%	8,446	0	8,446	8,445	0	0	390	459
L120 Regional Hardcourt Facility	6.88%	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
<b>Other property and services</b>									
L93 Lancelin Angling and Aquatic	6.62%	10,391	0	10,391	10,391	0	0	399	399
L118 Office Extensions	7.19%	18,826	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	138,225	138,663
	<b>Interest Rates</b>	<b>Principal 1 July 2017</b>	<b>New Loans</b>	<b>Principal Repayments</b>		<b>Principal 30 June 2018</b>		<b>Interest Repayments</b>	
		\$	\$	Actual	Budget	Actual	Budget	Actual	Budget
<b>Self Supporting Loans</b>									
<b>Recreation and culture</b>									
L115 Guilderton Country Club	7.17%	13,453	0	13,453	13,453	0	0	618	728
<b>Economic services</b>									
L103 Gingin Sale Yards	5.02%	12,340	0	5,987	5,987	6,353	6,353	556	654
<b>Other property and services</b>									
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	139,798	140,555

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

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		Institution	Loan Type	Term Years	Total Interest & Charges	Interest Rate	Amount (Used)		Balance Unspent
	Actual	Budget						Actual	Budget	
	\$	\$				\$	%	\$	\$	\$
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  
Credit Standby Arrangements

	2018	2017
	\$	\$
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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### 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:

	<b>2018 Actual</b>	<b>2018 Budget</b>	<b>2017 Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash and cash equivalents	4,355,805	3,909,919	5,234,835
<b>Reconciliation of Net Cash Provided By Operating Activities to Net Result</b>			
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**

**(a) Capital Expenditure Commitments**

	2018	2017
	\$	\$
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  
FOR THE YEAR ENDED 30TH JUNE 2018

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
<b>Amounts outstanding from related parties:</b>		
Trade and other receivables	20	0
<b>Amounts payable to related parties:</b>		
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 <sup>(1)</sup> 1/07/16	Received <sup>(2)</sup> 2016/17	Expended <sup>(3)</sup> 2016/17	Closing Balance <sup>(1)</sup> 30/06/17	Received <sup>(2)</sup> 2017/18	Expended <sup>(3)</sup> 2017/18	Closing Balance 30/06/18
	\$	\$	\$	\$	\$	\$	\$
<b>Governance</b>							
Shire Golf Day	0	0	0	0	818	(818)	0
<b>Law, order, public safety</b>							
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
<b>Health</b>							
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
<b>Education and welfare</b>							
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
<b>Community amenities</b>							
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  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

19. CONDITIONS OVER GRANTS/CONTRIBUTIONS (CONTINUED)

	Opening Balance <sup>(1)</sup> 1/07/16	Received <sup>(2)</sup> 2016/17	Expended <sup>(3)</sup> 2016/17	Closing Balance <sup>(1)</sup> 30/06/17	Received <sup>(2)</sup> 2017/18	Expended <sup>(3)</sup> 2017/18	Closing Balance 30/06/18
<b>Recreation and culture</b>							
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
<b>Transport</b>							
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
<b>Economic services</b>							
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
<b>Other property and services</b>							
Wheatbelt Development Commission	225,000	0	(145,000)	80,000	0	(25,000)	55,000
<b>Total</b>	<b>1,527,894</b>	<b>230,493</b>	<b>(848,396)</b>	<b>909,991</b>	<b>38,452</b>	<b>(187,537)</b>	<b>760,906</b>

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  
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FOR THE YEAR ENDED 30TH JUNE 2018

## 20. RATING INFORMATION

## (a) Rates

RATE TYPE	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 \$
<b>Differential general rate</b>												
<b>Gross rental valuations</b>												
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
<b>Unimproved valuations</b>												
UV - Rural & Other	0.004504	423	288,743,000	1,300,498	0	0	1,300,498	1,280,408	1,300,498	25,000	10,000	1,335,498
UV - Intensive	0.008448	122	65,507,000	553,403	18,529	747	572,679	573,151	553,403	0	0	553,403
<b>Sub-Total</b>		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
<b>Minimum payment</b>												
<b>Gross rental valuations</b>												
GRV - Townsites & Other	997	872	6,711,778	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
<b>Unimproved valuations</b>												
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
<b>Sub-Total</b>		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)
<b>Total amount raised from general rate</b>							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
<b>Totals</b>							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  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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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
		\$	%	%
<b>Option One</b>				
Single full payment	13 September 2017	0	0.00%	11.00%
<b>Option Two</b>				
First instalment	13 September 2017	0	5.50%	11.00%
Second instalment	15 January 2018	5	5.50%	11.00%
<b>Option Three</b>				
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%
		<b>2018</b>	<b>2018 Budget</b>	<b>2017 Actual</b>
		\$	\$	\$
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
		<b>165,382</b>	<b>147,000</b>	<b>146,266</b>

**SHIRE OF GINGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2018**

**21. NET CURRENT ASSETS**

Composition of net current assets for  
the purposes of the Rate Setting Statement

	<b>2018</b> <b>(30 June 2018</b> <b>Carried</b> <b>Forward)</b>	<b>2018</b> <b>(1 July 2017</b> <b>Brought</b> <b>Forward)</b>	<b>2017</b> <b>(30 June 2017</b> <b>Carried</b> <b>Forward)</b>
	\$	\$	\$
<b>Surplus 1 July 17 brought forward</b>	1,264,407	1,931,792	1,931,792
<b>CURRENT ASSETS</b>			
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
<b>LESS: CURRENT LIABILITIES</b>			
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)
<b>Unadjusted net current assets</b>	4,584,950	5,095,881	5,095,881
<b>Adjustments</b>			
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
<b>Adjusted net current assets - surplus</b>	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**  
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**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
	\$	\$	\$	\$
<b>Financial assets</b>				
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
<b>Financial liabilities</b>				
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% <sup>(1)</sup> movement in interest rates on cash		
- Equity	43,558	52,348
- Statement of Comprehensive Income	43,558	52,348

*Notes:*

<sup>(1)</sup> Sensitivity percentages based on management's expectation of future possible interest rate movements.



**SHIRE OF GINGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2018**

**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%

SHIRE OF GINGIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

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	\$	\$	\$	\$	\$	\$	\$	%
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%		

**SHIRE OF GINGIN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2018**

**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

SHIRE OF GINGIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

**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	<p>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.</p> <p>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.</p>
(iii)	AASB 16 Leases	February 2016	1 January 2019	<p>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.</p> <p>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.</p>

Notes:

(1) Applicable to reporting periods commencing on or after the given date.



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

## 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	<p>These standards are likely to have a significant impact on the income recognition for NFP's. Key areas for consideration are:</p> <ul style="list-style-type: none"> <li>- Assets received below fair value;</li> <li>- Transfers received to acquire or construct non-financial assets;</li> <li>- Grants received;</li> <li>- Prepaid rates;</li> <li>- Leases entered into at below market rates; and</li> <li>- Volunteer services.</li> </ul> <p>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.</p>

## 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

SHIRE OF GINGIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

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.

SHIRE OF GINGIN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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**25. OTHER SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

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 regulatory 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.

**SHIRE OF GINGIN**  
**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
<b>GOVERNANCE</b>	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
<b>GENERAL PURPOSE FUNDING</b>	To collect revenue to allow for the provision of services	Rates, general purpose government grants and interest revenue
<b>LAW, ORDER, PUBLIC SAFETY</b>	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
<b>HEALTH</b>	To provide an operational framework for environmental and community health	Inspection of food outlets and their control, noise control and waste disposal compliance
<b>EDUCATION AND WELFARE</b>	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
<b>HOUSING</b>	To provide and maintain staff and other housing	Provision and maintenance of staff and other housing
<b>COMMUNITY AMENITIES</b>	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
<b>RECREATION AND CULTURE</b>	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
<b>TRANSPORT</b>	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.
<b>ECONOMIC SERVICES</b>	To help promote the shire and its economic wellbeing	Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control and standpipes
<b>OTHER PROPERTY AND SERVICES</b>	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**  
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**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	$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$
Asset sustainability ratio	$\frac{\text{capital renewal and replacement expenditure}}{\text{depreciation expenses}}$
Debt service cover ratio	$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$
Operating surplus ratio	$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$
Own source revenue coverage ratio	$\frac{\text{own source operating revenue}}{\text{operating expenses}}$
Asset consumption ratio	$\frac{\text{depreciated replacement costs of depreciable assets}}{\text{current replacement cost of depreciable assets}}$
Asset renewal funding ratio	$\frac{\text{NPV of planned capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$

**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

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### 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, intentional 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



Notes

**11.1.3 POLICY 3.9 - PURCHASING AND ORDERING OF GOODS**

<b>File:</b>	COR/28-1	
<b>Author:</b>	Lee-Anne Burt – Governance Officer	
<b>Reporting Officer:</b>	Aaron Cook – Chief Executive Officer	
<b>Report Date:</b>	22 January 2019	
<b>Refer:</b>	21 June 2016	Item 11.1.6
	20 June 2017	Item 11.1.3
<b>Appendices:</b>	1. Policy 3.9 Purchasing and Ordering of Goods	

**DISCLOSURES OF INTEREST**

Nil

**PURPOSE**

To consider amending Policy 3.9 Purchasing and Ordering of Goods.

**BACKGROUND**

Policy 3.9 sets out those staff positions authorised to issue purchase orders, and the maximum purchase value for each position. It was adopted by Council on 2 July 2002.

As Council is aware, following the resignation of the previous Executive Manager Assets, an organisational restructure has been undertaken to abolish the Assets department and incorporate the officers within that department into other areas of the organisation. As a result of this restructure, it is considered that a review of Policy 3.9 is now warranted.

**COMMENT**

Historically, Council has only granted purchasing authorisation to a limited number of staff positions. However, outside of these specific authorisations, it has always been accepted practice for other staff members to make minor purchases on behalf of the Shire (such as milk, newspapers etc) at local stores on account.

There has not been any issue with this arrangement to date, but it is possible that such practices may be questioned during audit once responsibility for the audit process is taken over by the Office of the Auditor General.

That being the case, it is suggested that Policy 3.9 be amended to formally provide all staff members, unless otherwise stated, with a purchasing limit of \$100. The exercise of this purchasing limit will be controlled under an operational policy setting out the circumstances under which purchases can be made.

In addition to the introduction of a baseline purchasing limit for all staff, the following table sets out existing and proposed purchasing limits for specific positions.

<b>Current Position</b>	<b>New Position</b>	<b>New or Change to Limit</b>
Chief Executive Officer's PA	N/A	Currently \$500. No change.
Community Services and Events Officer	N/A	Currently \$500. No change.

Governance Officer	N/A	Currently \$500. No change.
PA to Executive Manager Planning and Development		Currently \$500. No change.
Corporate Communications and Marketing Officer		Currently \$500. No change.
Coordinator Corporate Planning		Currently \$500. No change.
Assistant Building Surveyor/Administration Support		Currently \$500. No change.
Coordinator Ranger Services		Currently \$500. No change.
Aquatic Centre Manager		Currently \$500. No change.
Upper Coastal Maintenance Officer		Currently \$500. No change.
Lower Coastal Maintenance Officer		Currently \$500. No change.
Gingin/Lower Coastal Maintenance Officer		Currently \$500. No change.
Building Maintenance Officer		Currently \$500. No change.
Operations-Construction Support Officer		Currently \$500. No change.
PA to Executive Manager Corporate and Community Services		Currently \$500. No change.
Environmental Health Support Officer	Position has not previously had a purchasing limit.	<b>\$500 limit proposed.</b>
Manager Guilderton Caravan Park		Currently \$3,000. No change.
Manager IT Services		Currently \$3,000. No change.
Townsite Maintenance Supervisor (Upper Coastal/Lower Coastal)		Currently \$3,000. No change.
Townsite Maintenance Coordinator (Gingin/Lower Coastal)		Currently \$3,000. No change.
Coordinator Corporate Services		Currently \$3,000. No change.
Civil Engineering Intern	Position has not previously had a purchasing limit.	<b>\$3,000 limit proposed.</b>
Principal Environmental Health Officer		Currently \$10,000. No change.
Community Emergency Services Manager		Currently \$10,000. No change.
Manager Statutory Planning		Currently \$10,000. No change.
Coordinator Community Development and Services		Currently \$10,000. No change.
Shire Mechanic and Depot Controller		Currently \$10,000. No change.
Coordinator Operations	New Position	<b>\$10,000 limit proposed.</b>
Coordinator Assets/Projects	New Position	<b>\$10,000 limit proposed.</b>
Executive Manager Planning and Development		Currently \$50,000. No change.
Executive Manager Corporate and Community Services	N/A	Currently \$50,000. No change.
Executive Manager Operations		Currently \$50,000. No change.
Chief Executive Officer	N/A	Currently \$250,000. No change.

In summary, the proposed monetary changes to the policy are:

1. Formal provision of \$100 purchasing limit for all staff members.
2. Addition of a \$500 purchasing limit for the position of Environmental Health Support Officer.

The inclusion of a purchasing limit for these positions will be consistent with the purchasing limits already accorded to other administrative support positions within the organisation.

3. Addition of a \$3,000 purchasing limit for the Civil Engineering Intern position.

The Civil Engineering Intern position involves significant project work which often requires engagement of tradesmen and contractors and purchase of minor project related supplies. The granting of a purchasing limit for this position will lead to improved operational efficiencies.

4. Addition of a \$10,000 purchasing limit for the new position of Coordinator Assets/Projects.

The position of Coordinator Assets/Projects is responsible for coordinating maintenance of the Shire's Assets and town site maintenance. A purchasing limit is required to enable these duties to be undertaken in a timely and efficient matter.

5. Addition of a \$10,000 purchasing limit for the new position of Coordinator Operations.

Currently the Executive Manager Operations – Construction approves the purchase orders however with this position now permanently based over in the main administration office, for the purchase orders to be signed within a reasonable time frame and actioned it seems practical that the Operations Coordinator who is now based at the Depot Office has authority to action the purchase orders for effective and efficient administration in Operations.

A revised Policy 3.9 showing the proposed amendments listed above is provided as **Appendix 1**.

## **STATUTORY ENVIRONMENT**

Nil

## **POLICY IMPLICATIONS**

Support by Council for Administration's recommendation will result in amendment of Policy 3.9 Purchasing and Ordering of Goods.



**BUDGET IMPLICATIONS**

All purchasing must be undertaken in accordance with Council's adopted budget, and therefore it is not considered that amendments to Policy 3.9 Purchasing and Ordering of Goods will have any budgetary impacts.

**STRATEGIC IMPLICATIONS**

Shire of Gingin Strategic Community Plan 2017-2027

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

**VOTING REQUIREMENTS – SIMPLE MAJORITY****OFFICER RECOMMENDATION**

That Council adopt amended Policy 3.9 Purchasing and Ordering of Goods as shown at Appendix 1.

**SUBSTANTIVE MOTION WITH AMENDMENT**

**MOVED: Councillor Johnson SECONDED: Councillor Court**

**That Council adopt amended Policy 3.9 Purchasing and Ordering of Goods as shown at Appendix 1 with the following amendments:**

- 1. Under "Objective" insert "in accordance with Policy 3.10 Purchasing" between "relate" and "."**
- 2. Under "Up to the value of \$3,000" delete "Manager Lancelin South End Caravan Park (Effective up to and including 30 June 2017)".**
- 3. Under "Up to the value of \$10,000" delete "Engineering Technical Officer".**
- 4. Under "Up to the value of \$3,000" insert "Civil Engineering Intern".**
- 5. Under "Up to the value of \$10,000" insert "Coordinator Operations" and "Coordinator Assets/Projects."**

**CARRIED UNANIMOUSLY**

## **REASON FOR AMENDMENT**

*Amendment 1 was considered necessary to ensure that all purchasing authorised under a particular purchasing limit is carried out in accordance with the Shire's purchasing protocols. The remaining amendments were inadvertently omitted from the version on the policy presented to Council for adoption.*

**APPENDIX 1**



## POLICY MANUAL

### POLICY 3.9 PURCHASING AND ORDERING OF GOODS

#### OBJECTIVE

To clearly specify which members of staff are authorised to issue purchase orders on behalf of the Shire of Gingin and up to what value such purchase orders can relate.

