



CONFIRMED MINUTES

Shire of West Arthur
Ordinary Council Meeting
Thursday 19 December 2024

These Minutes were confirmed at the Ordinary council meeting on: 27 February 2025

Signed:

A handwritten signature in black ink, appearing to read "M. G. Mould", is written over a light blue wavy line.

Presiding Member at the meeting at which the Minutes were Confirmed.

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**MINUTES OF SHIRE OF WEST ARTHUR
ORDINARY COUNCIL MEETING
HELD IN THE COUNCIL CHAMBERS
ON THURSDAY, 19 DECEMBER 2024 AT 7.00PM**

1 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

The Presiding Member declared the meeting open at 7.04pm.

2 ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE

COUNCILLORS:	Cr Neil Morrell	(Shire President)
	Cr Karen Harrington	(Deputy Shire President)
	Cr Graeme Peirce	
	Cr Robyn Lubcke	
	Cr Duncan South	
	Cr Russell Prowse	
STAFF:	Vin Fordham Lamont	(Chief Executive Officer)
	Rajinder Sunner	(Manager Corporate Services)
	Gary Rasmussen	(Manager Works and Services)
	Sharon Bell	(Community Development Officer)
	Kerryn Chia	(Projects Officer)
	Tahnee-Lee Lubcke	(Projects Officer)
APOLOGIES:	Cr Adam Squires	
ON LEAVE OF ABSENCE:	Nil	
ABSENT:	Nil	
MEMBER OF THE PUBLIC:	Nil	

3 ANNOUNCEMENTS OF THE PRESIDING MEMBER

Nil

4 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

5 PUBLIC QUESTION TIME

Nil

6 PETITIONS, DEPUTATIONS, PRESENTATIONS, SUBMISSIONS

Nil

7 APPLICATIONS FOR LEAVE OF ABSENCE**APOLOGY**

The CEO received a Leave of Absence form by Cr Squires for this meeting due to illness.

RESOLUTION CO-2024-128

Moved: Cr Duncan South

Seconded: Cr Robyn Lubcke

That the apology received from Cr Squires be accepted and leave of absence granted.

In Favour: Crs Neil Morrell, Karen Harrington, Graeme Peirce, Robyn Lubcke, Duncan South and Russell Prowse

Against: Nil

CARRIED 6/0**8 DISCLOSURES OF INTEREST**

Cr Karen Harrington declared a proximity interest in relation to item 11.4 Local Roads & Community Infrastructure (LRCI) Phase 4 - Work Schedule Variation – As a Director of Coalfields Darkan Pty Ltd, Shareholder of the Darkan Hotel Unit Trust and the Chairperson of the Darkan Hotel Community Project. The moving of funds from the asphalt and line marking to other areas. Although not directly engaged by the Hotel, the area is at or near the Hotel.

9 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS HELD

9.1 ORDINARY MEETING OF COUNCIL 28 NOVEMBER 2024

Statutory Environment:

Section 5.22 of the *Local Government Act* provides that minutes of all meetings are to be kept and submitted to the next ordinary meeting of the council or the committee, as the case requires, for confirmation.

Voting Requirements:

Simple Majority

RESOLUTION CO-2024-129

Moved: Cr Robyn Lubcke

Seconded: Cr Karen Harrington

That the Minutes of the Ordinary Meeting of Council held in Council Chambers on 28 November 2024 be confirmed as true and correct.

In Favour: Crs Neil Morrell, Karen Harrington, Graeme Peirce, Robyn Lubcke, Duncan South and Russell Prowse

Against: Nil

CARRIED 6/0

10 REPORTS FROM COUNCILLORS

Cr Neil Morrell (Shire President)

Cr Morrell attended on the 2nd December, a meeting with CEO Performance Review facilitator Shane Silcox, the CEO Performance Review on 3rd December, the Audit Exit Meeting on 4th December and on the 13th December attended the Audit & Risk Committee Meeting.

Cr Karen Harrington (Deputy Shire President)

Cr Harrington attended the Shire Christmas Party on 29th November, on 2nd December attended both the Department of Jobs, Tourism, Science and Innovation Meeting and met with Shane Silcox, the CEO Performance Review on 3rd December, on 4th December attended the Audit Exit Meeting and LG Renewable Energy Leadership Alliance Meeting, attended the Responsible Renewable Energy Network on 11th December, the Wheatbelt Drought Resilience Workshop on 12th December and the Audit & Risk Committee Meeting on 13th December.

Cr Graeme Peirce

Cr Peirce attended on the 2nd December, a meeting with Shane Silcox, the CEO Performance Review on 3rd December, the Audit Exit Meeting on 4th December and on the 13th December attended the Audit & Risk Committee Meeting.

Cr Robyn Lubcke

Cr Lubcke was in attendance at the Tidy Towns Awards held on 29th November, the meeting with Shane Silcox on 2nd December, the CEO Performance Review on 3rd December, and the Community Resource Centre Committee Meeting on 4th December.

Cr Duncan South

Cr South attended on the 2nd December, a meeting with Shane Silcox and the CEO Performance Review on 3rd December.

Cr Adam Squires

Absent.

Cr Russell Prowse

Cr Prowse attended the meeting with Shane Silcox on 2nd December.

11 OFFICE OF THE CHIEF EXECUTIVE OFFICER**11.1 2024 CEO ANNUAL PERFORMANCE REVIEW**

File Reference:	P220
Location:	N/A
Applicant:	N/A
Author:	Vin Fordham Lamont, Chief Executive Officer
Authorising Officer:	Vin Fordham Lamont, Chief Executive Officer
Date:	3/12/2024
Disclosure of Interest:	This report and agenda item were prepared by Dr Shayne Silcox from Strategic Leadership Consulting.
Attachments:	1. CEO Performance Report - Confidential ↓

SUMMARY:

The Shire of West Arthur has contracted 'Strategic Leadership Consulting' to undertake a review of its Chief Executive Officer (CEO), Mr Vincent (Vin) Fordham Lamont. The Shire of West Arthur engaged Mr Fordham Lamont on October 15th, 2021, effective 31 January 2022, and his Employment Contract expires, unless renewed, on the 30th of January 2027. Mr Fordham Lamont was due for his annual performance review, as per the requirements of the *Local Government Act 1995 (LGA)*, as amended, and the common law employment contract the Shire has with the CEO as per Clause 4 - Performance Review Process, 5 - Remuneration Package (5.1 – 5.6); Clause 6 Other Remuneration Benefits (6.1 – 6.6); and Clause 7 Annual Review of Remuneration Package (1 – 4).

BACKGROUND:

The Shire of West Arthur is required to undertake an annual review of its CEO's performance against a set KPI Schedule agreed between the parties during the previous review process (it is noted that the schedule can be changed at any time if agreed). This performance review is for the 2023-2024 period.

COMMENT:

The process followed is consistent with the requirements of the LGA and the Shire of West Arthur's standards for CEO performance. The process is shown in the flowchart on the next page but in broad terms is outlined here.

Phase 1

Submit the suggested process for agreement.

Annually Review current year KPIs and the CEO's acquittal against the KPIs with an assessment of their performance.

Determine evidence sources and cross reference where possible.

Develop a bespoke objective performance survey instrument for elected members and CEO to complete.

Analyse results and identify objective performance.

Phase 2

Develop bespoke interview questionnaire for elected members and CEO to undertake in individual interviews, including but not limited to gaining information on how the CEO met their responsibilities; how they role modelled the Shire's values; the organisation's performance during the review period; meeting the position objectives as set out in the Employment Contract, and identifying suggested KPIs for the upcoming review period.

Seek from CEO professional development requests, identification of any performance constraints during the review period, TRP increases desired, next period suggested KPI identification, and any contract amendments for Council consideration.

Phase 3

Undertake contract compliance with the Act and Regulations and identify potential changes/variations, if necessary.

Undertake marketplace review of the CEO's TRP.

Confirm current TRP and develop options for Council consideration.

Identify next period KPI's for CEO consideration.

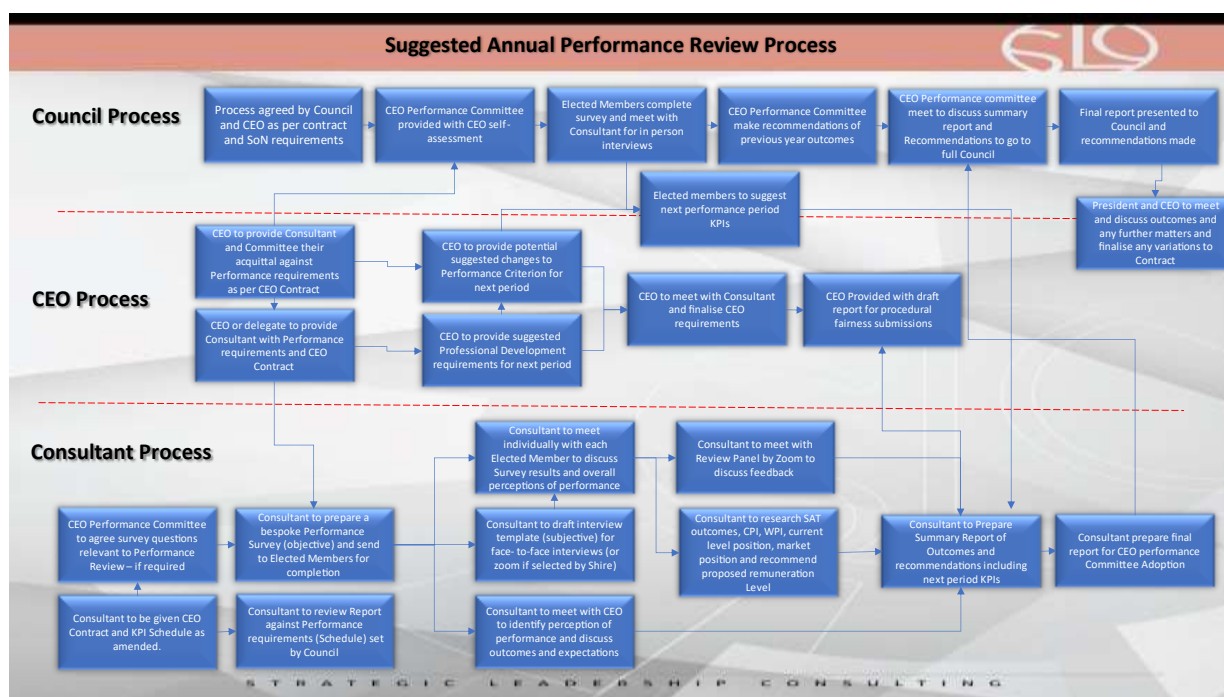
Phase 4

Prepare draft report and submit to CEO for comment under procedural fairness provisions.

Consider procedural fairness submissions from CEO and amend report as required.

Submit final report for Council adoption.

Process Map shown below.



As the Key Result Areas (KRAs) form part of the employment contract it is important to determine how these will be measured in the next performance period. It is also important to ensure that the CEO's performance criteria meet the requirements of the Department of Local Government, Sport, and Cultural Industries (DLGSC) Operational Guidelines.

One of the CEO's key responsibilities is to oversee the implementation of the council's strategic direction. With this in mind, it is important to align the CEO's performance criteria to the goals contained in the Council's Strategic Community Plan and Corporate Business Plan. Accordingly, as these plans are updated, the CEO's performance criteria should be updated to reflect the changes.

The performance criteria should focus on the priorities of the Council. The Council and CEO should set goals related to target outcomes for future achievement in the performance criteria and these goals should be specific, measurable, achievable, relevant and time based (SMART).

CONSULTATION:

After email contact and face to face interviews with Elected Member(s), it has become obvious that there was a consistent view between Elected Members and the CEO as to what needed to be prioritised for the next performance period, and this is set out in the attached report.

STATUTORY ENVIRONMENT:

Section 5.38 of the Act provides that a Local Government must review the performance of the CEO every year that they are employed. It does not apply to a temporary or acting CEO employed for a term of less than one year, though ongoing performance assessment should still be considered for these officers.

Ideally the Performance Review should be undertaken as soon as possible after the completion of one year in the role. This is separate from a probation or KPI setting review which should be undertaken during the probation period for a new CEO.

This means that conducting an annual Performance Review of a permanent CEO is not discretionary, it is mandatory with KPIs set for the assessment of performance.

To provide some direction and uniformity across the sector in undertaking Performance Reviews, Model Standards for the review of the performance of CEOs have been developed.

Section 5.39B of the Act makes it compulsory for a Council to adopt and apply these Model Standards. Additional provisions can be added to the CEO Standards adopted by a Local Government, but they cannot be inconsistent with the Model Standards. This means that adopting and applying the Model Standards is not discretionary, it is compulsory. The Model Standards, with or without modification, must be adopted by the Council at a Council meeting and published on the Local Government's official website. Council Members should access a copy of their adopted Standards from their Local Government.

An up to date version of the Model Standards, in Schedule 2 of the *Local Government (Administration) Regulations 1996*, can be accessed via the Parliamentary Counsel's Office website legislation.wa.gov.au.

An overview of the statutory framework, and links to the Performance Review process, are provided in the table below.

Table 1: CEO Performance Review - Statutory References

The following table provides an overview of relevant legislative references related to the CEO's Performance Review.

Task	Legislative References
Local Government Act 1995	
Role of Council	LGA 2.7
Role of Mayor or President	LGA 2.8
Local Government Employees	LGA 5.36
Annual Review of Employees' Performance	LGA 5.38
Contracts for CEO and Senior Employees	LGA 5.39
Model Standards for CEO Recruitment, Performance and Termination	LGA 5.39A
Adoption of Model Standards	LGA 5.39B
Policy for Temporary Employment or Appointment of CEO	LGA 5.39C
Principles Affecting Employment by Local Governments	LGA 5.40
Functions of the CEO	LGA 5.41
Local Government (Administration) Regulations 1996	
Model Standards for CEO Recruitment, Performance and Termination	Reg 18FA
Certification of Compliance with Adopted Standards for CEO Recruitment	Reg 18FB
Certification of Compliance with Adopted Standards for CEO Termination	Reg 18FC
Local Government (Administration) Regulations 1996 Standards for Review of Performance of CEOs (Standards)	
Preliminary Provisions	Division 1
Standards for Recruitment of CEOs	Division 2
Determination of selection criteria and approval of job description form	Clause 5
Offer of employment in position of CEO	Clause 11
Variations to proposed terms of contract of employment	Clause 12
Standards for Review of Performance of CEOs	Division 3
Overview of Division	Clause 15
Performance Review Process to be Agreed between Local Government and CEO	Clause 16
Carrying out a Performance Review	Clause 17
Endorsement of Performance Review by Local Government	Clause 18
CEO to be Notified of Results of Performance Review	Clause 19
Standards for Termination of Employment of CEOs	Division 4

POLICY IMPLICATIONS:

The Review needs to be consistent with the CEO Standards adopted by a Local Government. The KPI setting forms part of annual performance review processes.

FINANCIAL IMPLICATIONS:

Consultant's fees have already been budgeted for.

STRATEGIC IMPLICATIONS:

Key Result Areas (KRAs) and Key Performance Indicators (KPIs) are set based on the goals identified in the Corporate Business Plan.

This is a mandatory process the Council must undertake.

RISK IMPLICATIONS:

Risk management is the removal of uncertainty from business decisions. Risk is expressed in terms of likelihood it may occur and the consequences that may flow from it. The consequences may be positive or negative or simply a deviation from the expected. The risk or consequence may be related to health and safety; financial; business or service interruption; compliance; reputation; or the environment. ***Reference to the risk matrix below will generate a risk rating by assessing the likelihood and consequence and multiplying these scores by each other.*** The greater the risk rating, the greater the risk and the higher the need for specific plans to be developed. All items with a risk rating greater than 10 should be added to the Risk Register and specific controls developed.

Risk Themes:

A risk theme is the categorising of risk. For example, the collection of risks that represent compliance failure. The risk themes in the shire Risk Register include:

- Business Disruption
- Community Disruption
- IT or Communications Failure
- External Threat or Fraud
- Misconduct
- Inadequate safety or security practices
- Inadequate project or change management
- Errors Omissions or Delays
- Inadequate Document Management Processes
- Inadequate supplier / contract management
- Providing inaccurate advice / information
- Ineffective Employment practices
- Compliance failure
- Inadequate asset management
- Inadequate engagement practices
- Ineffective facility or event management
- Inadequate environmental management

Risk Matrix:

Consequence Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (25)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)

Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)
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Description of Key Risk	Failing to comply with legislative requirements around undertaking annual performance reviews of the CEO.
Risk Likelihood (based on history and with existing controls)	(3) Possible
Risk Consequence	(2) Minor
Risk Rating (Prior to Treatment or Control): Likelihood x Consequence	(6) Medium
Principal Risk Theme	Compliance Failure
Risk Action Plan (Controls or Treatment Proposed)	Accept recommendations of experienced, competent independent facilitator.

VOTING REQUIREMENTS:

Absolute Majority

RESOLUTION CO-2024-130

Moved: Cr Robyn Lubcke

Seconded: Cr Duncan South

That Council, by Absolute Majority:

1. Note the Salaries and Allowances Tribunal Determination of 5 April 2024 (effective 1st of July 2024).
2. Note the outcomes of the Elected Member Performance Survey undertaken in November 2024 with the Chief Executive Officer being assessed at ***'Exceeds Expectations'*** in this year's performance appraisal.
3. Adopt the performance criteria metrics for the 2024-2025 performance period outlined in section 5.5 of this confidential report.
4. Note that the Superannuation Guarantee Levy has increased from 11% to 11.5% effective 1st July 2024.
5. Adopt Option Two (2) outlined in section 4.5 of the report in setting the Chief Executive Officers total remuneration package (TRP) to finalise the salary review process.
6. Schedule the next review of the Chief Executive Officer's performance and total remuneration package (TRP) for consideration by Council no later than November-December 2025.
7. Comply, as per Division 3 of the Local Government (Administration) Regulations Schedule 2 clause 18, by resolution of an absolute majority of the council, and endorse this review.
8. Comply, as per Division 3 of the Local Government (Administration) Regulations Schedule 2 clause 19, by notifying the Chief Executive Officer of results of this performance review.