#### POLICY

That the officers referenced below be authorised to issue orders for the purchase of goods and services relating to the operation of Council as follows:

Up to the value of \$100	All staff unless specified otherwise by this policy.
Up to the value of \$500	PA to Chief Executive Officer Community Services and Events Officer Governance Officer PA to Executive Manager Planning and Development Corporate Communications and Marketing Officer Coordinator Corporate Planning Assistant Building Surveyor/Administration Support Coordinator Ranger Services Aquatic Centre Manager Upper Coastal Maintenance Officer Lower Coastal Maintenance Officer Gingin/Lower Coastal Maintenance Officer Building Maintenance Officer Operations-Construction Support Officer PA to Executive Manager Corporate and Community Services Environmental Health Support Officer
Up to the value of \$3,000	Manager Guilderton Caravan Park Manager Lancelin South End Caravan Park (effective up to and including 30 June 2017) Manager IT Services Townsite Maintenance Supervisor (Upper Coastal/Lower Coastal) Townsite Maintenance Coordinator (Gingin/Lower Coastal) Coordinator Corporate Services



Up to the value of \$10,000	Principal Environmental Health Officer Manager Building Services Community Emergency Services Manager Manager Statutory Planning Coordinator Community Development and Services Engineering Technical Officer Shire Mechanic/Depot Controller
Up to the value of \$50,000	Executive Manager Planning and Development Executive Manager Corporate and Community Services Executive Manager Operations
Up to the value of \$250,000	Chief Executive Officer

**GOVERNANCE REFERENCES**

Statutory Compliance	N/A
Industry Compliance	N/A
Organisational Compliance	N/A

**POLICY ADMINISTRATION**

Review Cycle	Bi-annual	Next Review	2017
Department	Financial Services		

Version	Decision Reference	Synopsis
1.	02/07/2002 – Item 10.6	Policy adopted
2.	16/11/2004 – Item 10.2.4	Assistant Works Supervisor and Swimming Pool Manager added
3.	20/01/09 – Item 11.2.4	Additional staff authorised to sign cheques
4.	07/07/2009 – Item 11.2.5	Administrative Assistant to CEO, Health/Building/Planning Administration Officer, Coastal Building and Parks Maintenance Officer and Head Gardener (Playground Inspector) added
5.	03/08/2010 – Item 11.1.2	Policy amended to reflect organisational restructure. Purchasing limits imposed.
6.	16/08/2011 – Item 11.2.2	Executive Manager Engineering Services' purchasing limit amended.
7.	18/10/2011 – Item 11.2.2	Executive Manager Health and Building Services' PA added, Parks and Gardens Supervisor deleted, Plant Mechanic purchasing limit amended
8.	17/07/2012 – Item 11.2.5	Authorisation for Maintenance Officers clarified. Reference to CEO deleted from "Up to Value of \$50,000". Reference to Councillors deleted.
9.	16/04/2013 – Item 11.1.4	Changes made to position titles to reflect organisational restructure. Purchasing authorisation to Shire President and Deputy Shire President for amounts greater than \$50,000 deleted.
10.	20/08/2013 – Item 11.1.3	Executive Manager Planning and Engineering Services replaced by Executive Manager Operations. Executive Manager Financial Services replaced by Executive Manager Corporate and Community Services. Executive Manager Planning and Engineering Services' PA replaced by PA to Planning. Works Manager deleted. Planning Officer deleted. Manager Statutory Planning and Manager Strategic Planning and Development included with limits of \$10,000. Purchasing limit for Shire Mechanic increased to \$5,000.

Version	Decision Reference	Synopsis
11.	20/08/2013 – Item 11.1.3	Executive Manager Planning and Engineering Services replaced by Executive Manager Operations. Executive Manager Financial Services replaced by Executive Manager Corporate and Community Services. Executive Manager Planning and Engineering Services' PA replaced by PA to Planning. Works Manager deleted. Planning Officer deleted. Manager Statutory Planning and Manager Strategic Planning and Development included with limits of \$10,000. Purchasing limit for Shire Mechanic increased to \$5,000.
12.	20/08/2013 – Item 11.1.3	Executive Manager Planning and Engineering Services replaced by Executive Manager Operations. Executive Manager Financial Services replaced by Executive Manager Corporate and Community Services. Executive Manager Planning and Engineering Services' PA replaced by PA to Planning. Works Manager deleted. Planning Officer deleted. Manager Statutory Planning and Manager Strategic Planning and Development included with limits of \$10,000. Purchasing limit for Shire Mechanic increased to \$5,000.
13.	21/01/2014 – Item 11.1.1	Organisational Development and Planning Officer added authorised to issue purchase orders up to the value of \$500. Environmental Health/Technical Officer and Manager Operations added and authorised to issue purchase orders up to the value of \$10,000. CEO's purchasing limit capped at \$250,000.
14.	12/11/2015 – NM9500	Position titles updated – Executive Support Officer to Community Development Officer, Organisational Planning and Development Officer to Coordinator Organisational Planning and Communication, PA to Planning to Health/Building Assistant, Ranger's Administration Officer to Coordinator Ranger Services, Environmental Health/Technical Officer to Environmental Health Officer, Manager Ranger Services to Community Emergency Services Manager and Community Development and Customer Services Officer to Coordinator Community Services.
15.	17/11/2015 – Item 11.1.7	Engineering Technical Officer added and authorised to issue purchase orders up to the value of \$500.00.
16.	21/06/2016 – Item 11.1.6	Manager IT added and authorised to issue purchase orders up to the value of \$3,000.
17.	18/10/2016 – Item 11.1.2	Manager Lancelin South End Caravan Park added with a purchasing limit of \$3,000.
18.	20/06/2017 – Item 11.1.3	Various amendments to positions and purchasing limits arising from organisational restructure.
19.	24/08/2017 – NM12174	\$500 purchasing limit for Integrated Planning and Business Improvement Officer deleted and replaced by \$500 purchasing limit for Coordinator Corporate Planning. \$2,000 purchasing limit for Coordinator Corporate Services deleted and replaced with \$3,000 purchasing limit in accordance with Council's resolution of 20/06/2017 (Item 11.1.3).
20.	22/01/2019 – NM.....	Various position titles amended to reflect organisational restructure.

## 11.2. CORPORATE AND COMMUNITY SERVICES

### 11.2.1 MONTHLY FINANCIAL STATEMENT AND LIST OF PAID ACCOUNTS

<b>File:</b>	FIN/25
<b>Reporting Officer:</b>	Ziggy Edwards - Acting Executive Manager Corporate Community Services
<b>Report Date:</b>	22 January 2019
<b>Refer:</b>	Nil
<b>Appendices:</b>	1. Statement of Financial Position for the Period to 31 December 2018

## DISCLOSURES OF INTEREST

### COMMENT

The following are presented for Council's consideration:

1. Statement of Financial Position for the period to 31 December 2018.
3. List of Paid Accounts for the period to 31 December 2018 in accordance with the following summary of activity:

<b>PAYMENT TYPE</b>	<b>\$</b>
<b>Municipal</b>	
EFT	1,278,038.85
Cheque	7,137.93
Direct Debit	160,604.19
<b>Total (Municipal)</b>	<b>1,445,780.97</b>
<b>Trust</b>	<b>41,568.00</b>
<b>Bank Statement</b>	
Bank Fees and Charges	4,851.07
Wages and Salaries	259,984.48
Police Licensing	62,327.30
LA Office Rent	643.38
<b>Total (Bank Statement)</b>	<b>327,806.23</b>
<b>TOTAL EXPENDITURE</b>	<b>1,773,587.20</b>

A detailed payment schedule has been provided to Councillors and can be made available to the public for viewing 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

<b>Focus Area</b>	<i>Governance</i>
<b>Objective</b>	<i>5. To demonstrate effective leadership, governance and advocacy on behalf of community</i>
<b>Outcome</b>	<i>5.1 Values Our Organisational/business values are demonstrated in all that we do.</i>
<b>Key Service Area</b>	<i>Financial Management</i>
<b>Priorities</b>	<i>Nil</i>

### VOTING REQUIREMENTS – SIMPLE MAJORITY

### COUNCIL RESOLUTION/OFFICER RECOMMENDATION

**MOVED: Councillor Johnson SECONDED: Councillor Court**

**That Council:**

- 1. Endorse the Statement of Financial Position as at 31 December 2018; and**
- 2. Endorse the List of Paid Accounts for the period ending 31 December 2018.**

**CARRIED UNANIMOUSLY**



**APPENDIX 1**



## *MONTHLY FINANCIAL REPORT*

*(Containing the Statement of Financial Activity)*

**FOR THE PERIOD OF 1 JULY 2018 TO 31 DECEMBER 2018**

LOCAL GOVERNMENT ACT 1995

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATION 1996

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Shire of Gingin Statement of Financial Activity  
1 July to 31 December 2018

*Key Information*

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**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 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: 11/01/2019



Shire of Gingin Statement of Financial Activity  
1 July to 31 December 2018

Statement of Financial Activity by Program

	Current Annual Budget	Current YTD Budget	YTD Actual	Var. \$	Var. %		Timing/ Permanent	Comments
<b>OPENING FUNDING SURPLUS (DEFICIT)</b>	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.
<b>REVENUE FROM OPERATING ACTIVITIES</b>								
GENERAL PURPOSE FUNDING	1,121,521	560,736	714,591	153,855	27.44%	▲	Timing	Greater than anticipated recovery of legal costs. Timing of rate income received. Greater than anticipated investment interest received to date.
GENERAL PURPOSE FUNDING - RATES	7,937,123	7,923,611	7,890,980	(32,631)	(0.41)%		Timing	
GOVERNANCE	50	24	1,257	1,233	5,136.00%		Timing	Fines Enforcement legal expenses recovered.
LAW ORDER PUBLIC SAFETY	567,488	283,698	353,350	69,652	24.55%	▲	Timing	BRPC Grant Funded by DFES in full
EDUCATION & WELFARE	105,500	52,746	44,953	(7,793)	(14.77)%		Timing	Less than anticipated rental income from the Lancelin aged units due to period of vacancy and review of tenancy agreements has resulted in overall reduction in income received.
HEALTH	316,848	158,406	255,745	97,339	61.45%	▲	Timing	Includes Voluntary Fly Levy raised which will vary.
HOUSING	22,200	11,088	12,629	1,541	13.90%		Timing	Greater than anticipated rental income received to date.
COMMUNITY AMENITIES	1,491,573	1,403,097	1,599,607	196,510	14.01%	▲	Timing	Includes Coastal Erosion Voluntary Levy which will vary. Greater than anticipated income received at the Lancelin and Gingin refuse sites to date.
RECREATION & CULTURE	234,708	117,306	72,793	(44,513)	(37.95)%	▼	Timing	RBFS Boat Launch Facility Planning Study acquittal completed and submitted to Department of Transport and waiting response. Gingin Campdraft Club unsuccessful in seeking grant funding for power upgrade to facility and are holding their AGM in February where they will determine their future plan. Reduced contributions due to timing of projects.
TRANSPORT	179,057	89,520	224,052	134,532	150.28%	▲	Timing	Government Road Direct Grant received 2018/19. Claim 1 raised for Regional Road Grant funding for Sappers Road and Gingin Brook Road works. Claim 1 raised for upgrade works to Orange Springs Road. Roads to Recovery 2018/19 grant funding received.
ECONOMIC SERVICES	1,687,847	843,864	735,595	(108,269)	(12.83)%	▼	Timing	Less than anticipated income received to date for Guilderton Caravan Park chalets. Lancelin South End Caravan Park lease invoice due to be raised for the period 1 July 2018 to 31 December 2018.
OTHER PROPERTY & SERVICES	325,550	162,762	386,799	224,037	137.65%	▲	Timing	Journal required for instalment one of the facility grant income received from DFES.
<b>TOTAL REVENUE</b>	13,989,465	11,606,858	12,292,350	685,492	5.91%			



Shire of Gingin Statement of Financial Activity  
1 July to 31 December 2018

	Current Annual Budget	Current YTD Budget	YTD Actual	Var. \$	Var. %	Timing/ Permanent	Comments
<b>EXPENDITURE FROM OPERATING ACTIVITIES</b>							
GENERAL PURPOSE FUNDING	(359,061)	(179,508)	(278,737)	(99,229)	(55.28)%	▼ Timing	Increase in debt collection charges which relate significantly to properties currently being sold to recover monies owed to Council.
GOVERNANCE	(1,086,849)	(543,276)	(478,256)	65,020	11.97%	▲ Timing	Timing of audit requirements.
LAW ORDER PUBLIC SAFETY	(1,516,634)	(765,351)	(603,996)	161,355	21.08%	▲ Timing	Assets to be processed from July 2018 (impacting loss on asset disposals and depreciation) due to the inability to process until Annual Audit was signed off (timing).
EDUCATION & WELFARE	(213,405)	(109,182)	(66,388)	42,794	39.20%	▲ Timing	Depreciation.
HEALTH	(808,727)	(405,057)	(340,579)	64,478	15.92%	▲ Timing	Local Health Plan not yet underway. Timing of Earthworks for the new St John Ambulance building site.
HOUSING	(40,509)	(21,229)	(9,913)	11,316	53.31%	▲ Timing	Less than anticipated maintenance works and utility expenses required for Council houses to date.
COMMUNITY AMENITIES	(2,798,660)	(1,399,679)	(865,082)	534,597	38.19%	▲ Timing	Depreciation. Journal to recognise waste management salaries and wages allocation. Green waste kerbside mulching not completed. Reduced salaries and wages due to movement of staff.
RECREATION & CULTURE	(3,233,764)	(1,650,934)	(971,834)	679,100	41.13%	▲ Timing	Depreciation. Timing of Suite of Events.
TRANSPORT	(4,481,577)	(2,245,408)	(1,059,723)	1,185,685	52.80%	▲ Timing	Depreciation. Timing of road maintenance program works.
ECONOMIC SERVICES	(1,466,484)	(736,373)	(581,309)	155,064	21.06%	▲ Timing	Depreciation. Wages to be transferred to Waste. Timing of Fringe Benefit Tax quarterly payment.
OTHER PROPERTY & SERVICES	(602,530)	(306,038)	(456,392)	(150,354)	(49.13)%	▼ Timing	Depreciation. Higher than anticipated vehicle insurance.
<b>TOTAL EXPENSES</b>	<b>(16,608,200)</b>	<b>(8,362,035)</b>	<b>(5,712,208)</b>	<b>2,649,827</b>	<b>31.69%</b>	▲	
<b>OPENING ACTIVITIES EXCLUDED FROM BUDGET</b>							
ADJUST BACK DEPRECIATION	4,333,416	2,166,624	0	(2,166,624)	(100.00)%	▼ Timing	Assets to be processed from July 2018 (impacting depreciation) due to the inability to process until Annual Audit was signed off (timing).
ADJUST (PROFIT)/LOSS ON ASSET DISPOSALS	119,132	59,592	0	(94,592)	(158.73)%	▼ Timing	Assets to be processed from July 2018 (impacting profit & loss) due to the inability to process until Annual Audit was signed off (timing).
NON-CASH ADJUSTMENT	0	0	1208	(1,208)	100%	▲	Journal required.
<b>AMOUNT ATTRIBUTABLE TO OPERATING ACTIVITIES</b>	<b>1,833,813</b>	<b>5,471,039</b>	<b>6,545,141</b>	<b>1,074,102</b>	<b>19.63%</b>	▲	

Shire of Gingin Statement of Financial Activity  
1 July to 31 December 2018

	Current Annual Budget	Current YTD Budget	YTD Actual	Var. \$	Var. %		Timing/ Permanent	Comments
<b>INVESTING ACTIVITIES</b>								
NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS	5,006,278	3,203,108	1,733,727	(1,469,381)	(45.87)%	▼	Timing	Timing of grant income received.
PROCEEDS FROM DISPOSAL OF ASSETS	128,455	64,212	35,000	(29,212)	(45.49)%	▼	Timing	Timing of plant replacement.
PURCHASE LAND AND BUILDINGS	(916,207)	(378,494)	(254,719)	123,775	32.70%	▲	Timing	Purchase of 36 Brockman Street, Gingin. Timing of works.
PURCHASE INFRASTRUCTURE ASSETS - ROADS	(4,705,611)	(2,351,024)	(865,702)	1,485,322	63.18%	▲	Timing	Timing – In line with roads program.
PURCHASE INFRASTRUCTURE ASSETS - PARKS	(666,540)	(330,736)	(233,416)	97,320	29.43%	▲	Timing	Lancelin Back Beach Carpark & Regional Playground - works not yet commenced.
PURCHASE PLANT AND EQUIPMENT	(1,479,675)	(739,794)	(29,615)	710,179	96.00%	▲	Timing	Refer to plant replacement program
PURCHASE FURNITURE AND EQUIPMENT	(116,880)	(58,422)	(21,102)	37,320	63.88%	▲	Timing	
PURCHASE FOOTPATHS	(200,000)	(99,996)	(106,690)	(6,694)	(6.69)%		Timing	
PURCHASE OTHER INFRASTRUCTURE	(54,000)	(26,988)	(30,241)	(3,253)	(12.05)%		Timing	Lancelin Streetscape Project
PURCHASE INFRASTRUCTURE SEWERAGE	(400,000)	(199,998)	0	199,998	100.00%	▲	Timing	Guilderton Caravan Park Waste Water project not yet underway.
<b>AMOUNT ATTRIBUTABLE TO INVESTING ACTIVITIES</b>	<b>(3,404,180)</b>	<b>(918,132)</b>	<b>227,243</b>	<b>1,145,375</b>	<b>124.75%</b>	▲		
<b>FINANCING ACTIVITIES</b>								
PROCEEDS FROM NEW DEBENTURES	455,740	212,496	0	(212,496)	(100.00)%	▼	Timing	No loan applications have yet been completed.
PROCEEDS FROM SELF-SUPPORTING LOANS	6,353	3,174	0	(3,174)	(100.00)%		Timing	Gingin Sale Yards – Invoiced at end of financial year.
TRANSFERS TO RESERVES (RESTRICTED ASSETS)	(193,602)	(96,756)	(27,239)	69,517	71.85%	▲	Timing	End of year process
TRANSFERS FROM RESERVES (RESTRICTED ASSETS)	564,858	237,364	0	(237,364)	(100.00)%	▼	Timing	End of year process
REPAYMENT OF DEBENTURES	(205,446)	(102,727)	(101,441)	1,286	1.25%		Timing	
SELF-SUPPORTING LOANS RAISED	(55,740)	(12,498)	0	12,498	100.00%	▲	Timing	Ledge Point Country Club Cool Room and Gingin Campdraft Club Power Supply – neither have progressed at this stage.
PROCEEDS FROM ADVANCES	11,986	5,988	5,902	(86)	(1.43)%			
RESTRICTED CASH	(523,777)	(284,388)	15,091	299,479	105.31%	▲	Timing	End of year process
<b>AMOUNT ATTRIBUTABLE TO FINANCING ACTIVITIES</b>	<b>60,372</b>	<b>(37,347)</b>	<b>(107,687)</b>	<b>(70,340)</b>	<b>(188.34)%</b>	▼		
<b>CLOSING FUNDING SURPLUS(DEFICIT)</b>	<b>0</b>	<b>6,025,554</b>	<b>7,806,336</b>	<b>1,744,574</b>	<b>28.95%</b>	▲		