In Favour: Crs Neil Morrell, Karen Harrington, Graeme Peirce, Robyn Lubcke, Duncan South and Russell Prowse

Against: Nil

CARRIED 6/0 BY ABSOLUTE MAJORITY

11.2 GRAVEL AND SAND ACQUISITION POLICY

File Reference:	ADM015
Location:	N/A
Applicant:	N/A
Author:	Vin Fordham Lamont, Chief Executive Officer
Authorising Officer:	Vin Fordham Lamont, Chief Executive Officer
Date:	5/12/2024
Disclosure of Interest:	Nil
Attachments:	1. Draft Policy ↓

SUMMARY:

Council is requested to consider adopting a new Gravel and Sand Acquisition Policy as presented.

BACKGROUND:

As Management has indicated previously, there is a concern that easy-to-extract gravel resources in the Shire are becoming harder to find. However, one point to remember is that there is a statutory power for Local Governments to extract gravel from private land.

Section 3.27 of the *Local Government Act 1995* (the Act) provides that a Local Government may do any of the things prescribed in Schedule 3.2 of the Act, even though the land is not Local Government property. Schedule 3.2(3) provides for the taking of earth, sand or gravel that, in the Local Government's opinion, is required for making or repairing a thoroughfare. In exercising these powers, a Local Government must have regard to the duties provided for in section 3.21 and pay compensation for any damage in accordance with section 3.22.

COMMENT:

In order to establish a transparent and consistent approach to compensation for gravel extraction, Council may wish to adopt an appropriate policy.

CONSULTATION:

The author viewed a number of existing examples of these policies and, after discussions with the Manager Works and Services, put together the attached draft document.

STATUTORY ENVIRONMENT:

Local Government Act 1995
s2.7. Role of council

POLICY IMPLICATIONS:

The proposed new policy would be added to Council's Policy Manual.

FINANCIAL IMPLICATIONS:

Nil

STRATEGIC IMPLICATIONS:

Community Strategic Plan Towards 2031
Theme: Leadership and Management

Outcome: Establish and maintain sound business and governance structures

Strategy: Comply with regulations and best practice standards to drive good decision making by Council and Staff

RISK IMPLICATIONS:

Risk management is the removal of uncertainty from business decisions. Risk is expressed in terms of likelihood it may occur and the consequences that may flow from it. The consequences may be positive or negative or simply a deviation from the expected. The risk or consequence may be related to health and safety; financial; business or service interruption; compliance; reputation; or the environment. ***Reference to the risk matrix below will generate a risk rating by assessing the likelihood and consequence and multiplying these scores by each other.*** The greater the risk rating, the greater the risk and the higher the need for specific plans to be developed. All items with a risk rating greater than 10 should be added to the Risk Register and specific controls developed.

Risk Themes:

A risk theme is the categorising of risk. For example, the collection of risks that represent compliance failure. The risk themes in the shire Risk Register include:

- Business Disruption
- Community Disruption
- IT or Communications Failure
- External Threat or Fraud
- Misconduct
- Inadequate safety or security practices
- Inadequate project or change management
- Errors Omissions or Delays
- Inadequate Document Management Processes
- Inadequate supplier / contract management
- Providing inaccurate advice / information
- Ineffective Employment practices
- Compliance failure
- Inadequate asset management
- Inadequate engagement practices
- Ineffective facility or event management
- Inadequate environmental management

Risk Matrix:

Consequence Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (25)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

Description of Key Risk	Inconsistent approaches by the Shire in terms of negotiating the supply of gravel and sand from local landowners
Risk Likelihood (based on history and with existing controls)	(4) Likely
Risk Consequence	(3) Moderate

Risk Rating (Prior to Treatment or Control): Likelihood x Consequence	(12) High
Principal Risk Theme	Inadequate engagement practices
Risk Action Plan (Controls or Treatment Proposed)	Council to adopt the policy as presented

VOTING REQUIREMENTS:

Absolute Majority

MOTION

Moved: Cr Karen Harrington

Seconded: Cr Graeme Peirce

That Council, pursuant to section 2.7(2)(b) of the Local Government Act 1995 and by absolute majority, adopt the attached Gravel and Sand Acquisition Policy as presented, and direct the CEO to include the new policy in Council's Policy Manual.

RESOLUTION CO-2024-131

Moved: Cr Russell Prowse

Seconded: Cr Neil Morrell

That the Gravel and Sand Acquisition Policy be tabled until the February 2025 Ordinary Meeting of Council to enable officers to research the matter more thoroughly.

In Favour: Crs Neil Morrell, Karen Harrington, Graeme Peirce, Robyn Lubcke, Duncan South and Russell Prowse

Against: Nil

CARRIED 6/0 BY ABSOLUTE MAJORITY

Policy Title	Gravel and Sand Acquisition
Policy Type	Works & Services
Responsible Officer	Manager Works & Services



Purpose

To provide clear guidelines for the acquisition of gravel, sand and clay for construction and maintenance purposes.

Scope

This policy applies to all transactions between the Council and individuals when obtaining materials from private land for construction and maintenance purposes.

Definitions

Nil

Policy Statement

1. The Shire will, when materials for construction and maintenance purposes need to be sourced from private land, obtain such material by consultation with the landowner or his/her authorised representative. Where such negotiations are successful the Shire will be responsible for:
 - a. Satisfactory rehabilitation of the pit area, including drainage, upon completion of extraction.
 - b. Construction where necessary and satisfactory repair of affected haul roads, gates, fences or other structures.
 - c. Negotiating compensation to the landowner for materials extracted and associated justifiable imposts.
2. Values for materials are to be determined by the Manager Works and Services on a case-by-case basis as follows:
 - a. Gravel is to be valued within a range of \$2.00 per m3 (ex GST) Price to be revised in 2028. The volume of gravel is calculated on a solid mass volume in the ground, not the pushed amount. that does or has the ability through crushing or screening to conform to Main Roads WA Specification 501.08.01 for Naturally Occurring Basecourse material.
 - b. Sand is to be valued at \$1.50 per m3 (ex GST). Price to be revised in 2028. The volume of sand is calculated on a solid mass volume i.e. what is actually loaded. The sand must be clean, free of deleterious materials such as clay, roots or other organic matter and contain no particles greater than 5mm in any dimension.
 - c. Clay and lesser quality materials to be used for landfill cover or embankment materials is to be valued at \$1.00 per m3 (ex GST) Price to be revised in 2028. The volume of clay is calculated on a solid mass volume in the ground .
 - d. The Shire is responsible for the rehabilitation of all excavated areas and the maintenance (whilst carting) of the access route to the pit.
3. Landowners have an option to:

- a. Claim full payment for the materials extracted; or
- b. Receive no payment and have private works carried out to the value of the materials extracted.

The valuation of private works is to be determined by the Executive Manager Works and Services.

4. The private works in part 3 above may only be carried out on the property from which materials have been extracted, and are subject to plant availability.
 5. Prior to taking materials from private property, permission shall be obtained from the landowner or his/her authorised representative, in the form of a signed agreement.
 6. Upon completion of all requirements of the agreement, the Manager Works and Services shall ensure the landholder is adequately satisfied by way of a signed acceptance letter.
 7. When landowner consent for the extraction of road building or other materials required for public works is not granted and the Chief Executive Officer considers the acquisition of these materials is in the best interests of the public, the Chief Executive Officer provides such notices, and takes such actions, as are prescribed by the *Local Government Act 1995*, to secure the materials.
 8. If materials are extracted without the landowner's consent then the rates of royalty that would have been applicable and remedial actions to the land that would have been taken, will apply as if the landowner had given their permission.
-

History	Adopted on xxxx
Delegation	Nil
Relevant Legislation	<i>Local Government Act 1995</i> <i>Section 3.27 and Schedule 3.2 – ‘Particular things local governments can do on land that is not local government property’</i> <i>Local Government Act 1995, Section 3.31 – ‘General procedure for entering property’</i> <i>Local Government Act 1995, Section 3.32 – ‘Notice of entry’</i> <i>Local Government Act 1995, Section 3.33 – ‘Entry under warrant’</i>
Related Documentation	Nil

11.3 KEY PRINCIPLES FOR RENEWABLE ENERGY DEVELOPMENT DOCUMENT

File Reference:	ADM373
Location:	Shire of West Arthur
Applicant:	Shire of West Arthur
Author:	Kerryn Chia, Projects Officer
Authorising Officer:	Vin Fordham Lamont, Chief Executive Officer
Date:	6/12/2024
Disclosure of Interest:	Nil
Attachments:	1. Key Principles for Renewable Energy Development in the Shire of West Arthur ↓

SUMMARY:

Council is requested to consider endorsing the attached document entitled “Key Principles for Effective Renewable Energy Development in the Shire of West Arthur”

BACKGROUND:

The Shire has undertaken extensive community consultation in relation to the development of proposed wind farms within the area. This document summarises the outcomes of that consultation and presents Council’s agreed position statements which take into consideration the community input. It also provides key principles for developers which have been generated from the community input.

The document aims to communicate to the community how Council will approach these proposed developments. It also aims to communicate to developers the expectations of our community in relation to their developments.