Shire of Gingin Statement of Financial Activity  
1 July to 31 December 2018

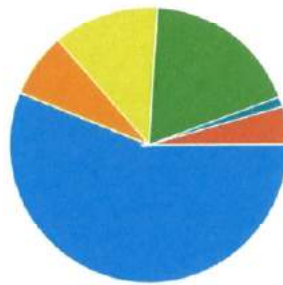
Statement of Financial Activity by Nature & Type

	Current Budget	Current YTD Budget	YTD Actual	Var \$	Var %
<b>OPENING FUNDING SURPLUS (DEFICIT)</b>	1,509,994	1,509,994	1,105,430	-404,564	(26.79)%
<b>REVENUE FROM OPERATING ACTIVITIES</b>					
RATES	7,937,123	7,923,611	7,890,980	-32,631	(0.41)%
GRANTS & SUBSIDIES (OPERATING)	1,788,983	894,426	1,039,068	144,642	16.17%
FEES & CHARGES	3,879,071	2,596,707	2,589,581	-7,126	(0.27)%
INTEREST EARNINGS	244,000	121,980	164,232	42,252	34.64%
OTHER REVENUE	140,288	70,134	614,323	544,189	775.93%
OTHER EXPENDITURE	0	0	1,959	1,959	0.00%
<b>TOTAL REVENUE</b>	13,989,465	11,606,858	12,300,143	693,285	5.97%
EMPLOYEE COSTS	(5,450,925)	(2,724,954)	(2,548,212)	176,742	6.49%
MATERIALS & CONTRACTS	(5,076,938)	(2,541,532)	(2,260,820)	280,712	11.04%
UTILITIES (GAS WATER ETC)	(450,650)	(225,195)	(181,487)	43,708	19.41%
INSURANCES	(355,268)	(230,518)	(416,810)	-186,292	(80.81)%
DEPRECIATION OF ASSETS	(4,333,416)	(2,166,624)	0	2,166,624	100.00%
INTEREST EXPENSES	(130,778)	(65,392)	(66,666)	-1,274	(1.95)%
OTHER EXPENDITURE	(691,091)	(348,318)	(235,641)	112,677	32.35%
LOSS ON SALE OF ASSETS	(119,132)	(59,562)	0	59,562	100.00%
ADMIN ALLOCATED	(1)	60	(2,000)	-2,060	(3,433.33)%
STOCK - MATERIALS	0	0	(573)	-573	0.00%
<b>TOTAL EXPENSES</b>	(16,608,200)	(8,362,035)	(5,712,208)	2,649,827	31.69%
<b>OPENING ACTIVITIES EXCLUDED FROM BUDGET</b>					
ADJUST BACK DEPRECIATION	4,333,416	2,166,624	0	-2,166,624	(100.00)%
NON-CASH ADJUSTMENT	0	0	1208	(1,208)	(100.00)%
<b>AMOUNT ATTRIBUTABLE TO OPERATING ACTIVITIES</b>	1,833,813	5,471,039	6,552,934	1,081,895	19.77%
<b>INVESTING ACTIVITIES</b>					
NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS	5,006,278	3,203,108	1,733,727	-1,469,381	(45.87)%
PROCEEDS FROM DISPOSAL OF ASSETS	128,455	64,212	35,000	-29,212	(45.49)%
PURCHASE LAND AND BUILDINGS	(916,207)	(378,494)	(254,719)	123,775	32.70%
PURCHASE INFRASTRUCTURE ASSETS - ROADS	(4,705,611)	(2,351,024)	(865,702)	1,485,322	63.18%
PURCHASE INFRASTRUCTURE ASSETS - PARKS	(666,540)	(330,736)	(233,416)	97,320	29.43%
PURCHASE PLANT AND EQUIPMENT	(1,479,675)	(739,794)	(29,615)	710,179	96.00%
PURCHASE FURNITURE AND EQUIPMENT	(116,880)	(58,422)	(21,102)	37,320	63.88%
PURCHASE FOOTPATHS	(200,000)	(99,996)	(106,690)	-6,694	(6.69)%
PURCHASE OTHER INFRASTRUCTURE	(54,000)	(26,988)	(30,241)	-3,253	(12.05)%
PURCHASE INFRASTRUCTURE SEWERAGE	(400,000)	(199,998)	0	199,998	100.00%
<b>AMOUNT ATTRIBUTABLE TO INVESTING ACTIVITIES</b>	(3,404,180)	(918,132)	227,243	1,145,375	124.75%
<b>FINANCING ACTIVITIES</b>					
PROCEEDS FROM NEW DEBENTURES	455,740	212,496	0	-212,496	(100.00)%
PROCEEDS FROM ADVANCES	11,986	5,988	5,902	-86	(1.43)%
PROCEEDS FROM SELF-SUPPORTING LOANS	6,353	3,174	0	-3,174	(100.00)%
TRANSFERS TO RESERVES (RESTRICTED ASSETS)	(193,602)	(96,756)	(27,239)	69,517	71.85%
TRANSFERS FROM RESERVES (RESTRICTED ASSETS)	564,858	237,364	0	-237,364	(100.00)%
REPAYMENT OF DEBENTURES	(205,446)	(102,727)	(101,441)	1,286	1.25%
SELF-SUPPORTING LOANS RAISED	(55,740)	(12,498)	0	12,498	100.00%
RESTRICTED CASH	(523,777)	(284,388)	15,091	299,479	105.31%
<b>AMOUNT ATTRIBUTABLE TO FINANCING ACTIVITIES</b>	60,372	(37,347)	(107,687)	-70,340	(188.34)%
<b>CLOSING FUNDING SURPLUS(DEFICIT)</b>	0	6,025,554	7,806,336	1,744,574	28.95%



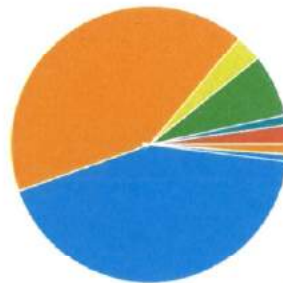
Shire of Gingin Statement of Financial Activity  
1 July to 31 December 2018

*Operating Revenue*



- RATES
- GRANTS & SUBSIDIES (OPERATING)
- GRANTS & SUBS (NON-OPERATING)
- FEES & CHARGES
- INTEREST EARNINGS
- OTHER REVENUE
- OTHER EXPENDITURE

*Operating Expenditure*



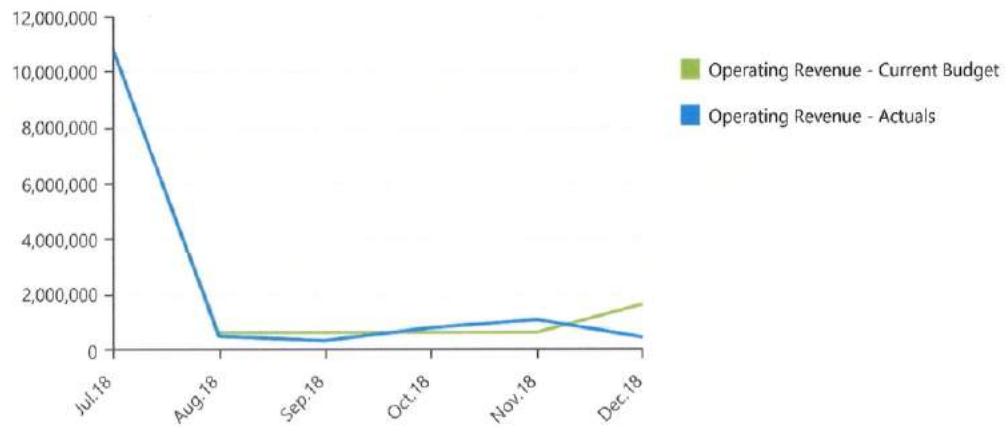
- EMPLOYEE COSTS
- MATERIALS & CONTRACTS
- UTILITIES (GAS WATER ETC)
- INSURANCES
- INTEREST EXPENSES
- OTHER EXPENDITURE
- ADMIN ALLOCATED
- STOCK - MATERIALS
- MATERIALS - INDIRECT COSTS (SHIRE PLANT OPERATION COSTS)
- MATERIALS - INDIRECT COSTS (PUBLIC WORKS O/HEADS)



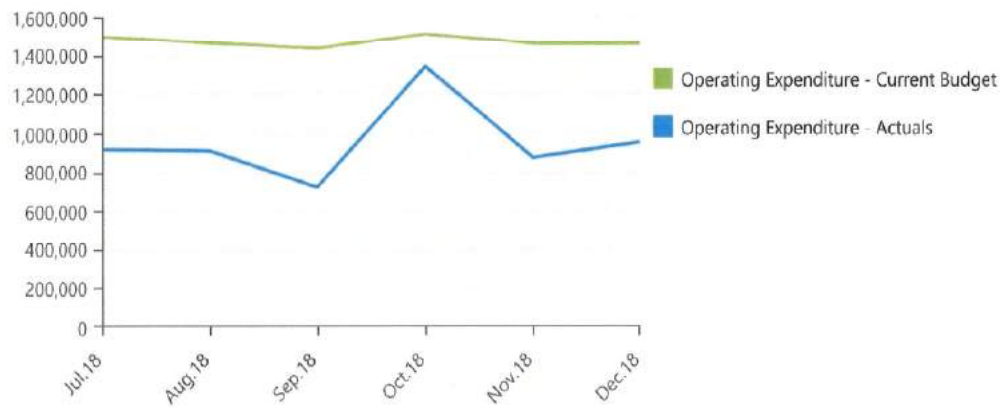


Shire of Gingin Financial Statement of Activity  
1 July to 31 December 2018

*Operating Revenue – Budget V Actual*



*Operating Expenditure – Budget V Actual*

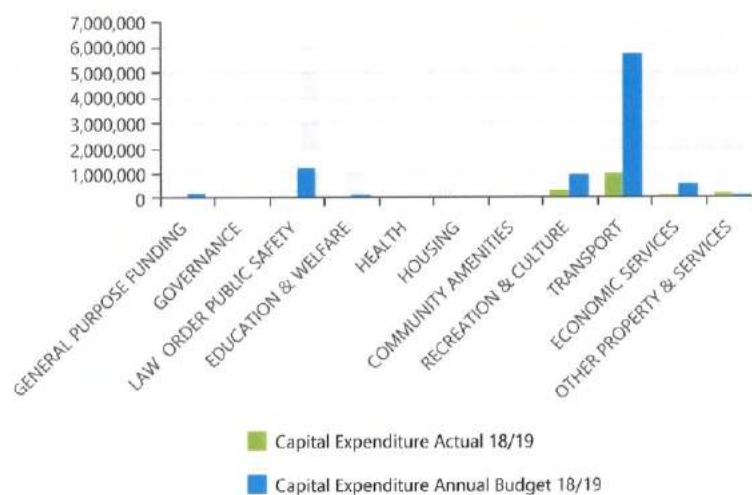


Shire of Gingin Financial Statement of Activity  
1 July 2018 to 31 December 2018

*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	1,481	105,000
HEALTH	12,821	28,066
HOUSING	127	0
COMMUNITY AMENITIES	22,470	74,362
RECREATION & CULTURE	295,745	971,580
TRANSPORT	1,027,764	5,718,286
ECONOMIC SERVICES	138,905	571,610
OTHER PROPERTY & SERVICES	176,477	132,907
<b>TOTAL</b>	<b>1,717,867</b>	<b>8,993,701</b>

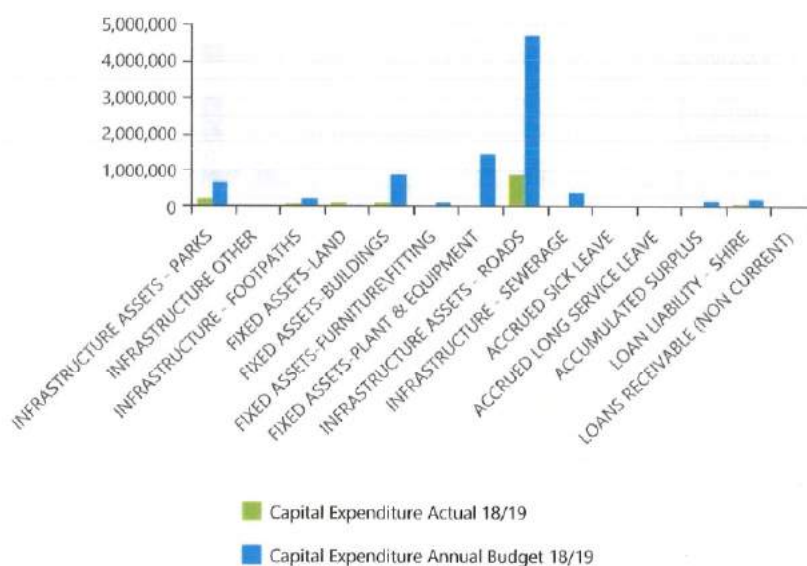


Shire of Gingin Financial Statement of Activity  
1 July 2018 to 31 December 2018

*Acquisition of Assets & Other Non-Capital Expenditure (cont.)*

By Nature & Type

	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	101,441	205,446
FIXED ASSETS - LAND	119,192	40,000
FIXED ASSETS-BUILDINGS	135,527	876,207
FIXED ASSETS-FURNITURE/FITTING	21,102	116,880
FIXED ASSETS-PLANT & EQUIPMENT	29,615	1,479,675
INFRASTRUCTURE ASSETS - ROADS	865,702	4,705,611
INFRASTRUCTURE ASSETS - PARKS	233,416	666,540
INFRASTRUCTURE OTHER	30,241	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
<b>TOTAL</b>	<b>1,717,867</b>	<b>8,993,701</b>



Shire of Gingin Statement of Financial Activity  
1 July to 31 December 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 December 2018

Information on Borrowings

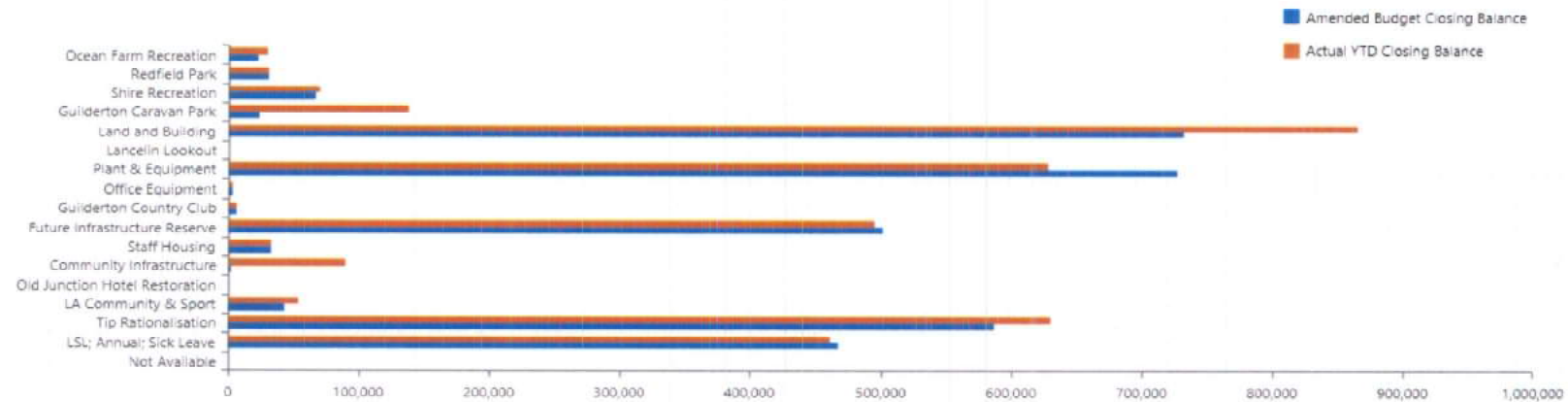
Loan	Opening Balance	New Loan	Principal (Actuals)	Principal (Budget)	Principal Outstanding (Actual)	Principal Outstanding (Budget)	Interest (Actuals)	Interest (Budget)
100 GG Medical Centre	416,984		12,821	13,245	404,163	403,739	6,026	5,609
103 GG Sale Yards	65,000		3,129	3,223	61,871	61,777	188	97
111 Wannamal West Road	600,000		8,150	8,415	591,850	591,585	15,230	14,965
114 Guilderton Country Club Extensions	650,000		15,256	15,800	634,744	634,200	15,513	14,969
120 Regional Hardcourt Facility	433,000		9,599	9,920	423,401	423,080	10,177	9,856
123 Lot 44 Weld St	300,000		7,065	7,311	292,935	292,689	6,939	6,693
124A Regional Hardcourt Facility	369,587		9,589	9,787	359,998	359,800	6,072	5,874
126 Loan 126 Gingin Aquatic Centre Tiling	150,000		6,865	6,971	143,998	143,029	1,915	1,809
127 Seabird Seawall Extension	213,897		9,837	9,960	204,060	203,937	2,323	2,200
128 Lancelin Caravan Park Assets	200,000		19,130	19,371	180,870	180,629	2,282	2,041
129 Gingin Horseman's Club Campdraft Facility Power Supply	0	30,740	0	0	0	30,740	0	0
130 Ledge Point Country Club Cool Room	0	25,000	0	0	0	25,000	0	0
131 Guilderton Caravan Park Waste Water	0	400,000	0	0	0	400,000	0	0
<b>TOTAL</b>	<b>3,398,468</b>	<b>455,740</b>	<b>101,444</b>	<b>104,003</b>	<b>3,297,027</b>	<b>3,750,027</b>	<b>66,665</b>	<b>64,113</b>