COMMENT:

Nil

CONSULTATION:

Community Forum July 2023

Community targeted engagement session – Oct 2024

Open community consultation event – Nov 2024

Continuous engagement with developers

State Ministers

Other local governments – Wagin, Narrogin, Moora, Toodyay, Dandaragan, Mingenew, Dandaragan

WALGA

Re-Alliance

Various community member enquiries

STATUTORY ENVIRONMENT:

WA Planning Commission Position Statement: Renewable Energy Facilities March 2020

POLICY IMPLICATIONS:

Nil

FINANCIAL IMPLICATIONS:

Nil

STRATEGIC IMPLICATIONS:

Outcome 2.1 – Improved employment through diversification in Agricultural

Strategies

- Investigate opportunities for diversification within the agricultural sector
- Investigate water security and development opportunities associated with water sources
- Liaise with key stakeholders to continue to support agriculture in the Shire

Outcome 2.2 – A growing, diverse business community

Strategies

- Investigate opportunities for growth within the local economy

RISK IMPLICATIONS:

Risk management is the removal of uncertainty from business decisions. Risk is expressed in terms of likelihood it may occur and the consequences that may flow from it. The consequences may be positive or negative or simply a deviation from the expected. The risk or consequence may be related to health and safety; financial; business or service interruption; compliance; reputation; or the environment. ***Reference to the risk matrix below will generate a risk rating by assessing the likelihood and consequence and multiplying these scores by each other.*** The greater the risk rating, the greater the risk and the higher the need for specific plans to be developed. All items with a risk rating greater than 10 should be added to the Risk Register and specific controls developed.

Risk Themes:

A risk theme is the categorising of risk. For example, the collection of risks that represent compliance failure. The risk themes in the shire Risk Register include:

- Business Disruption
- Community Disruption
- IT or Communications Failure
- External Threat or Fraud
- Misconduct
- Inadequate safety or security practices
- Inadequate project or change management
- Errors Omissions or Delays
- Inadequate Document Management Processes
- Inadequate supplier / contract management
- Providing inaccurate advice / information
- Ineffective Employment practices
- Compliance failure
- Inadequate asset management
- Inadequate engagement practices
- Ineffective facility or event management
- Inadequate environmental management

Risk Matrix:

Consequence Likelihood		Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (25)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)

Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)
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Description of Key Risk	Wind Farm development occurs at a cost to the community
Risk Likelihood (based on history and with existing controls)	Likely (4)
Risk Consequence	Major (4)
Risk Rating (Prior to Treatment or Control): Likelihood x Consequence	High (16)
Principal Risk Theme	Community Disruption Inadequate project or change management
Risk Action Plan (Controls or Treatment Proposed)	Use Council position and key principles document to guide development and negotiate with developers

VOTING REQUIREMENTS:

Simple Majority

RESOLUTION CO-2024-132

Moved: Cr Robyn Lubcke

Seconded: Cr Karen Harrington

That Council endorse the attached document entitled “Key Principles for Renewable Energy Development in the Shire of West Arthur”.

In Favour: Crs Neil Morrell, Karen Harrington, Graeme Peirce, Robyn Lubcke, Duncan South and Russell Prowse

Against: Nil

CARRIED 6/0



Key Principles for Effective Renewable Energy Development in the Shire of West Arthur

NOVEMBER 2024



Executive Summary

With the announcement of the Federal and State Government legislation to reach Net Zero emissions by 2050, it has become clear that the Shire of West Arthur will play a pivotal role in the energy transition for the State of Western Australia. The proposed development of renewable energy projects will result in a substantial transformation to the Shire's existing landscape, economy and community.

The Shire, acting on behalf of the community, has assumed a proactive role in ensuring that the community's desires and needs are heard, acknowledged and factored into the decision-making process for all stakeholders through the creation of this document. A transition of this magnitude could present various opportunities and issues for our small community.

The Shire of West Arthur Council has endorsed the following position statements in relation to renewable energy developments within the Shire.

Council supports the development of renewable energy in the Shire.

The Shire's main industry is agriculture, and Council considers the development of a renewable energy industry should complement this existing agricultural industry.

Council considers that the transition is a rare opportunity that could bring significant financial benefits and opportunities to the area. It is essential that the energy transition currently underway delivers economic opportunities, ensures reliable and affordable electricity, develops legacy infrastructure and maximises the benefits for the community.

Council acknowledges that the introduction of a new industry also brings with it significant challenges.

Council will support the development of renewable energy projects and endeavour to foster long term positive benefits for the community.

Council will aim to maintain existing community infrastructure that may be impacted as a result of the developments.

Community consultation identified issues and opportunities for our community. Developers involved in renewable energy initiatives, along with professionals in related fields, are urged to ensure they address the following principles throughout their project development process to guarantee their projects are supported by the community and benefit the community both now and into the future.

Partnership – *Developers actively partner with the community and Shire of West Arthur, government and other parties when looking to invest in our region.*

Collaboration to create efficiency and coordination: *The Shire will facilitate the collaboration of different project developers with each other, to find efficiencies. The Shire commits to working collaboratively with neighbouring local governments to leverage regional opportunities.*

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Community Participation – Council and developers undertake continuous engagement with the community to ensure that continuous learning about the transition occurs. Like the Hay Shire Council in NSW, we want to ensure that the change is “happening with us, not to us,”¹.

Long-term thinking – This transition is a once in a generation opportunity to develop our community. Decisions need to take into account the long-term legacy of the projects for future generations.

Transparency – Council expects clear communication, and no hidden agreements.

Economic Diversification - for greater stability and less vulnerability.

Build Resilience - We have the chance to strategise and adjust to these circumstances by capitalising on the renewable energy transition and through clever management of impacts and opportunities.

Leadership – Shire of West Arthur will lead thinking in relation to multiple developments as part of the clean energy transition and assist other regional Councils and communities to do the same.

Photo credit (front page): Caro Telfer

¹ Fundamental Principles for Successful Renewable Development in Hay LGA, (2024)

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Purpose

This document outlines the position, expectations and priorities of the Shire of West Arthur concerning the advancement of the renewable energy transition within the Shire and its neighboring areas. The aim is to ensure that these developments are undertaken in a manner that contributes to the prosperity of the region and establishes a positive legacy for our community.

It also outlines the impacts, opportunities and challenges of these proposed developments as identified by the community. This document details Council's position in relation to the development of the wind farms and was endorsed at the **December 2024** council meeting.

The information in this document will provide developers with an understanding of our community and its expectations when developing their projects in the area.

Context

Western Australia is undergoing an energy transition that is being driven by the Federal and State Government legislation to reach Net Zero emissions by 2050. The State Government has also committed to reducing its own emissions by 80% by 2030 which includes retiring the State-owned coal fired power stations in Collie.

The proximity of our Shire to existing power infrastructure such as power plants, the existing 220kV line which extends through the north of the Shire and the two existing 132kV power lines through the southern part of the Shire makes the area attractive to developers (Figure 1).

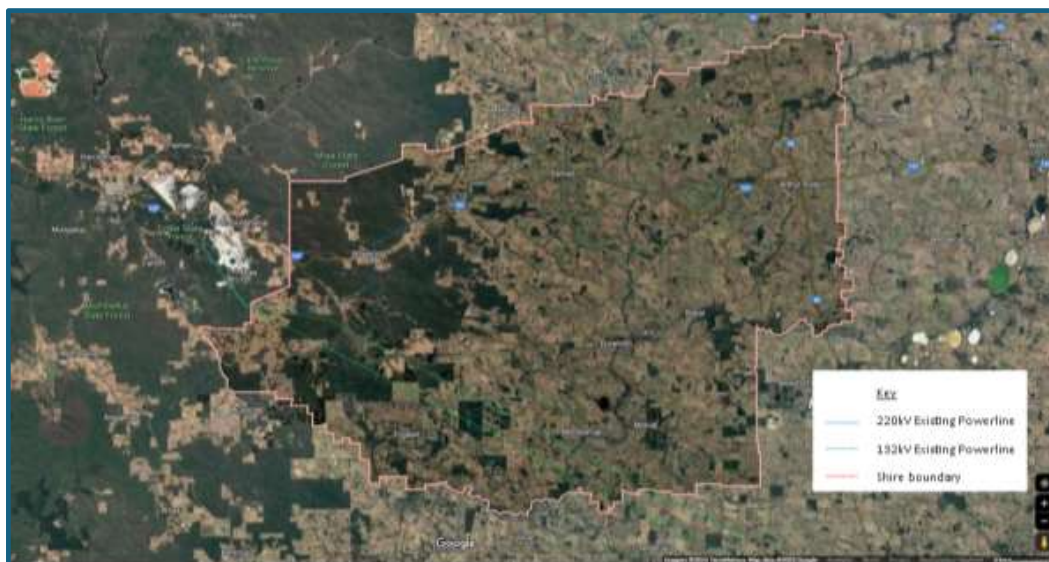


Figure 1: Location of existing power lines in the Shire of West Arthur.

At the time of writing, there had been an announcement of two projects within the Shire boundaries; the announcement of a project on the northern boundary of the Shire (but located in the Williams Shire); and two projects in development (but not yet announced). Other developers have also been in discussions with the Shire throughout 2023 and 2024. While the

development of these projects will require the upgrading of existing power transmission infrastructure, no formal announcements by the State Government have been made to date.

Energy production is a new industry for the Shire of West Arthur. This will mark a substantial change to the community that will impact individuals, the way land and water resources are managed, and the community's identity. Traditionally, industry in our Shire has predominantly been centered around primary agricultural production. According to the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) 70% of income in the West Arthur Shire is generated from agriculturally based businesses. Given that the existing sector of agriculture or agriculturally based employment is a major economic driver for the Shire, wind farm proponents need to ensure that renewable energy and agriculture can coexist.

In community consultation undertaken by the Shire, 71% of participants that engaged in the sessions indicated they understood the necessity for a transition from fossil fuels to renewable energy. However, only 37% of individuals demonstrated enthusiasm for the potential opportunities that the shift could offer. This highlights the apprehension within the community regarding these developments.

Listening to the Community and Learning about Developments

Through a series of community consultation events and surveys, Council has facilitated in-depth discussions about community concerns, expectations and aspirations. Appendix A outlines the community consultation that has been undertaken and the results of this consultation.

Consulting with the community is also a core requirement of the Shire's strategic planning process and information from these strategic documents has also been considered. More details on these can be found in Appendix B.

Energy production is a new industry for our Shire, and Shire staff, Council and community members have had to learn about how a renewable industry develops and operates. We have engaged in discussions with developers and the State Government, as well as other local governments and stakeholders, to understand the progression of this emerging industry.



Council's Position on Renewable Energy Projects

Council has had extensive discussions about the development of renewable energy in the Shire of West Arthur. By endorsing this document, Council seeks to inform the community of its position and to communicate to developers its expectations in relation to developer contribution to the community that they will become part of. Council has endorsed the following position statements.

Council supports the development of renewable energy in the Shire.

The Shire's main industry is agriculture, and Council considers the development of a renewable energy industry should complement this existing agricultural industry.

Council considers that the transition is a rare opportunity that could bring significant financial benefits and opportunities to the area. It is essential that the energy transition currently underway delivers economic opportunities, ensures reliable and affordable electricity, develops legacy infrastructure and maximises the benefits for the community.

Council acknowledges that the introduction of a new industry also brings with it significant challenges.

Council will support the development of renewable energy projects and endeavour to foster long term positive benefits for the community.

Council will aim to maintain existing community infrastructure that may be impacted as a result of the developments.

Challenges and Opportunities

Our community identified the following as the main concerns associated with renewable energy development:

- Community division
- Decommissioning
- Change in our community structure (agriculture vs renewable energy)
- Lack of resources for development
- Lack of regulations guiding development
- Environmental Impacts
- Transparency of agreements and discussions
- Housing shortages
- Construction and location of worker accommodation
- Management of waste
- Inconsistency of benefits provided
- Impacts on existing infrastructure such as roads
- Noise pollution
- Potential rate increases

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The findings are illustrated in word cloud format in Figure 2, where the larger words represent the most significant concerns of the community.



Figure 2: Community concerns associated with renewable energy development

“We want transparency and a consistent process. We want to be able to trust these wind farm companies.” (Shire-led Workshop Session participant)

Refer to Appendix A for a more comprehensive description of community feedback on impacts, challenges and opportunities identified by the community.

Development of a new industry can also bring benefits. Our community identified the following opportunities (Figure 3):

- Population influx
- Legacy infrastructure post construction
- Collaborative initiatives between the Shire and Energy companies
- Advancing local businesses
- Drought-proof land holders (diversification)
- Renewable energy spokesperson
- Assist small land holders
- Assist with the clean energy transition
- Provide job opportunities

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Figure 3: Opportunities identified by the local community

“We need to ensure that we capitalise on this; it is a once in a lifetime opportunity.” (Workshop participant)

Financial Benefits

The development of renewable energy projects can result in significant financial benefits for a community, allowing strategic projects to be undertaken that would otherwise not be possible. Financial benefits can be delivered in a variety of forms including;

- Payments to landholders hosting the developments
- Payments to neighbours adjacent to the project
- Community Benefit or Enhancement Funds (CBF/CEF) from each project during and after construction
- Council rates or Payments in Lieu of Rates (PILOR)
- Sponsorship during early phases of development

Community benefit funding arrangements are established during the planning process for each project and typically delivered once the operational phase of the project begins. The community has identified projects of strategic importance that could benefit from increased funding as identified by the local community (Figure 4).

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Figure 4: Suggested projects to benefit from increases in funding

Other economic benefits for our region include local jobs, procurement, increased use of local services and businesses, provision of training services and development of new community services.

Council and Community Expectations

Developers are urged to partner with the West Arthur community by interacting with the Shire and taking an active role in the community to ensure that their objectives are aligned with expectations of Council and the community. These expectations are:

- Open communication
- Transparency
- Striving for inclusivity - preventing division
- Contributing to the community – change in landscape/visual amenity and lifestyle – the whole community needs to reap the benefits
- Being part of the community
- Creating Partnership between the Shire and the renewable energy industry
- Collaboration amongst developers to minimise cumulative impacts
- Long term strategic thinking to develop our community

The Way Forward

Timeline

Most renewable energy projects follow a similar process for development although it is not uncommon for the timelines for these projects to differ. An example project timeline is shown in Figure 5.



Figure 5: Process for the development of renewable energy projects

The Integration of Renewable Energy and Existing Sectors

Our region is beginning to experience a drier climate creating new challenges for the agriculture sector in our community. When farmers are impacted, all businesses in the community are impacted.

The integration of renewable energy projects into our economy will help relieve the impact of changing weather conditions by providing an additional reliable income stream for host landowners. This will create more stable economic conditions.

Developers are urged to engage with land holders, environmental specialists, and other local business stakeholders to seek advice on current agricultural operations within the Shire. This approach will ensure that developments complement existing operations rather than detract from them.

When undertaking socio-economic assessments of proposed wind farm developments, developers are encouraged to involve the Shire and the community through regular meetings, and community consultation sessions to gain an understanding of our community.

“If this is to go ahead, how can we ensure that the services we have in town support this kind of development? We want local businesses to get first opportunity to provide a service rather than developers going and spending their money elsewhere.” (Local Business Owner)

Creating efficiencies

The impact of multiple new developments in the Shire can create burdens for local government and the community. Coordination and collaboration will reduce these burdens and make the process easier. We are a very small community, and the impacts of these developments could be minimised through focus and coordination to create efficiencies that make the process easier.

Community Participation

Community participation in the process of development will ensure that there is community ownership of the distribution of the benefits. We encourage the community to actively participate and continuously learn about the renewable energy transition. Council will facilitate conversations to ensure that the community is engaged. Working together, even if we have differing views on the developments, will ensure that we create the best outcomes for our community.

Principles to apply

Developers of renewable energy projects (and other industries if applicable) are asked to apply the following principles to the development of their projects to become genuine members of our community:

1. **Partnership** – Developers actively partner with the community and the Shire of West Arthur Council, government and other parties when looking to invest in our region.
2. **Collaboration** to create efficiency and coordination: Council will facilitate the collaboration of different project developers with each other, to find efficiencies. The Council commits to working collaboratively with neighboring LGAs to leverage regional opportunities.
3. **Community Participation** – Council and developers undertake continuous engagement with the community to ensure that continuous learning about the transition occurs. Like the Hay Shire Council in NSW, we want to ensure that the change is “happening with us, not to us,”².
4. **Long-term thinking** – This transition is a once in a generation opportunity to develop our community. Decisions need to take into account the long-term legacy of the projects for future generations.
5. **Transparency** - clear communication, no hidden agreements.
6. **Economic Diversification** - for greater stability and less vulnerability.
7. **Build Resilience** - We have the chance to strategise and adjust to these circumstances by capitalising on the renewable energy transition and through clever management of impacts and opportunities.
8. **Leadership** – Shire of West Arthur will lead thinking in relation to multiple developments as part of the clean energy transition and assist other regional Councils and communities to do the same.

² Fundamental Principles for Successful Renewable Development in Hay LGA, (2024)

Conclusion

This document has been prepared by the Shire of West Arthur and conveys a message from our Community to the State Government, other Local Governments, key stakeholders and renewable energy developers associated with the renewable energy transition. The key points we wish to communicate are.

- We are supportive of the renewable energy transition
- We aim to make this a positive experience by continuing to provide support through coordination and collaboration with the community
- We ask developers to apply to the principles set out in this document to enhance collaboration and achieve favourable outcomes for our community
- We want to ensure that renewable energy development complements existing practices and plays a role in fostering the economic development of the community
- We will place an emphasis on prioritising strategic projects that can be undertaken because of the financial benefits

Appendix A – Community consultation

Wind farm forum

The Shire's initial community engagement occurred in July 2023 after it became aware of developers beginning discussions with local land holders. This session was intended to be an information session for the local community which included presentations from legal experts, government departments, noise experts, wind farm proponents, and other renewable energy professionals. This session was attended by 150 people.

Shire-led Workshop session

Peta Ashworth, the Director of the Curtin Institute for Energy Transition, facilitated two community consultation sessions in the second half of 2024. The first session was an initial targeted stakeholder meeting in October 2024. The purpose of the meeting was to gauge community sentiment regarding the proposed developments, assess the level of understanding among the participants, and gather information to share with the broader community. This meeting encouraged a robust, and transparent discussion and provided information to the participants to disseminate to their peers.

This was followed by an open wind farm community consultation session in November 2024 which was informed by the session in October. Again, this was facilitated by Peta Ashworth and the invitation to this event extended to the wider community. Guest presenters included Jai Thomas, Deputy Director General of Department of Energy, Mines, Industry Regulation and Safety, State Coordinator of Energy and leader of Energy Policy WA, and wind farm representatives from Acciona, Lacour, RES, and Green Wind. The evening's agenda consisted of presentations delivered by the guest speakers, which were followed by an interactive session using the application Slido to capture the data. Subsequently, a panel discussion featuring a question-and-answer session took place. The responses are compiled at the end of this Appendix.