Shire of Gingin Statement of Financial Activity  
1 July to 31 December 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	0	0	0	0	467,938	<b>461,479</b>
02 Office Equipment Reserve	2,841	342	22	0	0	0	0	3,183	<b>2,863</b>
03 Plant and Equipment Reserve	623,669	2,989	4,843	100,000	0	0	0	726,658	<b>628,512</b>
04 Lancelin Lookout Reserve	0	0	0	0	0	0	0	0	0
05 Land and Buildings Reserve	858,805	17,852	6,669	8,600	0	152,900	0	732,357	<b>865,474</b>
06 Guilderton Caravan Park Reserve	137,226	1,198	1,066	0	0	115,000	0	23,424	<b>138,292</b>
07 Shire Recreation Development Reserve	69,861	23,989	543	0	0	27,302	0	66,548	<b>70,404</b>
08 Redfield Park Reserve	30,366	581	236	0	0	0	0	30,947	<b>30,601</b>
09 Ocean Farm Recreation Reserve	30,068	714	234	0	0	7,635	0	23,147	<b>30,302</b>
10 Tip Rationalisation Reserve	625,112	13,608	4,854	0	0	52,000	0	586,720	<b>629,967</b>
11 Lancelin Community Sport and Recreation Reserve	53,292	956	414	0	0	10,960	0	43,288	<b>53,706</b>
12 Old Junction Hotel Reserve	0	0	0	0	0	0	0	0	0
13 Community Infrastructure	89,201	1,707	693	0	0	89,061	0	1,847	<b>89,893</b>
14 Staff Housing Reserve	32,383	620	251	0	0	0	0	33,003	<b>32,634</b>
15 Future Infrastructure Reserve	491,055	10,375	3,813	0	0	0	0	501,430	<b>494,869</b>
16 Guilderton Country Club Reserve	5,846	56	45	0	0	0	0	5,902	<b>5,892</b>
<b>TOTAL</b>	<b>3,507,648</b>	<b>85,002</b>	<b>27,239</b>	<b>108,600</b>	<b>0</b>	<b>454,858</b>	<b>0</b>	<b>3,246,392</b>	<b>3,534,888</b>

Shire of Gingin Statement of Financial Activity  
1 July to 31 December 2018

Year-to-date Reserve Balances





Shire of Gingin Statement of Financial Activity  
1 July to 31 December 2018

*Net Current Assets*

Current Assets	Actual YTD (18/19)	Balance Forwarded
<b>CURRENT ASSETS</b>		
Cash - Unrestricted	4,857,417	87,251
Cash - Restricted Reserves	3,534,888	3,507,648
Cash - Restricted General	760,906	760,906
Rates - Current	2,962,275	1,098,376
Sundry Debtors	345,639	805,936
Inventories	46,427	30,494
<b>Total Current Assets:</b>	<b>12,507,552</b>	<b>6,290,611</b>
<b>LESS: CURRENT LIABILITIES</b>		
Payables	(188,588)	(652,090)
Employee Provisions	(947,900)	(995,603)
Accrued Interest on Loans	(29,840)	(29,840)
Long Term Borrowings (Current)	(104,003)	(205,444)
<b>Total Current Liabilities:</b>	<b>(1,270,331)</b>	<b>(1,882,977)</b>
<b>Total</b>	<b>11,237,221</b>	<b>4,407,635</b>
Less: Cash - Restricted Reserves	(3,534,888)	(3,507,648)
Add: Current Portion of Debentures	104,003	205,444
<b>NET CURRENT ASSET POSITION</b>	<b>7,806,336</b>	<b>1,105,430</b>





Shire of Gingin Statement of Financial Activity  
1 July to 31 December 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	29,762.00	(47,518.00)	4,899.23
TRUST INTEREST	3,749.90	1,988.13		5,738.03
TREE PLANTING BONDS	5,456.22			5,456.22
<b>TOTAL</b>	<b>559,010.20</b>	<b>33,059.13</b>	<b>(47,974.46)</b>	<b>544,094.87</b>

**11.3. PLANNING AND DEVELOPMENT****11.3.1 APPLICATION FOR DEVELOPMENT APPROVAL - PROPOSED OVER SIZE OUTBUILDING ON LOT 802 (NO. 6) CATCHPOLE PLACE, LANCELIN**

<b>File:</b>	BLD/6999
<b>Applicant:</b>	Shed Rite
<b>Location:</b>	Lot 802 (No. 6) Catchpole Place, Lancelin
<b>Owner:</b>	David McDonald
<b>Zoning:</b>	Residential 15
<b>WAPC No:</b>	NA
<b>Author:</b>	James Bayliss – Acting Manager Statutory Planning
<b>Reporting Officer:</b>	Kylie Bacon – Acting Executive Manager Planning and Development
<b>Report Date:</b>	22 January 2019
<b>Refer:</b>	N/A
<b>Appendices</b>	1. Location Plan 2. Applicant's Proposal

**DISCLOSURES OF INTEREST**

Nil

**PURPOSE**

To consider an Application for Development Approval for a proposed over size outbuilding on Lot 802 (No. 6) Catchpole Place, Lancelin.

**BACKGROUND**

The Shire has received an Application for Development Approval for a proposed outbuilding on the subject lot, which is 850.9m<sup>2</sup> in area. The property currently contains an existing outbuilding which is to be retained as part of the proposal.

The application proposes an outbuilding 6 metres in length and 6.1 metres in width, equating to an area of 36.75m<sup>2</sup>. The proposed wall height is 3.6 metres tapering to a ridge height of 4.4 metres. The outbuilding is proposed to be set back 1.5m from the side (south-western) boundary. The positioning of the outbuilding results in the southern wall abutting the existing outbuilding which essentially creates an outbuilding with an area of 93m<sup>2</sup>.

The proposal seeks variations to Clause 5.4.3 – Outbuildings of the Residential Design Codes of Western Australia (R-Codes) in regards to the 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 overall area. As such, Council consideration is required.

A location plan and a copy of the applicant's proposal are attached as **Appendices 1** and **2**, respectively.

## COMMENT

### Community Consultation

The application was advertised to surrounding landowners for a period of 21 days in accordance with clause 64 of the *Planning and Development (Local Planning Scheme) Regulations 2015*. The Shire received one written comment providing consent/support for the development.

## 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 proposed outbuilding is deemed to be of a scale which does not contravene any of the above objectives.

### 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 3.6 metres tapering to a ridge height of 4.4 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.'*

It is noted the applicant has positioned the proposed outbuilding as far back from the primary street as practicable to ensure the current streetscape will remain unchanged. The assessment has taken into consideration the overall area marginally exceeding the maximum area of 90m<sup>2</sup> prescribed by Local Planning Policy 2.1 – Residential Outbuildings (LPP 2.1) for lots below 1000m<sup>2</sup>. Outbuildings of this nature proliferate the Lancelin townsite.

Local Planning Policy 2.1 considered the Design Principles when determining the maximum dimensions for outbuildings within the Shire and it should be noted that the application varies the maximum dimensions prescribed by LPP 2.1 by 3m<sup>2</sup>.

#### 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
Lancelin (601m <sup>2</sup> -1000m <sup>2</sup> )	Area Wall Height Overall Height	90m <sup>2</sup> 3.6m 5.0m	36.75m <sup>2</sup> – compliant In aggregate – 93m <sup>2</sup> non-complaint 3.6m - compliant 4.4m - compliant

The proposed outbuilding in conjunction with the existing outbuilding results in an aggregate area of 93m<sup>2</sup> which does not comply with the maximum area 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. This notwithstanding, a variation to the area of 3m<sup>2</sup> is unlikely to be noticeable.

### Conclusion

In summary, the application seeks a variation to 'Local Planning Policy 2.1 – Residential Outbuildings' and the R-Codes. The variations sought are considered to be in accordance with the intent of LPP 2.1. Although the maximum allowable standards have been marginally exceeded, the proposal is 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

<b><i>Focus Area</i></b>	<i>Infrastructure and Development</i>
<b><i>Objective</i></b>	<i>3. To effectively manage growth and provide for community through the delivery of community infrastructure in a financially responsible manner</i>
<b><i>Outcome</i></b>	<i>3.1 Development of new and existing developments meet the Shire's Strategic Objectives and Outcomes</i>
<b><i>Key Service Areas</i></b>	<i>Building And Planning Permits</i>
<b><i>Priorities</i></b>	<i>N/A</i>

## **VOTING REQUIREMENTS – SIMPLE MAJORITY**

### **COUNCIL RESOLUTION/OFFICER RECOMMENDATION**

**MOVED:** Councillor Peczka **SECONDED:** Councillor Johnson

**That Council grant Development Approval for a proposed over size outbuilding on Lot 802 (No. 6) Catchpole Place, Lancelin subject to the following conditions:**

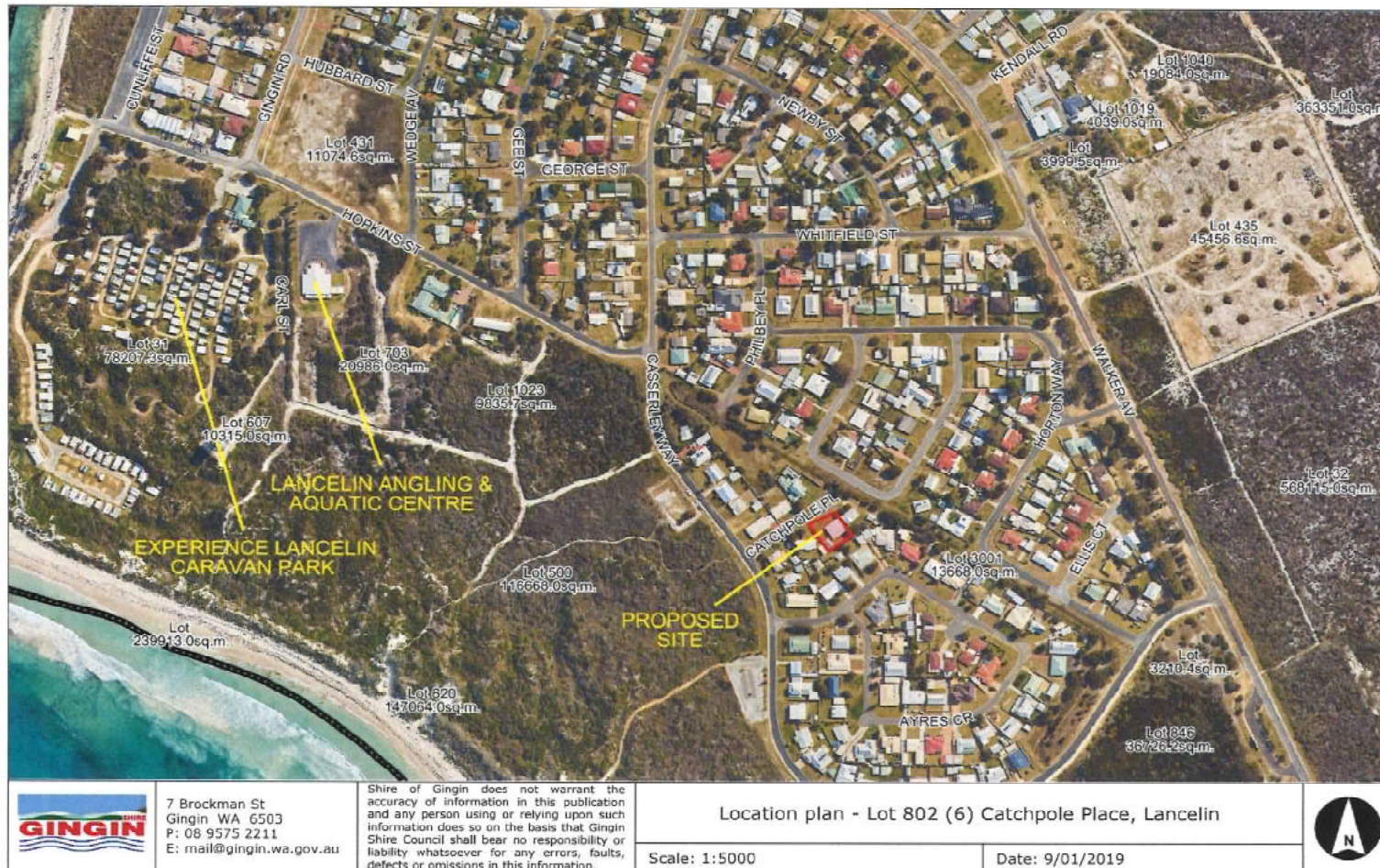
- 1. The land use and development shall be undertaken in accordance with the approved plans and specifications, including the directions written in red ink by the Shire, unless otherwise conditioned in this Approval;**
- 2. This Approval is for an Outbuilding only as indicated on the approved plans;**
- 3. The Outbuilding shall not be used for human habitation or any other industrial or commercial purposes; and**
- 4. 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.**

### **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*, *Health (Miscellaneous Provisions) Act 1911* and *Health Act 2016*, which are to be approved by the Shire of Gingin.
- 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.

**CARRIED UNANIMOUSLY**

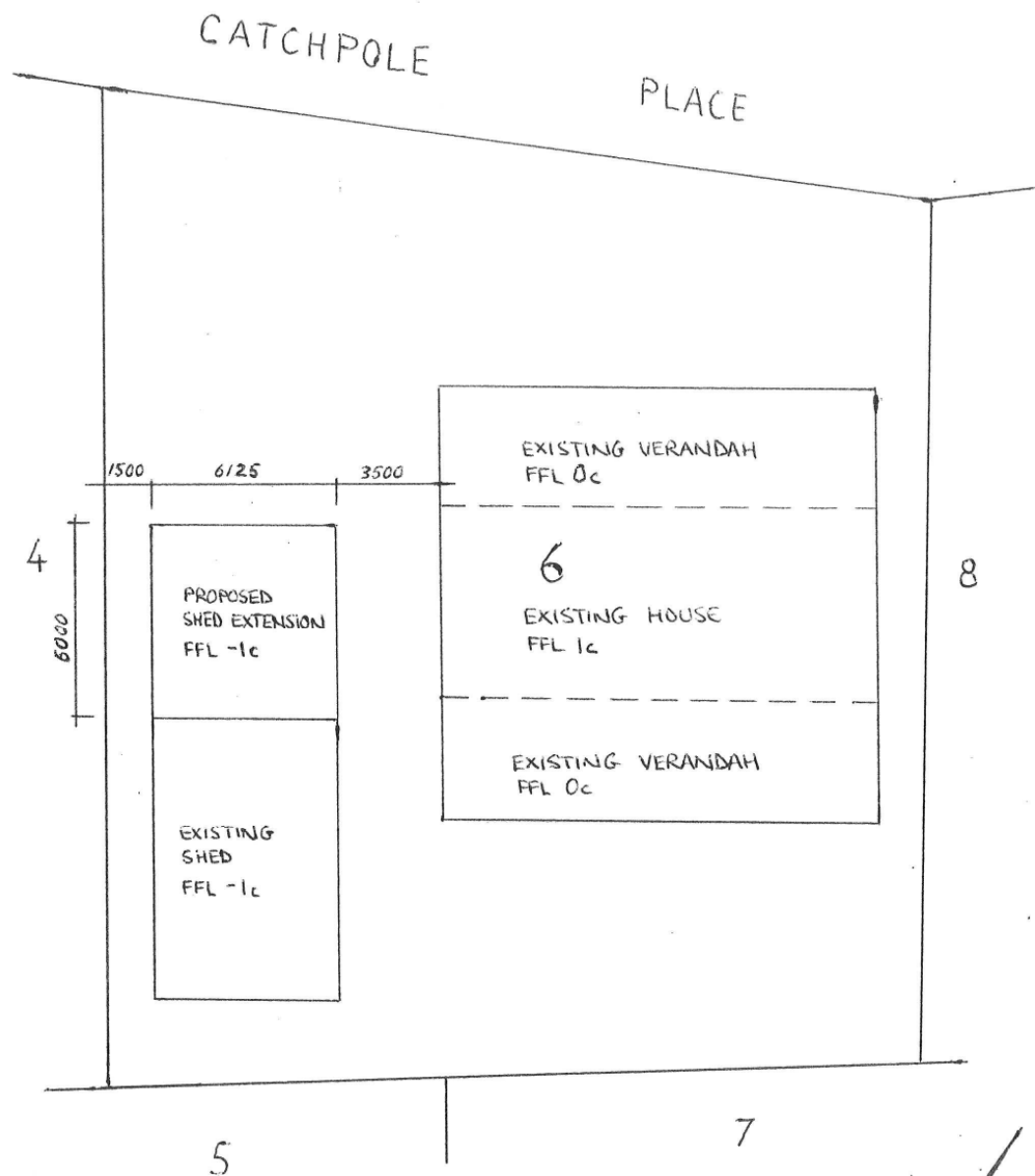
**APPENDIX 1**





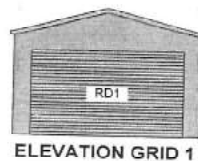
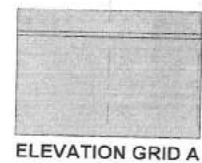
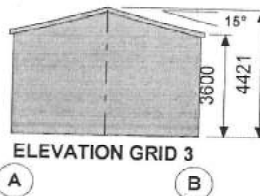
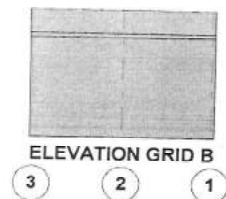
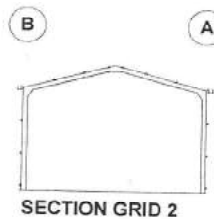
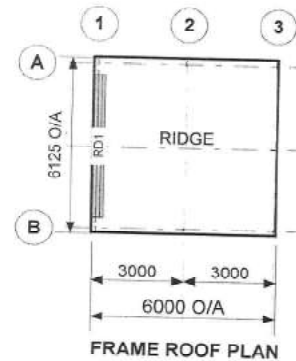


**APPENDIX 2**



PROPOSED SHED EXTENSION  
FOR DAVID McDONALD  
6 CATCHPOLE PL, LANCELIN

SCALE 1:200  
MEASUREMENTS IN MM



Copy  
Lysaght L.  
Solutions Pty.  
trading as RANBUILD

CLADDING			
ITEM	PROFILE (min)	FINISH	COLOUR
ROOF	TRIMDEK 0.42 BMT	CB	AA
WALLS	TRIMDEK 0.35 BMT	CB	AA
CORNERS		CB	AA
BARGE		CB	AA
GUTTER	SHEERLINE	CB	AA
DOWNPIPE	100x50	CB	AA

0.35bmt=0.40tct; 0.42bmt=0.47tct; 0.48bmt=0.53tct

#### ACCESSORY SCHEDULE & LEGEND

QTY	MARK	DESCRIPTION
1	RD1	B&D, Firmadour, R.D. Max "R3F", 2925 high x 500 wide Clear Opening C/B

ARCHITECTURAL DRAWING ONLY, NOT FOR CONSTRUCTION USE

#### WIND DESIGN

IMPORTANCE LEVEL	REGION	TERRAIN	Ms
2	A	2.5	1.0

CLIENT  
**DAVID McDONALD**  
SITE  
**6 CATCHPOLE PL  
LANCELIN WA 6044**

BUILDING  
**SUNDOWN DELUXE  
6125 SPAN x 3600 EAVE x 6000 LONG**

TITLE  
**GENERAL ARRANGEMENT**

SCALE  
A4 SHEET 1:200

DRAWING NUMBER  
**385213-GA**

PAGE  
**1/1**



**11.3.2 APPLICATION FOR DEVELOPMENT APPROVAL - PROPOSED COMPOSTING FACILITY AND ASSOCIATED INFRASTRUCTURE ON LOT 10 (1340) WANNAMAL ROAD WEST, BOONANARRING**

<b>File:</b>	BLD/2337
<b>Applicant:</b>	Westpork Pty Ltd
<b>Location:</b>	Lot 10 (1340) Wannamal Road West, Boonanarring
<b>Owner:</b>	Westpork Pty Ltd
<b>Zoning:</b>	General Rural
<b>WAPC No:</b>	N/A
<b>Author:</b>	James Bayliss, Acting Manager Statutory Planning
<b>Reporting Officer:</b>	Kylie Bacon – Executive Manager Planning and Development
<b>Report Date:</b>	22 January 2019
<b>Refer</b>	17 December 2013                      Item 11.1.10
<b>Appendices</b>	1.      Location Plan/Aerial Photograph 2.      Development Plans

**DISCLOSURES OF INTEREST**

Nil

**PURPOSE**

To consider an Application for Development Approval for a proposed composting facility and associated infrastructure on Lot 10 (1340) Wannamal Road West, Boonanarring.

**BACKGROUND**

The subject property currently contains the Mindarra Piggery which is operated by Westpork Pty Ltd. In November 2013, Westpork applied for development approval for a Composting Facility on land adjacent to the Mindarra 4 complex. The application was approved by Council on the 17 December 2013 and in 2016 Westpork received Works Approval from the Department of Water and Environmental Regulation (DWER) for the facility.

The Development Approval issued by the Shire has since expired. Accordingly, the purpose of this application is to seek development approval from Council for a revised composting facility. The composting facility will be built by Westpork in accordance with the Works Approval issued by DWER.

At all times Westpork will retain ownership of the facility. Once built, Bio-Organics Pty Ltd will need to hold a licence from DWER to operate the facility under lease from Westpork. Bio-Organics have previously operated a similar facility in Oakford. The day to day operations of the composting facility will be managed in accordance with the license conditions attached to DWER's operating license. As part of the operating license DWER will place monitoring and reporting conditions on the facility.

The subject property is 310 hectares in area and is situated on the north side of Wannamal Road West. The site currently operates as a piggery with a total capacity of 65,000 animals. The southern two thirds of the site are mostly cleared and contains three of the four piggery units. The northern third of the site comprises mostly remnant vegetation and includes the fourth piggery unit of the site. The land to the immediate east and north (Lot 2) comprises remnant woodland while the land to the west (Lot 5450) is primarily remnant woodland with the exception of the southernmost portion which has been cleared for grazing.

The land to the west contains a gravel pit operated by the Shire. The Boonanarring Nature Reserve is situated opposite Lot 10 on the south side of Wannamal Road West. The closest occupied residences to the subject site are located approximately 3.5km to both the east and the west. Two unoccupied and condemned residences are located on the adjacent Lot 5450 to the west.

The proposed Composting Facility is to be located to the immediate east of the Mindarra 4 unit on cleared land and will utilise the waste and daily mortality from the Mindarra property in the composting process. It is anticipated that all solid waste generated from the Mindarra property (straw based, screen waste, pond sludges and dead pigs) will be re-cycled into the composting process and eliminate the need for these materials to be disposed of on-site or exported off-site.

#### Composting Facility

The proposed Composting Facility comprises the following:

- Composting green waste and carbon-rich wastes with various nitrogenous liquid and solid wastes (including pig carcasses and manure) to produce compost and soils for home, commercial and agricultural use;
- Processing and pasteurising green waste of manufacture high-quality mulches for home, commercial and agricultural use; and
- Soil blending for compost product.

The facility will take up to 200,000 m<sup>3</sup> (or approximately 60,000 tonne per annum (tpa)) of solid waste (green waste, nitrogenous waste and benign waste) and 30,000 tpa to 50 000 tpa of liquid waste (grease trap, pond water, stormwater, and some wash-down from industry processes). Only waste that can be processed in a timely manner will be accepted by the facility.

The facility will comprise a six hectare sealed hardstand area that will be used for composting and non-composting activities and a surge green waste area. Liquid waste will be directly applied to the windrows on a 'just in time' basis immediately on arrival. During manufacture, compost is formed into windrows of up to 160 m long. Stormwater and leachate runoff from the composting hardstand area is directed to a dedicated leachate dam located adjacent the composting area. The leachate pond has a capacity of 3,300 m<sup>3</sup>. Water collected in the leachate pond will be re-used back into the composting process or for dust control. The leachate pond will be constructed with an HDPE liner. If large amounts of green waste are received, the surge green waste area will temporarily store the waste until it can be processed on the main hardstand. Surge green waste will be temporarily stored on a 1.6 ha hardstand area located in the northern portion of the site.

The existing Primary Water Balance Pond is proposed to be used to accommodate any excess volume of water collected in the leachate dam. It is proposed that all solid waste ingredients (other than green waste) to be composted will be handled in a just-in-time manner to avoid storing of ingredients on areas other than the compost area, where possible. All liquid waste ingredients are proposed to be added to the compost rows as they arrive on site.

The compost facility will not be open or advertised to the public and there is no public access to the existing piggery. Day-to-day composting related activity will normally be undertaken from 7:00 am to 5:00 pm Monday to Saturday. Vehicle movements may occur outside of the proposed operating hours, but the principle site activities will be limited to Monday to Saturday. The proposed operating times fall within the current activities of the piggery, which operates seven days per week.

A location plan and aerial photograph are included as **Appendix 1**. The development plans are included as **Appendix 2**. Due to the size of the document the accompanying Applicant's Report has been circulated separately to Councillors for their information and can be located in the Shire's Record Management System as Record IPA199503.

## COMMENT

### Community Consultation

The application was advertised to surrounding landowners, published on the Shire's website and social media platform and a development sign was 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*. No written submissions have been received by the Shire.

## **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.*

The land use 'composting facility' is defined 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'.*

The zoning table designates a 'Composting Facility' as an "A" use in the General Rural zone, meaning 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 definition of a composting facility specifically excludes the use of listed waste. However, the proposal outlines that liquid wastes are intended to be brought to site and used in the composting process, and the reporting officer has some concerns that listed waste may be brought to site as part of this process. Wash down from industry processes is unlikely to be considered 'organic' and therefore would not be permitted as per the definition of 'composting' under LPS 9.

The officer is of the view that the proposal can be conditioned to prevent any '*liquid wastes classed as Listed Waste*' from being taken to the property or used in the composting process. It is therefore considered that 'Composting Facility' is the appropriate land use classification.

It is also noted Council has previously approved a composting facility on the subject property and accepted that the objectives of the zone have been satisfied.

### 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 composting facility, including all related infrastructure, is setback further than 20 metres from the lot boundary. The proposal therefore satisfies the provisions of LPS 9 Table 2 - Site Requirements. Additional buffer requirements are applicable as outlined in the report 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 the existing piggery operating on the property. The impact of the development from a height, bulk, scale and appearance perspective is deemed to be relatively minor due to the large setbacks to nearby lot boundaries.

- (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. The proponent engaged Strategen Environmental to undertake an Environmental Assessment and Management Plan which did not identify any environmental risks.

- (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

Access to the site is via a crossover located on Wannamal Road West which is unsealed in this section. Vehicle access to the site is proposed to be via Brand Highway and Wannamal Road West with a new crossover constructed just to the west of Mindarra Springs Road (unmade).

The vehicle movements generated by the composting facility are as follows:

- Up to 10 staff vehicles per day;
- Liquids incoming: 27 B-Double liquid tankers per week; and
- Green waste incoming: 59 pocket road trains per week. The pocket road trains bringing in green waste will also take out finished compost so no additional trucks are required for outgoing product.

The applicant lodged a Traffic Impact Assessment (TIA) prepared by Shawmac Traffic Engineers. The Shire's Operations Department reviewed the TIA and noted the traffic generation for the development only deals with vehicles per day which essentially allocates the same value (one vehicle movement) for each type of vehicle. It would be a more accurate representation of traffic if the Equivalent Standard Axles (ESA) were stipulated. This would then give a true representation of the wear and deterioration of the existing pavement (and seal) that would be encountered. The traffic data used is for a virtual week and does not represent accurately the different classes of vehicles (light through to heavy vehicles, 12 classes in total). The heavy vehicle axle loadings should be separated from the light vehicles.

The TIA doesn't acknowledge concessional loading (the Accredited Mass Management Scheme, AMMS) for Wannamal Road West. Wannamal Road West is currently approved for AMMS Level 2 with conditions (approval from the Shire must be obtained in writing). The applicant currently has contractors using RAV Network 4 with AMMS Level 2 delivering to site. AMMS will need to be assessed in the TIA as this will affect the life of the existing pavement.

The comments in the conclusion that an additional 30 heavy vehicle movements per day (from the development) is not considered to increase the likelihood of crashes to an unacceptable level requires review considering that there is an unsealed section of road. The proposed development will increase the maximum number of heavy vehicle movements from the existing 12 per day to 30 (an increase of 250% to the development) which will undoubtedly increase dust and therefore greatly reduce visibility and increase the safety risk. The increased dust also equates to the rapid deterioration of the unsealed pavement.

Given the above comments, appropriate conditions have been recommended which are expected to resolve any concerns.

Environmental Protection Authority Guidance Statement No. 3 - Guidance for the Assessment of Environmental Factors Western Australia (In Accordance with the Environmental Protection Act 1986) - Separation Distances between Industrial and Sensitive Land Uses

The EPA's Guidance Statement recommends the following separation distances for a compost facility with respect to odour:

- 1,000 m for manures, mixed food/putrescible and vegetative food waste
- 150 m for green waste.

The EPA Draft Environmental Assessment Guideline for Separation distances between industrial and sensitive land uses recommends the following separation distances:

- Liquid waste facility – 1,000 m
- Composting facility – case by case.

The existing buffer exceeds the recommended distances prescribed above. DWER assessed the risk of odour impacts from the facility as moderate and acceptable subject to the proposed management controls and regulatory controls which will be applied through the operating licence.

### 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 partially bushfire prone. The proposed facility will be separated from any grassland by bare earth roads and vehicle manoeuvring areas that vary in width from 20 metres to 50 metres. The site office, machine store and workshop which form part of the proposed composting facility will be located a minimum of 31 metres from the adjacent pine plantation. The BAL was identified as being BAL-19.

### Summary

In view of the above assessment Administration is of the view that the proposed composting facility satisfies the applicable planning framework and the subject land is able to accommodate the development without unacceptable adverse impacts to adjoining properties.

## **STATUTORY ENVIRONMENT**

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

*Planning and Development (Local Planning Scheme) Regulations 2015 (Deemed Provisions)*

Environmental Protection Authority Guidance Statement No. 3 - Guidance for the Assessment of Environmental Factors Western Australia (In Accordance with the *Environmental Protection Act 1986*) - Separation Distances between Industrial and Sensitive Land Uses

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

<b>Focus Area</b>	<i>Infrastructure &amp; Development</i>
<b>Objective</b>	<i>3. To effectively manage growth and provide for community through the delivery of community infrastructure in a financially responsible manner.</i>
<b>Outcome</b>	<i>3.1 Development New and existing development meet the Shire's Strategic Objectives and Outcomes.</i>
<b>Key Service Area</b>	<i>Building &amp; Planning Permits</i>
<b>Priorities</b>	<i>3.1.1 Support strategies that facilitate commercial development</i>

## VOTING REQUIREMENTS – SIMPLE MAJORITY

## COUNCIL RESOLUTION/OFFICER RECOMMENDATION

**MOVED:** Councillor Rule **SECONDED:** Councillor Peczka

That Council grant development approval for a proposed composting facility and associated infrastructure on Lot 10 (1340) Wannamal Road West, Boonanarring 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. All works required to satisfy a condition of this approval and the operation of the development, are required to be installed/constructed/maintained/undertaken in accordance with the conditions of this approval, approved plans and planning report (including attached reports) for the life of the development;
3. This approval is for a composting facility and associated infrastructure as indicated on the approved plans;
4. The development shall at all times comply with the definition of composting facility as outlined under Local Planning Scheme No. 9 (as amended). The development shall only accept and process compostable organic wastes and shall not accept and process any non-organic wastes including but not limited to listed waste, radioactive waste, hazardous waste or wash down from industry process.
5. The annual tonnage of waste received shall not exceed the following tonnages per annum:
  - a. 60, 000 tpa of solid waste (green waste and benign waste); and
  - b. 50, 000 tpa of liquid waste (grease trap waste, pond and stormwater)

6. The landowner/operator is required to keep up to date records of waste received and shall provide the Shire of Gingin with a copy of such records within 14 days upon request;
7. The Traffic Impact Assessment (TIA) prepared by Shawmac Traffic Engineers shall be updated/amended to the satisfaction of the Shire of Gingin. The landowner(s) shall be responsible for all costs associated with the preparation of the amended TIA (including all drafts);
8. Prior to operation of the development, the landowner shall enter into a deed of agreement for contributions to the maintenance and upgrade of Wannamal Road West 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); and
9. The Bushfire Attack Level (BAL) Assessment prepared by Smith Consulting Bushfire Consultants on 14 September 2018 shall be implemented and maintained thereafter to comply with a maximum BAL-19 rating.