Surveys

As a part of the Shire-led community consultation session a survey was distributed to residents in the community in October 2024. The purpose of the survey was to contribute to the research into the social impacts of the renewable energy transition being undertaken by Curtin University.

Other Local Governments

The Shire has also been engaging with other Local Governments that are currently hosting wind turbines or who are likely to host renewable energy projects to gather a comprehensive understanding of their interactions with developers, the opportunities and issues they see resulting from the developments in their Shire and to provide a coordinated approach to these developments.

Outcomes

Through the forum, community consultation sessions and surveys the Shire has fostered a comprehensive understanding of the community's concerns regarding the proposed renewable energy developments.

- **Community division** - Will these developments create a division within the community regarding the distribution of benefits among community members?
- **Decommissioning** - As the turbine reaches the end of its life, the question arises regarding the party responsible for its decommissioning. Does the responsibility fall upon the landowner, and if that is the case, does the owner possess the necessary resources or budget to carry out the decommissioning process?
- **Challenges of Change** – people’s strengths and attachment to Darkan are challenged by the change so change management needs to be implemented.
- **Lack of resources** – It will be necessary for the local government to allocate resources towards the development of sewage, water supply, housing initiatives, planning and other related areas to effectively manage the challenges posed by the change.
- **Lack of regulations** – The State Government has offered minimal support for the transition to renewable energy, and due to the absence of regulations and guidelines, wind farm proponents are left without any rules to follow.
- **Environmental impacts** – How will wind farms impact plant and animal life? The ongoing presence of foreign vehicles onto properties may elevate the risk of introducing invasive pests or disease.
- **Transparency** - Landowners, and individuals are receiving contradicting information from wind farm proponents and Western Power. When can the community expect the release of clear maps detailing the location of the turbines, and a map detailing the location of the proposed transmission line? A trust needs to be built between the government, renewable energy developers and the community.
- **Housing shortage** – If existing housing stock is utilised by the wind farm companies this will highlight the housing shortage in Darkan. It is undesirable to construct housing at a minimal cost, as such developments may not be attractive to residents upon completion of the project. Not having housing stock means we are unable to capitalise on the possible benefits such as increasing our population.
- **Construction of worker accommodation** – Is it beneficial to establish a construction camp in the Shire? What opportunities does this present for the community? The community does not want the workers to adopt the fly in fly out (FIFO) lifestyle. Will the construction of this accommodation leave legacy infrastructure?
- **Management of waste** – The expenses associated with the removal of effluent raise the question of how this process will be managed. Additionally, is there a possibility for resource circulation?
- **Challenging the norm (agricultural production)** – The Shire is a prosperous mixed farming region characterised by a diverse range of activities including wool, sheep, grain, and forestry. Parties need to ensure that the relationship between wind energy and agriculture ensures they can co-exist and not work against each other.
- **Inconsistency of benefits** – It is essential for the entire community to reap the benefits of the change, rather than solely the host landowners.
- **Impacts on existing infrastructure** – Who holds the responsibility for the continuous upkeep of roads? How will traffic be regulated to reduce the wear and tear on these surfaces?
- **Noise pollution** – How will this be managed? Who is responsible for ensuring that wind farms adhere to safe separation distances from noise-sensitive premises? And, what about new constructions – how will these be impacted?

- **Potential rates increase** – Will there be a change in rates as a result of these developments? In the instance of an increase in rates, who will be responsible for paying this, the windfarm proponent or the landholder?

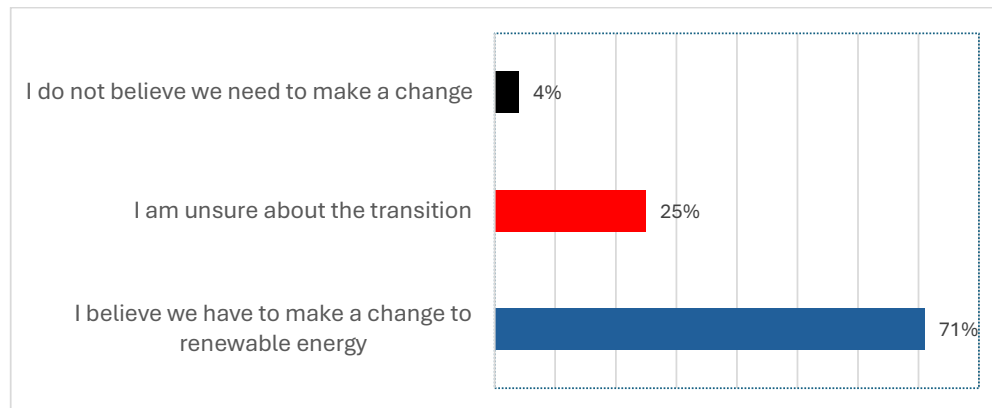
Furthermore, through the consultation process listed above the Shire has gained insight into the opportunities recognised by the community that are expected to arise from these developments.

- **Population influx** – If permanent staff reside in the town this may lead to an increase in the number of young families relocating to the town, thereby enhancing enrollment in the school and childcare facility.
- **Legacy infrastructure post construction** – The development of high-quality housing that can be modified or repurposed in the future to address the housing shortage, and provide accommodation for key workers, the elderly or social housing in the community.
- **Collaborative initiatives** – Energy companies and the Shire of West Arthur working together to improve existing infrastructure that benefits both the developers and the Shire during the construction phase and further benefits the Shire in the future. For example, educational facilities, childcare facilities, recreation facilities and roads.
- **Advancing local businesses** – Support local businesses through community enhancement funds to strengthen their operations and broaden the range of services they can offer to the developers during the construction phase and to the community moving forward.
- **Drought-proof land holders (diversification)** – With 70% of the community solely relying on agriculture as their main source of income, diversification of agricultural enterprises through renewable energy projects ensures sustainability and longevity of farm businesses during challenging periods.
- **Renewable energy spokesperson** – Engage a person with sound knowledge in the renewable energy sector to represent and advocate on behalf of the community. Assist the community with understanding the transition, and the planning processes.
- **Assist small land holders** – The implementation of renewable energy on farms has potential to render previously unprofitable small businesses economically viable.
- **Clean energy transition** – Assist the government with reaching their net zero greenhouse gas emissions by 2050.
- **Provide job opportunities** – The growth of the renewable energy sector in rural towns could create numerous job opportunities which could contribute to the construction phase or permanent workforce.

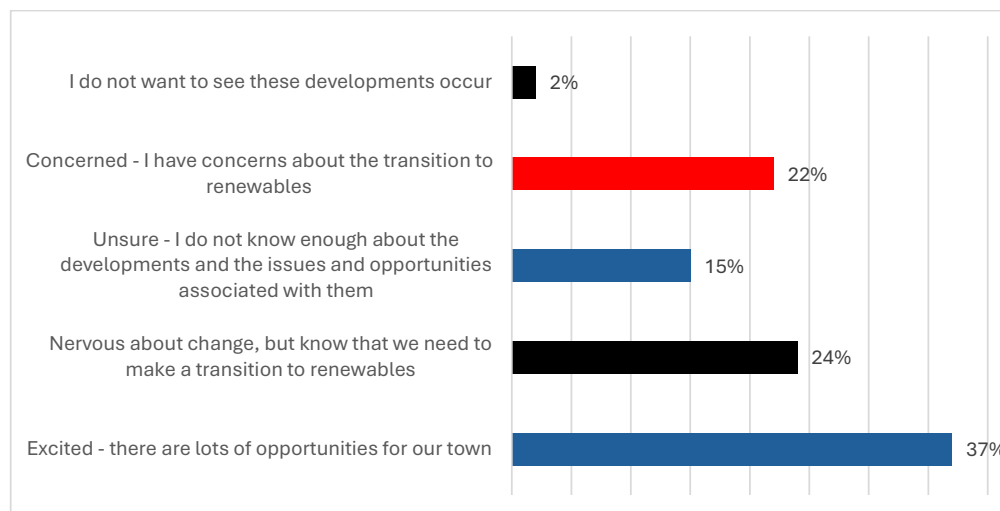
Questions formulated by the Shire and presented to the public during the community consultation session held on the 6th of November and the public responses are listed below. Some questions are shown in the main body of this document in the form of “word clouds”

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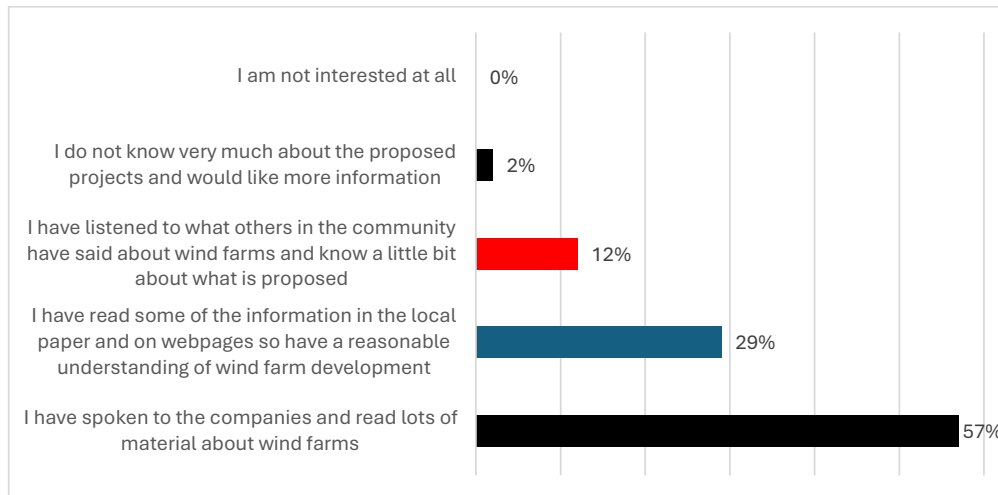
How do you feel about the transition from fossil fuels to renewable energy? (48 people responded)



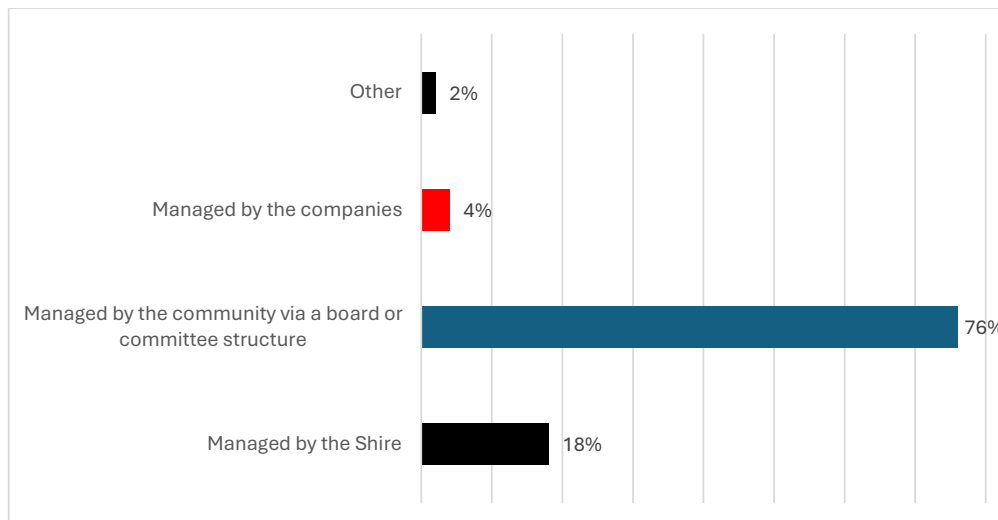
How do you feel about the proposed developments in the Shire of West Arthur? (41 people responded)



How much do you know about wind farms?

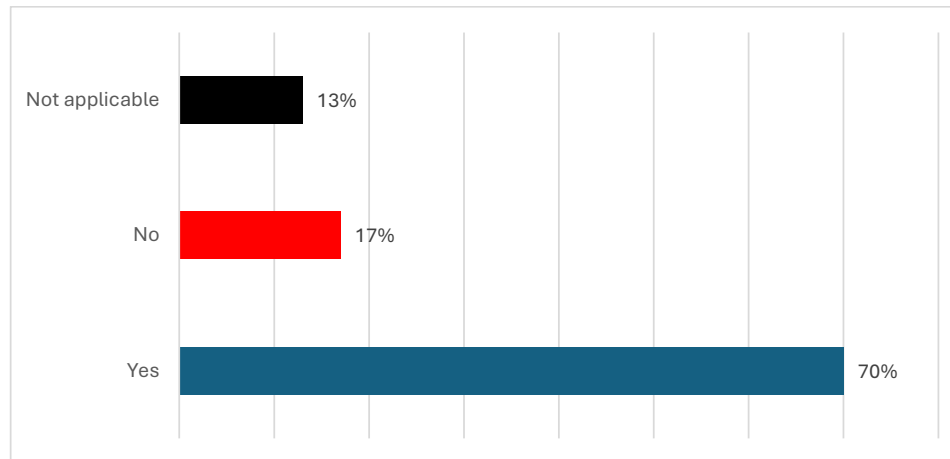


Many companies now provide a community benefit fund - how do you think this should operate?



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If you are planning to sign a lease agreement with a wind farm, would you like to have a coordinated "farmer group" to discuss the proposal?



What other issues in relation to the proposed development should the shire consider?
(list three)



Questions that were presented to the panel during the community consultation session held by the Shire on November 6th are listed below. The answers provided are based on responses given by the panel members, Jai Thomas - State Coordinator of Energy and leader of Energy Policy WA, James Townsend (Lacour Energy), Graham Pearson (Acciona Energy), Farooq Mannan (RES), Patrick Ragan (Green Wind), Vin Fordham Lamont – Shire CEO, and the Shire's planning officer, Joe Douglas.

If a landowner signs a contract stating that the wind company is responsible for decommissioning and goes bankrupt will the state overwrite that?

The wind farm developers include a decommissioning bond in their lease agreements. The nature of the bond will vary between developers, but in most cases the bond is valid for at least the last 5 years of the project. Wind farm projects have significant value through their infrastructure, grid connection and landowner agreements making it highly likely that a project can be sold to a new owner if the existing project owner is no longer viable. In this instance, and the project is sold (in whole or in part) the new project owner(s) would be bound by the terms of the lease agreements in place with the host landowners, as well as the environmental, planning approvals and obligations for the project which includes the decommissioning obligations. Despite this, most developers are incentivised to recommission the assets after the initial 25–30-year periods.

Acciona responded to the Shire's request for further information and indicated that it prides itself on developing, building, owning and operating its energy projects in Australia which is also applicable to the Bellwether Wind Farm project. Acciona's lease agreements with landowners, including those related to the proposed Bellwether Wind Farm project, specify that the obligations regarding decommissioning mandate the removal of turbines within 12 months following the lease expiration.

Are proponents working together, and working with the Shire, on the design of community benefit schemes (and any consultation and assessments that inform them) so we can avoid over-consultation, duplication, and potentially conflicting schemes?

The Shire has previously raised the idea of having a combined community benefit scheme where little response was given from the wind farm proponents. The proponents are happy to work together at the right time but indicated that it is currently too early to discuss community benefits.

Not all projects proposed for the Shire will go ahead at the same time, so it is difficult to have a fund that is cooperatively managed by a specific date. As the project is approved, and construction dates are firmed up there is an opportunity to work together for a community benefit fund and construction funds. The wind farm proponents will liaise with the Shire about the structure of the fund.

Longer hotter summers – will windfarm companies provide firefighting equipment if aerial bombing is not possible?

It is a myth that aerial bombing is not possible with wind turbines. Wind farm proponents have indicated that they would support aerial bombing and firefighting procedures. In the instance of a fire the Emergency Response Coordinator on site liaises with emergency services and the turbines can be remotely shut down and parked in a 'Y' shape to assist aircraft conducting water bombing activities.

Acciona indicated that it has prepared an aviation impact assessment which has been submitted to the Shire. This considers the impact of wind farms on planes. Other existing projects owned and operated by Acciona have community benefit funds which have funded water tankers for the local fire brigades.

What safeguards are going to be in place to reduce or repair damage to infrastructure, such as roads and the environment (including removing vegetation to enable transport of turbines and people's livelihoods), when locals need to 'compete' with large convoys, during the build phase?

All these measures are heavily regulated by the State. There is a noise safeguard document in place and proponents must have construction management plans, traffic management plans, and environmental management plans undertaken. These take into consideration the timing of moving equipment, and the roads which the equipment must be moved on. There are environmental approval frameworks if any changes in the environmental status are to occur.

Will any of the wind farm developers be offering neighbourhood agreements to those not hosting wind farms but heavily impacted by the developments? What examples are there of Compensation or Neighbour Agreements, and how can landholders in WA negotiate them with no information, no examples to assess and all details kept secret? When will the compensation and neighbour agreements be offered?

Once the key land for the wind farm is established then neighbours will be spoken to regarding the project. This could provide neighbours with opportunities such as providing resources for the development or potentially joining the project.

As the project progresses, there will be many opportunities for input from the local community to assist with shaping a fund that is specific to both the needs of the community and those of the surrounding communities. Proponents often offer a small grants program, legacy investment programs and scholarship programs to support local people and initiatives.

Acciona indicated that due to the early stage in development, details cannot be provided at this time.

Other wind farms indicated that they provide a direct financial offering and landscaping options to screen views to those closest to the wind farms.

What parallels and lessons are we learning from other rural and regional areas in Australia, where renewable energy proponents are engaged in getting projects going, or are we just going to reinvent the wheel, and potentially lose community harmony or projects themselves in all the noise?

In the Eastern States a group called Energy Co. assists with community engagement in relation to the renewable energy transition. This group is made up of 250 employees. A similar structure has been formed here in WA called Powering WA. This group has 14 people employed to date and its mission is to provide on the ground engagement which will commence at the end of 2024. Events like this consultation evening provide advice and information to the State Government. WALGA is facilitating events with all local governments that have an interest in this area or who are impacted by these developments.

How can Acciona build a 3,000 MW windfarm when the amount cannot be absorbed by the grid?

All renewable energy developers in the area rely on Western Power delivering a new transmission line. Western Power determines the timeframe and the route of the new line. The

existing 220kV transmission line has no capacity to add new generation; the 66 kV transmission line to the east of the Shire of West Arthur is too small to connect a wind farm.