#### **Advice Notes**

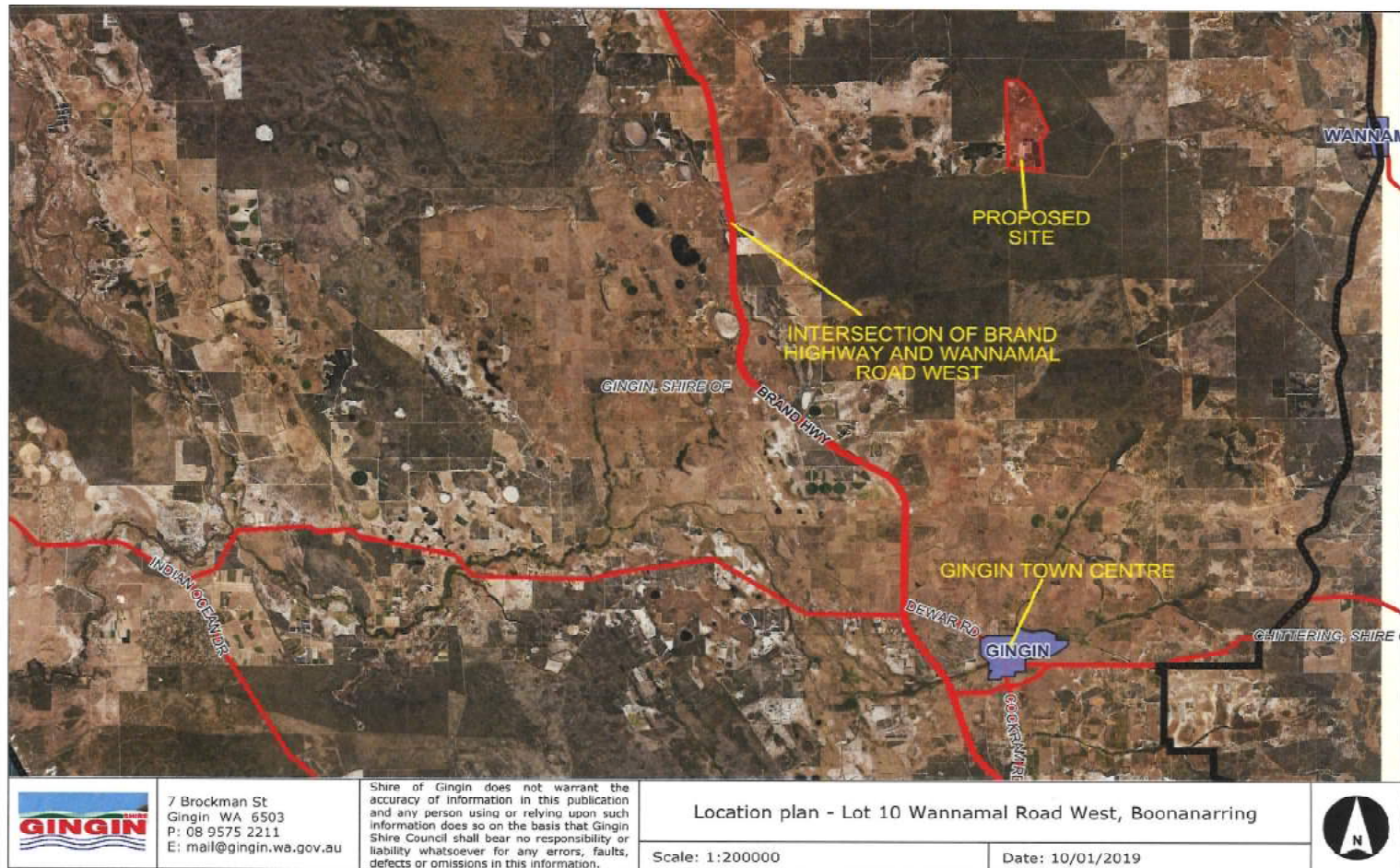
- Note 1:** If you are aggrieved with the conditions of this approval you have the right to request that the State Administrative Tribunal (SAT) review the decision under Part 14 of the *Planning and Development Act 2005*;
- Note 2:** If the development subject to this approval is not substantially commenced 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*, *Public Health Act 2016* and *Health (Miscellaneous Provisions) Act 1911*, which are to be approved by the Shire of Gingin;
- Note 5:** 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 6:** 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;

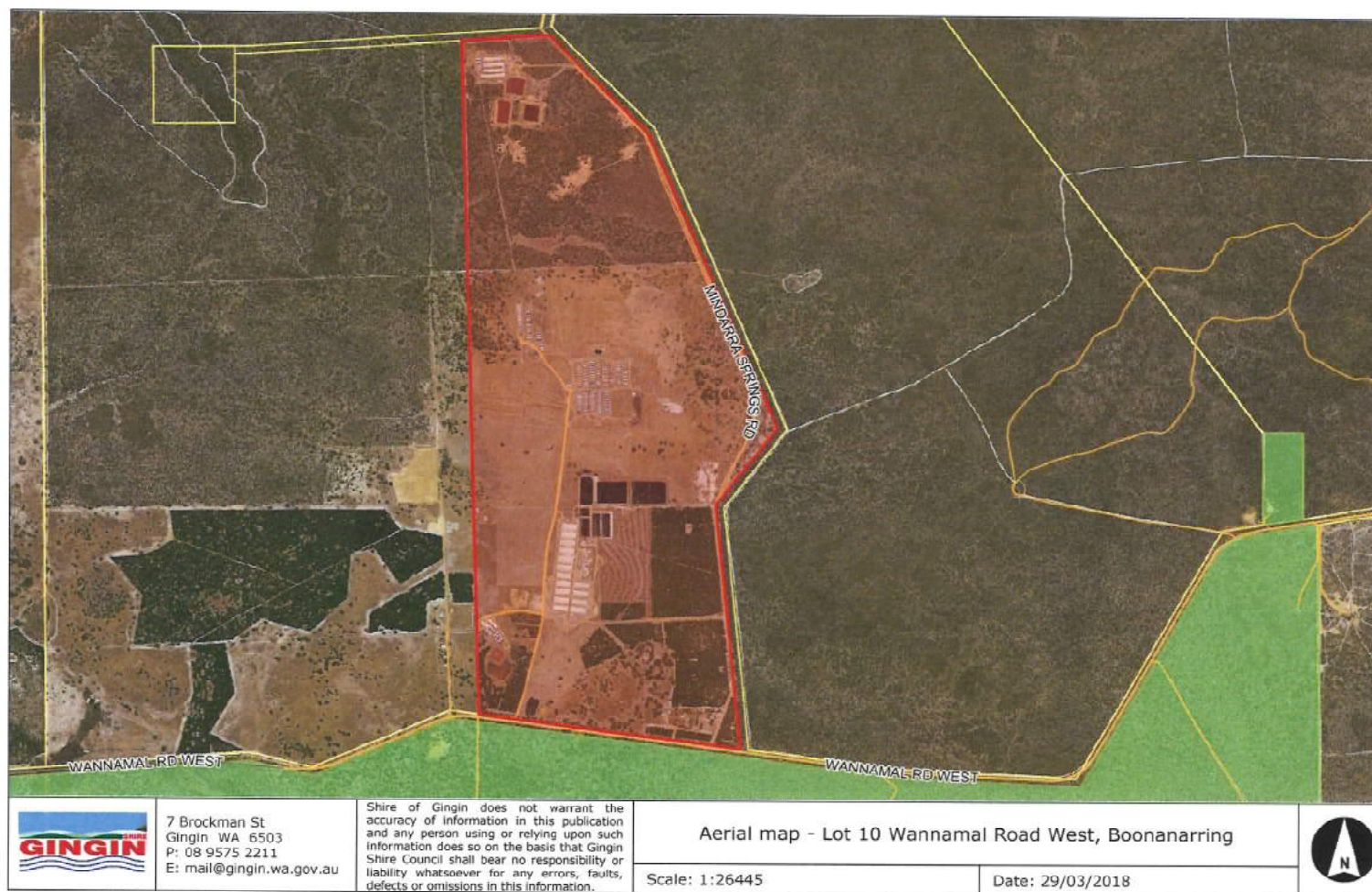


- Note 7:** It is advised that the proposal should at all times comply with the *Biosecurity and Agriculture Management (Stable Fly) Management Plan 2016* in order to minimise the effects of stable flies on the community;
- Note 8:** The operation will be required to comply with the *Environmental Protection (Noise) Regulations 1997*;
- Note 9:** It is the landowner's responsibility to implement and maintain bushfire protection and mitigation measures on their property;
- Note 10:** 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 11:** 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 12:** It should be noted that the composting facility will 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 (DWER);
- Note 13:** It should be noted that the existing water license may require amendment by the Department of Water and Environmental Regulation (DWER);
- Note 14:** 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; and
- Note 15:** Please be advised that the amended Deed of Agreement shall be prepared by a suitably qualified traffic engineer and shall take existing and proposed increased heavy traffic volumes for the development into consideration.

**CARRIED UNANIMOUSLY**

**APPENDIX 1**

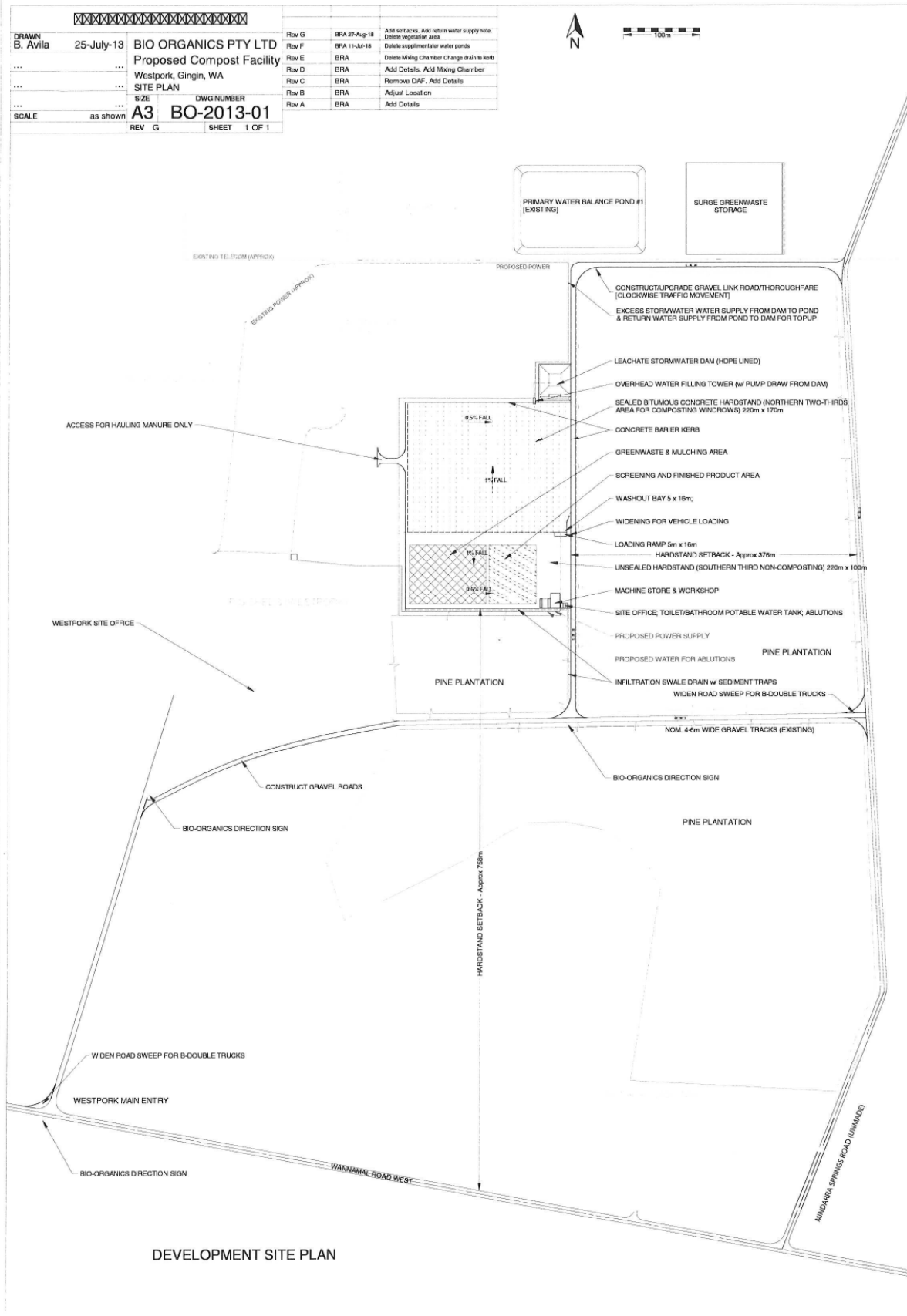


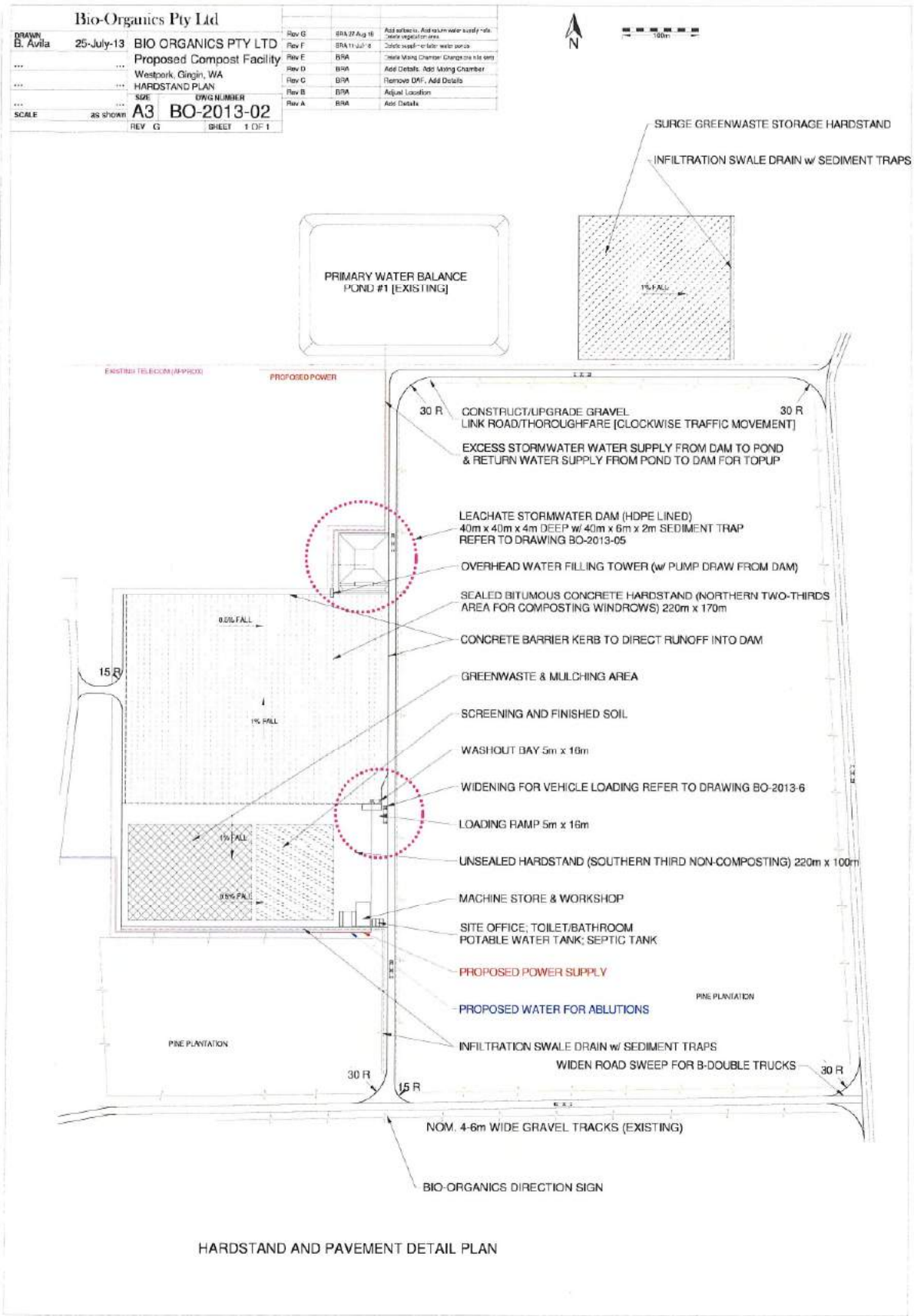


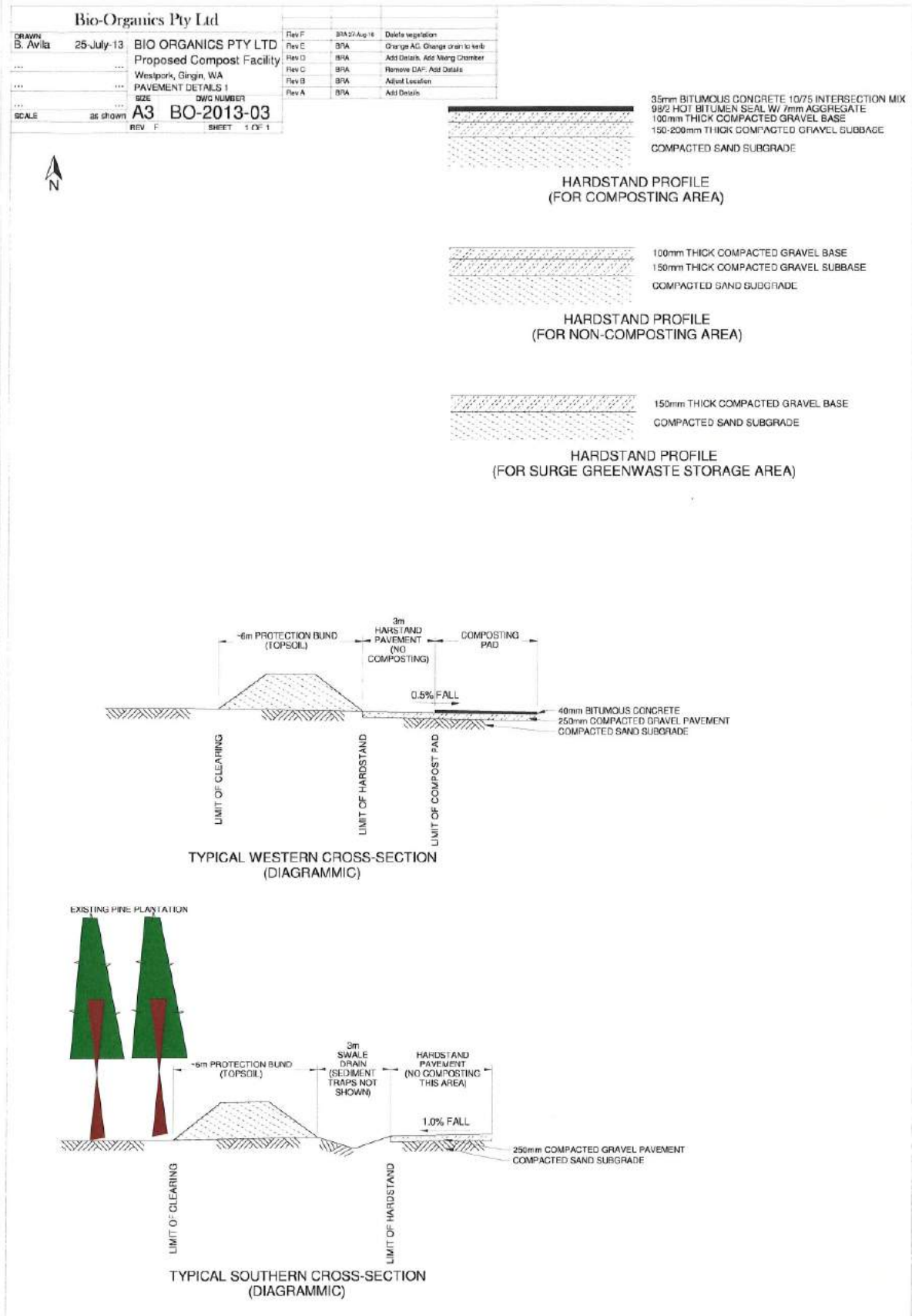


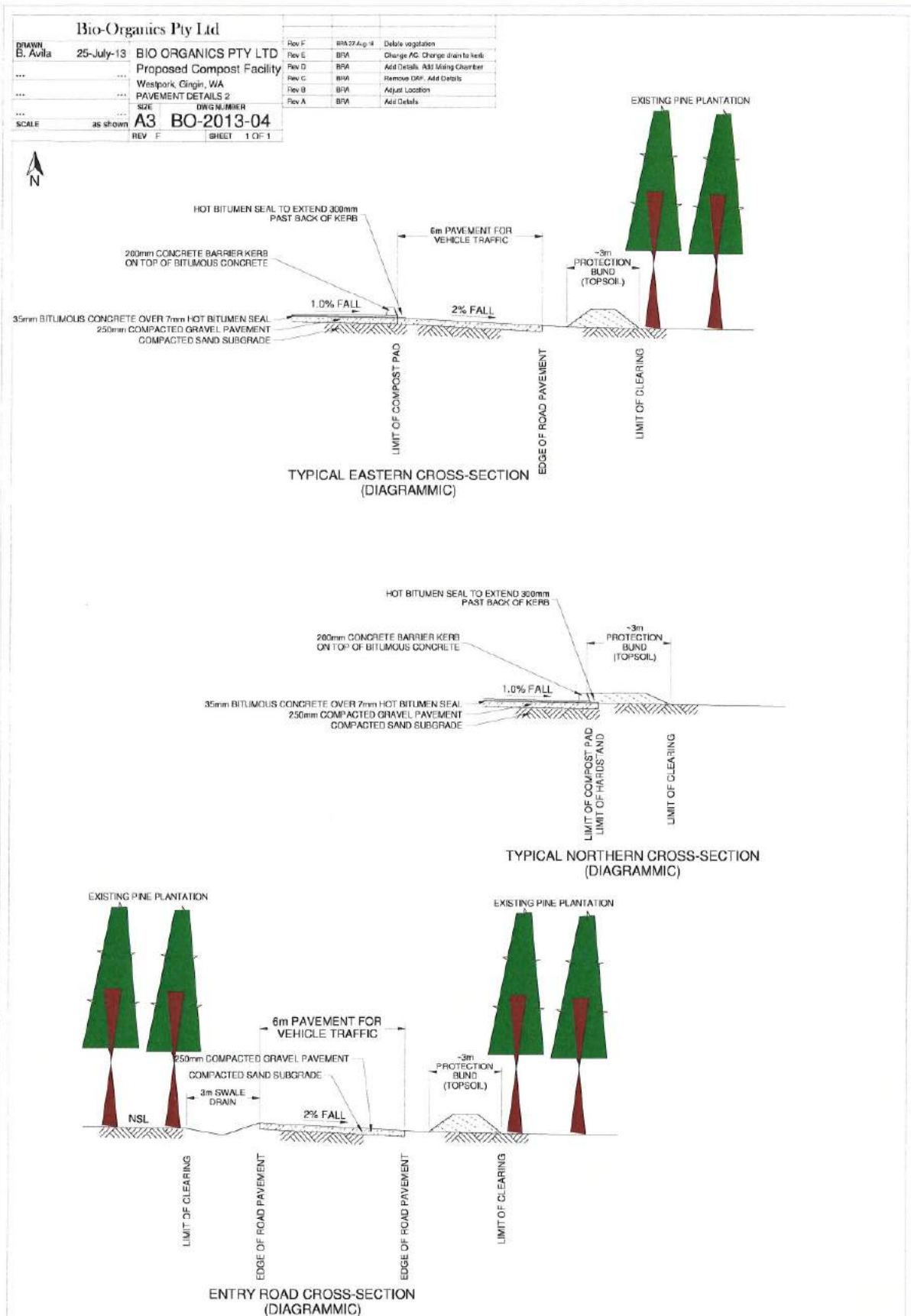
# APPENDIX 2

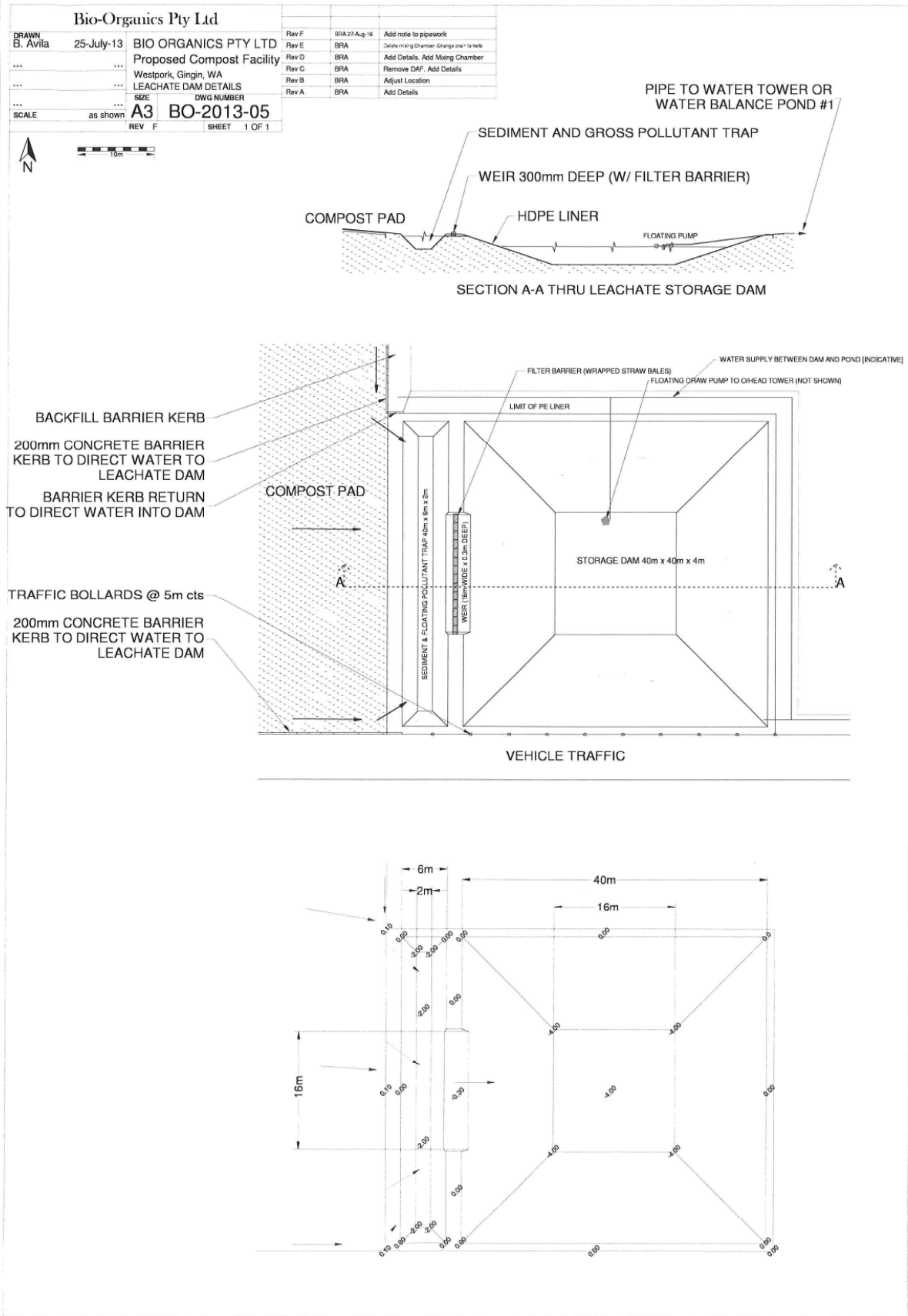




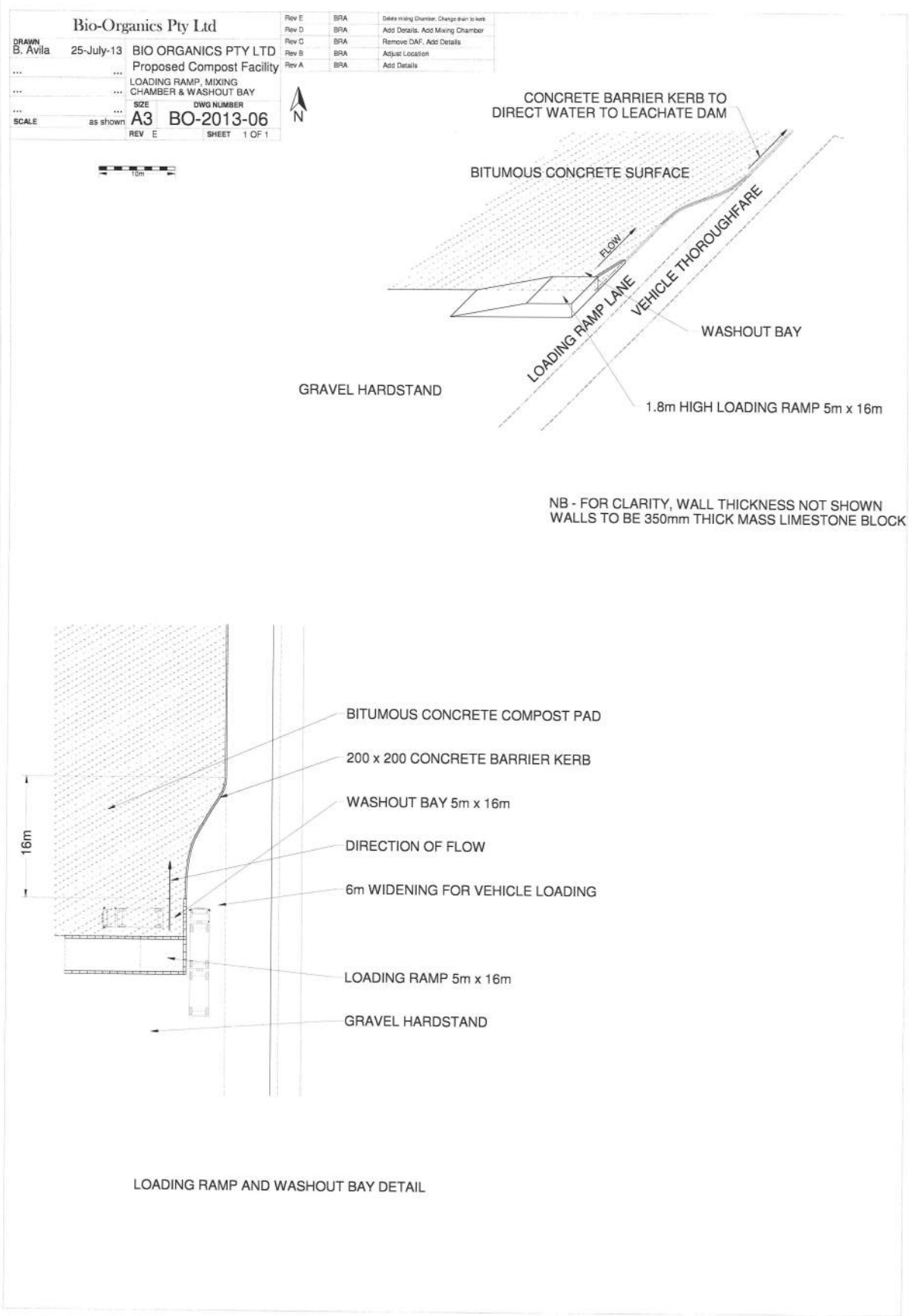


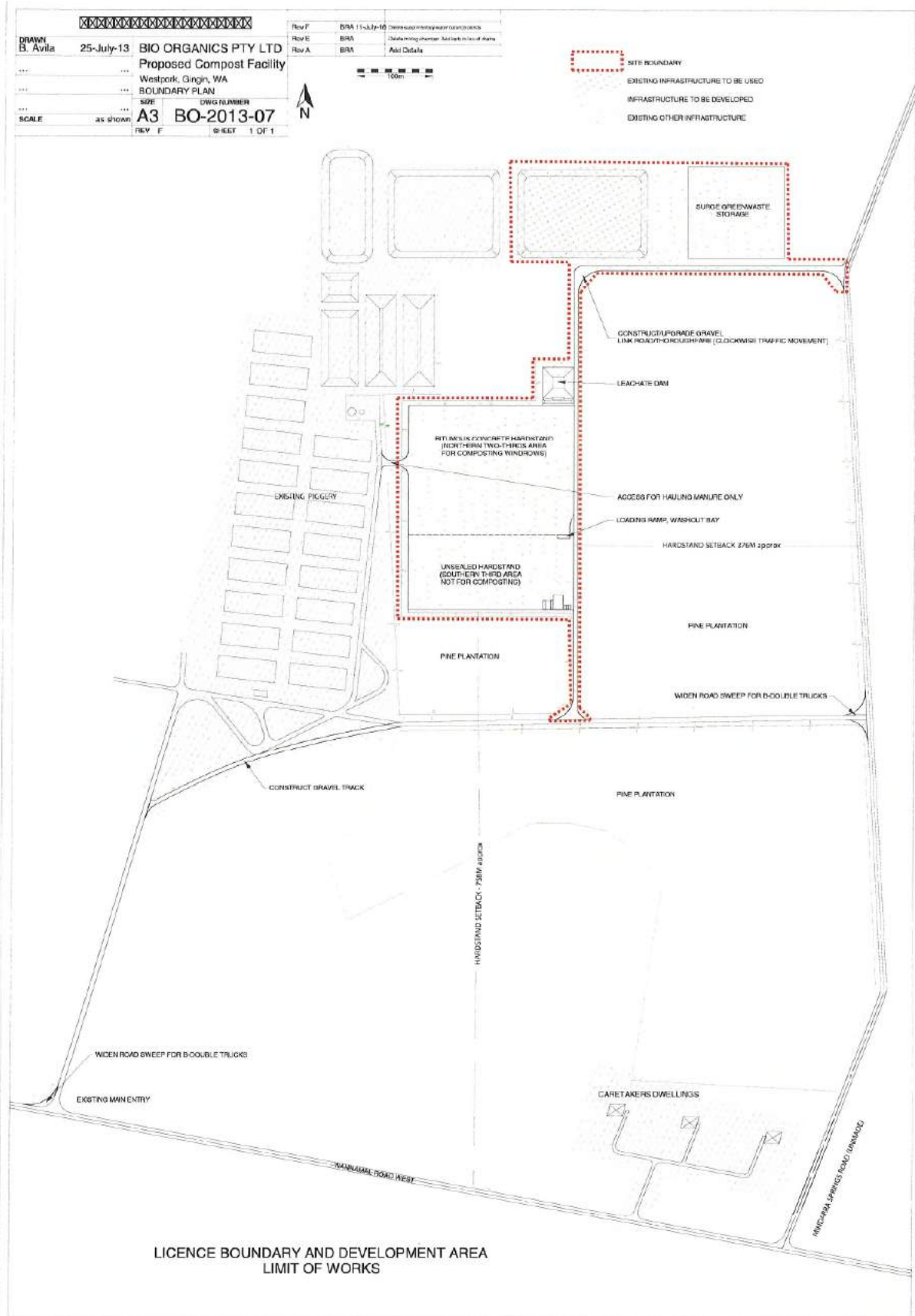












**11.4. OPERATIONS-CONSTRUCTION****11.4.1 UNBUDGETED EXPENDITURE 2018/19 CAPITAL ROADWORKS PROGRAM**

<b>Location:</b>	Shire of Gingin
<b>File:</b>	RDS/10
<b>Reporting Officer:</b>	Allister Butcher – Executive Manager Operations
<b>Report Date:</b>	22 January 2019
<b>Refer:</b>	Nil
<b>Appendices:</b>	

**DISCLOSURES OF INTEREST**

Councillor Morton declared a proximity interest in item 11.4.1 due to the fact that he has an interest in property directly adjoining Greenwood Road and left the Council Chambers at 4.24pm.

**PURPOSE**

To determine the level of support for allocating funds for additional Capital Roadworks projects in the 2018/19 financial year.

**BACKGROUND**

As part of the 2018/19 Capital Roadworks program the Shire has received funds from State Government to undertake works on Orange Springs Road. To facilitate the works the Shire is highly likely to have to undertake clearing of some of the native vegetation on the road verge. Shire Officers have been working through the process of preparing a clearing application for these works which has entailed undertaking a spring time flora and fauna survey due to the extent of clearing that is initially proposed.

Shire Officers have determined that it is highly likely a Threatened and/or Priority Ecological Community (TEC or PEC) may exist on the Orange Springs Road reserve. Ecological Communities are defined by the Department of Biodiversity, Conservation and Attractions (DBCA) as 'naturally occurring biological assemblages that occur in a particular type of habitat. They are the sum of species within an ecosystem and, as a whole, they provide many of the processes which support specific ecosystems and provide ecological services'.

Through a non-statutory process, the Minister for Environment may list communities that are considered to be at threat as either Threatened or Priority Ecological Communities. A TEC is one which is found to fit into one of the following categories:

- Presumed Totally Destroyed (PD);
- Critically Endangered (CE);
- Endangered (E); or
- Vulnerable (V).

Possible threatened ecological communities that do not meet survey criteria are added to DBCA's Priority Ecological Community Lists under Priorities 1, 2 and 3 (referred to as P1, P2, P3). Ecological communities that are adequately known, are rare but not threatened, or meet criteria for Near Threatened, or that have been recently removed from the threatened list, are placed in Priority 4 (P4). These ecological communities require regular monitoring. Conservation Dependent Ecological Communities are placed in Priority 5 (P5).

TECs can also be listed under the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act). There are three categories of TEC under the EPBC Act as follows:

Category	Definition
Critically endangered (CE)	If, at that time, an ecological community is facing an extremely high risk of extinction in the wild in the immediate future (indicative timeframe being the next 10 years).
Endangered (EN)	If, at that time, an ecological community is not critically endangered but is facing a very high risk of extinction in the wild in the near future (indicative timeframe being the next 20 years).
Vulnerable (V)	If, at that time, an ecological, community is not critically endangered or endangered but is facing a high risk of extinction in the wild in the medium-term future (indicative timeframe being the next 50 years).

The Flora Survey identified that the following TECs and PECs are located within 10km of Orange Springs Road:

Community Name	Status (WA)	Status (EPBC Act)
' <i>Banksia</i> Woodlands of the Swan Coastal Plain' a Federally listed TEC consisting of numerous State-listed communities.	Priority 3	EN
Tuart ( <i>Eucalyptus gomphocephala</i> ) woodlands of the Swan Coastal Plain	Priority 3	*EN (part)

Shire Officers are working to try and minimise the amount of clearing required and to protect the Threatened and Priority Flora found at the western end of Orange Springs Road through the detailed design process. This will hopefully reduce the impact on these communities and expedite the clearing application process as much as practical.

The likelihood is that, if everything goes well, the clearing permit could be issued in April 2019. This will allow staff and contractors to undertake clearing and shoulder works in April/May 2019 to June 2019 in preparation for completing the pavement works in the 2019/20 financial year. This leaves the months of February to April 2019 without any Capital Roadworks being undertaken. It would be advisable to consider bringing forward some of the 'Excess Projects' (below the funding line) from the 2018/19 Capital Roadworks Budget to fill this time to ensure that the Shire's assets are being renewed in a fiscally responsible manner.

The types of projects that may be considered should be asset renewal type projects (resheeting and/or renewing existing sealed pavements) with indirect costs (wages, overheads and plant costs). The reason for this is that the 2019/20 financial year will be a big year for pavement renewal/upgrade with Orange Springs Road and Sappers Road pavement reconstruction/upgrade works with little time for any other asset renewal works with indirect costs in that fiscal year.

As part of the 2018/19 Capital Roadworks Program, the Shire has allocated a total of \$937,431 to be transferred to Restricted Cash to be used for capital roadworks, bearing in mind the 100% funded Orange Springs Road works. This transfer was determined based on the amount that would have been spent by the Shire on renewing/upgrading road assets if Orange Springs Road was not being undertaken. Since then there has been some minor adjustments (by Council Resolution) and the Restricted Cash Transfer is now at \$883,614.

## COMMENT

With that in mind, Council may choose to bring forward some of the 'Excess Projects' (below the funding line) from the 2018/19 Capital Roadworks Budget with a focus on asset renewal with indirect costs and based on the priority ranking of these projects. Some options that Council may wish to consider are:

### OPTION 1

Road Name	Works description	SLK		Length (km)	Time for project (days)	Indirect Costs	Direct Costs	Total
		From	To					
Tangletoe Road	Resheet formation.	0.14	0.99	0.85	6	\$43,746	\$85,847	\$129,593
Beattie Road	Resheet formation.	0.00	2.00	2.00	13	\$92,172	\$109,703	\$201,875
Greenwood Road	Resheet formation.	0.00	2.40	2.40	10	\$74,961	\$109,580	\$184,541
Duffy Road	Resheet formation.	5.18	5.76	0.58	5	\$35,568	\$21,780	\$57,348
Hancock Place	Resheet formation.	0.00	1.02	1.02	6	\$44,373	\$31,549	\$75,922
<b>TOTAL</b>				<b>6.85</b>	<b>40</b>	<b>\$290,820</b>	<b>\$358,459</b>	<b>\$649,279</b>

### OPTION 2

Road Name	Works description	SLK		Length (km)	Time for project (days)	Indirect Costs	Direct Costs	Total
		From	To					
Tangletoe Road	Resheet formation.	0.14	0.99	0.85	6	\$43,746	\$85,847	\$129,593
Beattie Road	Resheet formation.	0.00	2.00	2.00	13	\$92,172	\$109,703	\$201,875
Dingo Road	Resheet formation.	0.00	4.56	4.56	35	\$265,298	\$328,962	\$604,260
<b>TOTAL</b>				<b>7.41</b>	<b>54</b>	<b>\$361,216</b>	<b>\$514,512</b>	<b>\$875,728</b>



## OPTION 3

Road Name	Works description	SLK		Length (km)	Time for project (days)	Indirect Costs	Direct Costs	Total
		From	To					
Hoy Road	Pavement reconstruction	0.00	0.72	0.72	11	\$70,428	\$330,293	\$400,721
Beattie Road	Resheet formation.	0.00	2.00	2.00	13	\$92,172	\$109,703	\$201,875
Greenwood Road	Resheet formation.	0.00	2.40	2.40	10	\$74,961	\$109,580	\$184,541
Duffy Road	Resheet formation.	5.18	5.76	0.58	5	\$35,568	\$21,780	\$57,348
<b>TOTAL</b>				<b>5.60</b>	<b>39</b>	<b>\$273,129</b>	<b>\$571,356</b>	<b>\$844,485</b>

It is proposed that the Shire will work through the above projects in each option from the top down in priority ranking.

Assuming that works commence at the start of February 2019, then the completion dates for each of the options (based on a nine day fortnight) are:

- Option 1 – first week of April 2019;
- Option 2 – last week of April 2019; and
- Option 3 – mid-April 2019.

It is proposed that the allocations for the options above would be funded out of the Restricted Cash transfer of \$883,614.

Option 1 is Administration's preferred option as it provides the most amount of asset renewal (6.85km) with the least impact to the budget and restricted cash transfer. It is, however, the shortest timeframe for the total time for the projects (40 days) but if additional projects are to be added then this can be completed at a later date when a firmer date is ascertained for the finalisation of the clearing permit.

If Council should choose to progress with Option 1 then the budget would be amended as follows:

Account	Description	Current Budget	Revised Budget	Surplus/ Deficit
12209781	Roads – Balance of Muni Funds – Transfer to Restricted Cash	\$883,614	\$234,335	-\$649,279
NEW	Tangletoe Road – Resheet formation	\$0	\$129,593	-\$129,593
NEW	Beattie Road – Resheet formation	\$0	\$201,875	-\$201,875
NEW	Greenwood Road – Resheet formation	\$0	\$184,541	-\$184,541
NEW	Duffy Road – Resheet formation	\$0	\$57,348	-\$57,348
NEW	Hancock Place – Resheet Formation	\$0	\$75,922	-\$75,922
			<b>Net Effect</b>	<b>NIL</b>

In the event that Council elects to proceed with one of the proposed options and the clearing permit for Orange Springs Road is approved prior to the completion of the additional projects, then the intention is that the progression of the Orange Springs Road project would take priority over completion of the additional works. It is also proposed that the current budget allocation for Orange Springs Road remain at \$2.6m. This will provide flexibility to complete as much of the works as possible in the event that the clearing permit is approved sooner than anticipated, and any funds remaining unspent at the end of the financial year can then be carried forward to 2019/20.

## STATUTORY ENVIRONMENT

*Environment Protection and Biodiversity Conservation Act 1999 (Cth)*

*Local Government Act 1995*

Part 6 – Financial management

Division 4 – General financial provisions

Section 6.8 – Expenditure from municipal fund not included in budget

## POLICY IMPLICATIONS

Nil

## BUDGET IMPLICATIONS

It is proposed that the 2018/19 Budget be amended as follows:

Account	Description	Current Budget	Revised Budget	Surplus/ Deficit
12209781	Roads – Balance of Muni Funds – Transfer to Restricted Cash	\$883,614	\$234,335	-\$649,279
NEW	Tangletoe Road – Resheet formation	\$0	\$129,593	-\$129,593
NEW	Beattie Road – Resheet formation	\$0	\$201,875	-\$201,875
NEW	Greenwood Road – Resheet formation	\$0	\$184,541	-\$184,541
NEW	Duffy Road – Resheet formation	\$0	\$57,348	-\$57,348
NEW	Hancock Place – Resheet Formation	\$0	\$75,922	-\$75,922
			<b>Net Effect</b>	<b>NIL</b>

**STRATEGIC IMPLICATIONS**

Shire of Gingin Strategic Community Plan 2017-2027

<b>Focus Area</b>	<i>Infrastructure and Development</i>
<b>Objective</b>	<i>3. To effectively manage growth and provide for community through the delivery of community infrastructure in a financially responsible manner.</i>
<b>Outcome</b>	<i>3.1 Development of new and existing developments meet the Shire's Strategic Objectives and Outcomes.</i>
<b>Priority</b>	<i>3.1.1 Support strategies that facilitate commercial development.</i>

**VOTING REQUIREMENTS – ABSOLUTE MAJORITY****COUNCIL RESOLUTION/OFFICER RECOMMENDATION****MOVED: Councillor Court SECONDED: Councillor Rule****That Council:**

1. **Agree to bring forward the following “Excess Projects” from the 2018/19 Capital Roadworks Budget for commencement in the 2018/19 financial year:**

Road Name	Works description	SLK		Length (km)	Time for project (days)	Indirect Costs	Direct Costs	Total
		From	To					
Tangletoe Road	Resheet formation.	0.14	0.99	0.85	6	\$43,746	\$85,847	\$129,593
Beattie Road	Resheet formation.	0.00	2.00	2.00	13	\$92,172	\$109,703	\$201,875
Greenwood Road	Resheet formation.	0.00	2.40	2.40	10	\$74,961	\$109,580	\$184,541
Duffy Road	Resheet formation.	5.18	5.76	0.58	5	\$35,568	\$21,780	\$57,348
Hancock Place	Resheet formation.	0.00	1.02	1.02	6	\$44,373	\$31,549	\$75,922
TOTAL				6.85	40	\$290,820	\$358,459	\$649,279

2. **Agree to amend the 2018/19 Budget in accordance with the following table:**

Account	Description	Current Budget	Revised Budget	Surplus/ Deficit
12209781	Roads – Balance of Muni Funds – Transfer to Restricted Cash	\$883,614	\$234,335	-\$649,279
NEW	Tangletoe Road – Resheet formation	\$0	\$129,593	-\$129,593
NEW	Beattie Road – Resheet formation	\$0	\$201,875	-\$201,875
NEW	Greenwood Road – Resheet formation	\$0	\$184,541	-\$184,541
NEW	Duffy Road – Resheet formation	\$0	\$57,348	-\$57,348
NEW	Hancock Place – Resheet Formation	\$0	\$75,922	-\$75,922
			<b>Net Effect</b>	<b>NIL</b>

**CARRIED BY ABSOLUTE MAJORITY****9-0**

*Councillor Morton returned to the Chambers at 4.26pm.*

## **12. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

Nil

## **13. COUNCILLORS' OFFICIAL REPORTS**

### **13.1 PROPOSED WESTERN ROCK LOBSTER FESTIVAL**

<b>FILE:</b>	GOV/20-1
<b>COUNCILLOR:</b>	Jan Court
<b>REPORT DATE:</b>	22 January 2019

Councillor Court advised that she attended a forum with David Kelly (Minister for Local Government) and other stakeholders on 20 December 2018 to discuss the establishment of the Asia Pacific region's first international lobster festival.

The proposed format for the Western Rock Lobster Festival has been based on the successful Mandurah Crab Festival, but it is anticipated that festival events will be shared among regional areas.

Mayor Tracy Roberts from the City of Wanneroo was also present at the Forum and indicated that she was keen to work with the Shire of Gingin to maximise benefits arising from the proposal for both local governments.

### **13.2 LANCELIN OCEAN CLASSIC**

<b>FILE:</b>	GOV/20-1
<b>COUNCILLOR:</b>	Jan Court
<b>REPORT DATE:</b>	22 January 2019

Councillor Court advised that she attended both the start of the Lancelin Ocean Classic from Ledge Point and the trophy presentation ceremony in Lancelin on 12 January 2019. The event was very successful and the trophy presentation was a good evening.

### **13.3 LEDGE POINT COUNTRY CLUB ANNUAL GENERAL MEETING**

<b>FILE:</b>	GOV/20-1
<b>COUNCILLOR:</b>	Jan Court
<b>REPORT DATE:</b>	22 January 2019

Councillor Court advised that she attended the Ledge Point Country Club Annual General Meeting on 20 January 2019.

**13.4 DADAA “SET SAIL” EXHIBITION**

<b>FILE:</b>	GOV/20-1
<b>COUNCILLOR:</b>	Jan Court
<b>REPORT DATE:</b>	22 January 2019

Councillor Court advised that she had the honour of opening DADAA's latest exhibition of art works “Set Sail” at the Wangaree Community Centre on 11 January 2019.

**13.5 PROPOSED WESTERN AUSTRALIAN CONTAINER DEPOSIT SCHEME**

<b>FILE:</b>	GOV/20-1
<b>COUNCILLOR:</b>	Jan Court
<b>REPORT DATE:</b>	22 January 2019

Councillor Court advised that on 17 January 2019 she attended a meeting at WALGA with respect to the State Government's proposed container deposit scheme, to be implemented by early 2020. The Government is looking for opportunities for local government to become involved in providing refund points across the State where the community will be able to return eligible beverage containers.

**13.6 LANCELIN SPORTING FACILITIES WORKING GROUP**

<b>FILE:</b>	GOV/20-1
<b>COUNCILLOR:</b>	Jan Court
<b>REPORT DATE:</b>	22 January 2019

Councillor Court advised that she attended the first meeting of Council's Lancelin Sporting Facilities Working Group this morning, prior to the Council meeting. Councillors Elgin and Lobb were also in attendance as Council's other appointed representatives on the Working Group. It was encouraging to note that all Working Group members seemed to be in consensus with respect to the end goal of the Working Group. The Working Group had agreed that the Group's title should be changed to Upper Coastal Sporting Facilities Working Group in order to better reflect the desired outcomes.

**13.7 PARTY IN THE PARK AND MARKET DAY**

<b>FILE:</b>	GOV/20-1
<b>COUNCILLOR:</b>	Jan Court
<b>REPORT DATE:</b>	22 January 2019

Councillor Court asked the Chief Executive Officer to pass on her congratulations to all staff involved in this year's Party in the Park and Market Day on 6 January 2019. Staff did an amazing job on a very hot day and everything ran really well.



**13.8 2019 LEDGE POINT SAND CASTLE COMPETITION**

<b>FILE:</b>	GOV/20-1
<b>COUNCILLOR:</b>	Jan Court
<b>REPORT DATE:</b>	22 January 2019

Councillor Court reminded all that the annual Ledge Point Sand Castle Competition will be held on Sunday 27 January 2019. This will be covered again by Today Tonight. This is a very popular, fun day and she encouraged everyone to attend. This year's event will be covered by Today Tonight.

**13.9 DADAA "SET SAIL" EXHIBITION**

<b>FILE:</b>	GOV/20-1
<b>COUNCILLOR:</b>	Frank Peczka
<b>REPORT DATE:</b>	22 January 2019

Councillor Peczka advised that he also attended the opening of DADAA's "Set Sail" exhibition on 11 January 2019.

**13.10 LANCELIN OCEAN CLASSIC**

<b>FILE:</b>	GOV/20-1
<b>COUNCILLOR:</b>	Frank Peczka
<b>REPORT DATE:</b>	22 January 2019

Councillor Peczka advised that he attended the Lancelin Ocean Classic on 12 January 2019. This year's event was very well run and appeared to be a great success.

**13.11 LANCELIN OCEAN CLASSIC**

<b>FILE:</b>	GOV/20-1
<b>COUNCILLOR:</b>	Sam Collard
<b>REPORT DATE:</b>	22 January 2019

Councillor Collard extended his congratulations to the members of the LA Chamber of Commerce and Industry for their efforts in arranging such a successful event with the help and support of community and council. He hoped that the event would be even bigger and better in 2020.

**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 4.35pm.

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, 19 February 2019 commencing at 3.00pm.

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Councillor I B Collard  
Shire President  
19 February 2019