Acciona indicated that its Bellwether project would need to connect into the proposed new transmission line being delivered by Western Power. The preliminary layout of Acciona's projects indicates that it will be approximately 3GW. Currently, the peak demand is 4.5GW which is set to grow to 20GW by 2050. It is a long process of building and decarbonising the state and these developments may not all eventuate.

Can all these projects practically be built? Who is going to be left out?

A key factor impacting the ability of a wind farm project to proceed is access to Western Power's proposed new transmission line; a project without access to the new transmission line is unlikely to progress. All renewable energy developers in the area need to undertake two years of continuous bird and bat monitoring, and detailed flora and fauna surveys prior to construction.

Acciona indicated that it is developing the Bellwether Wind Farm with confidence of moving to construction in 2028/29 approximately.

Would the state government develop a policy around reusing/decommissioning turbines?

Wind farms are high value assets and long-term there needs to be underpinning policies surrounding recycling and decommissioning. Some of this needs to be left to the sector to self-manage. Items such as steel will have a significant value at the end of life of the turbines and will be sold. Solar panels also have a life of 25 years so the recycling process for these needs to be considered as well.

Western Australia erected the first Australian wind turbine in 1987 which was decommissioned recently. Over 37 years why is there not stringent WA State Government policy already in place for wind farm fire control, low frequency illness, neighbour landholder compensation and decommission bonds?

The development of renewable energy guidelines is a part of the State planning engagement, and these guidelines need to be uplifted to reflect the current situation and new technology that emerges. There are other mechanisms to develop community benefit funds, these are not new, and all projects have a form of a community benefit fund. These funds may not be fit for purpose 10 years on so there may be opportunities to review these. Funds need to be consolidated to hit larger infrastructure fund needs.

What measures will be taken regarding accommodation/hospitality taking into consideration money that will come in because of the project?

The Shire has been liaising with the proponents about their proposed locations of housing and accommodation. Until the proponents know that there is a permanent project in place they cannot confirm where the construction camps will be and furthermore cannot pinpoint the accommodation options they wish to pursue. If the Shire is aware of where the construction camps are going, they can look at rezoning the land, to support this kind of development. The proponents indicated that they are aware that this is an opportunity to create jobs, however that they also need to consider the current workforce and don't want to take away workers from farmers, the Shire or other businesses. There is an opportunity to invest in businesses to support them rather than taking away from them or clearing the shelves.

Can Acciona explain how they calculated the size of the project? Are they only short-term access agreements? Why is land under other developers included?

Acciona has entered access licenses with almost forty landowners covering an area of approximately 110,000 hectares. Based on this, the preliminary layout for the Bellwether Wind Farm indicates that the size of the project is approximately 3GW. Until this point, it has not been appropriate to sign 30-year lease agreements and bind landowners.

The access licenses include confidentiality clauses, and the map shown during the wind farm community consultation event on the 6th of November intentionally did not identify specific landowners. The 'blob' map showed Acciona's land area with a buffer around the boundary.

How many is too many turbines for the Shire?

The power in WA does not connect to the east coast. The volume of renewable energy is roughly 36% and the record of renewable energy at one given time is roughly 86%. There is the need for renewable energy in the southwest to match the demand plus more (see slide in Jai Thomas's presentation). The Kojonup wind farm has been listed as the best performing wind farm in the country over the last three months.

Parron wind farm in Badgingarra has committed \$1000/MW/year to a community investment fund. Is there potential to have this fund in this area?

There is a desire from the wind farm proponents to collaborate with the community. The projects are in early stages and what each Community Benefit Fund looks like is still being determined. The fund is developed by the community for the community and will have Shire involvement. The Clarke Creek wind farm is 450MW and has a community benefit fund of \$200,000/year. In WA there is not a prescribed number but there will be a range that has to be hit, or the proponent and the fund won't be looked at very fairly by the community. Best practice from elsewhere is roughly \$500-\$1500/MW.

Acciona indicated that the community will benefit from the Bellwether Wind Farm in numerous ways. While it is too early for Acciona to confirm the exact size of the Community Benefit Fund, as a minimum Acciona will develop a small grants program, legacy investment program and scholarship program to support local people and initiatives. Similar programs are run for other wind farms across Australia. Examples of benefits may include.

- Upgraded roads
- Improved council services through rates contribution
- Community grants
- Tailored neighbour benefit programs and landscape screening
- Scholarship programs
- Approximately 100 jobs during operation, including turbine technician and maintenance jobs
- Approximately 400 jobs during construction and
- Increased economic activity in the local community

Is it ludicrously ironic that small rural towns like Darkan are going to be losing their connection to the state power supply, being fobbed off with limited power alternatives that are proving problematic in other parts of the state, while being expected to host major renewable energy projects?

A total of 3% of power consuming customers are in regional areas. Regional power supply challenges will continue as there is a lot of pressure on Western Power to deliver. The hosting of wind turbines does not necessarily mean good reliability in the town as it is connected to the distribution network. Western Power are currently investigating stand-alone power systems and retiring networks such as those that are on a 6km line which only services one customer.

What impact will turbines have on farmers who will have planes for crop spraying?

Turbines are strategically designed in 'straight' strings to support crop spraying with little disruption. Farmers can notify the wind farm, and the turbines can be remotely shut down and put in park 'Y' shape to assist aircraft conducting crop spraying. When considering the placement of turbines, the wind farm proponents consult with aerial professionals.

The pilots would conduct flight plans considering potential obstacles. Pilots would consider turbines as being like other obstacles such as telecommunication towers.

When you sign a commercial lease suddenly that land is operating commercially on land that is zoned rural. Can this be done?

The use class 'wind farm' is not expressly listed in the Zoning Table of the Shire of West Arthur Local Planning Scheme No.2.

As such any development application received for a wind farm must be processed and assessed in accordance with the following clause in Local Planning Scheme No.2 as it applies specifically to uses not listed in the Zoning Table of the Scheme:

- 4.4.2 If a person proposes to carry out on land any use that is not specifically mentioned in the Zoning Table and cannot reasonably be determined as falling within the type or class of activity of any other use the local government may:
- a) determine that the use is consistent with the objectives of the particular zone and is therefore permitted; or
 - b) determine that the proposed use may be consistent with the objectives of the particular zone and thereafter follow the advertising procedures of clause 9.4 in considering an application for planning approval; or
 - c) determine that the use is not consistent with the objectives of the particular zone and is therefore not permitted.

Any development application received for a use not listed in the Zoning Table of any Local Planning Scheme in Western Australia is classed as complex under the Planning Regulations and must therefore be advertised for public comment for a minimum required period of 28 days irrespective of the abovementioned clause in Local Planning Scheme No.2.

When will the wind farm companies submit Development Applications and confirm to their clients that their projects will proceed?

All renewable energy developers in the area need to undertake two years of continuous bird and bat monitoring, and detailed flora and fauna surveys.

Acciona indicated that it intends to submit a Development Application for its met mast as soon as a cultural heritage survey is completed. They will also submit their environmental approval documents when they are complete.

What confidence should we place in companies & government agencies who are selective in the timing and extent of their environmental surveys, such as waiting until summer, after everything has senesced or reduced their daytime movements, due to high daily temperatures and limited moisture?

All renewable energy developers in the area need to undertake two years of continuous bird and bat monitoring.

Acciona indicated that for a Project the size of the proposed Bellwether project, this means that three seasons of flora and fauna surveys are likely to be required. As a part of the environmental approval submission Acciona will share the results of its bird, bat, and flora and fauna surveys.

We've been told by renewable energy proponents that they can't support local towns who will host renewable energy projects, to access subsidised rooftop solar, battery storage, cheap energy etc, yet a Victorian town will be doing so, with a French wind and solar project proponent. Why can't we?

Acciona indicated that due to the early stage of the projects, these details cannot be provided right now. As the projects progress, there will be many opportunities for input from the local community, to help shape benefits that are specific to their needs and those of the surrounding communities.

Will the developers share the results of their fauna surveys, namely birds and bats with the shire and other landowners? This information should be freely available given the Shire is promoting and trying to improve biodiversity.

Acciona has indicated that it will share the results of its bird, bat, and flora and fauna surveys as part of the environmental approval submission. Acciona has just commenced the required two years of continuous bird and bat monitoring.

If CY O'Connor got water to Kalgoorlie over 100 years ago, why can't wind turbines be placed in the middle of WA on non-arable land?

The Shire understands that wind farm developers are interested in developing in the area because of the proximity to the existing infrastructure including power lines and power stations in Collie. Any new power lines are likely to extend through the shire and as a result there is significant interest in developing the wind farms in this area.

If local government is against any wind farm proposal, do they have the power to totally shut it down?

There are three assessment pathways that renewable energy applications can be determined under:

- Local Government development assessment
- Development Assessment Panels (DAPs)
- Development Assessment Unit (SDAU)

Due to the significant scale of these projects, and the limited resources at the Shire, applicants primarily choose one of the other pathways to determine their renewable energy applications. The Development Assessment Panel pathway must still take into consideration the local planning framework and give due regard to any local planning policies. The State Development Assessment Unit can make a decision that conflicts with the local planning scheme where the scheme is more than 5 years old, and where the application raised matters of State or regional significance. Either of these assessment pathways allow Local Government to have input into the Development Assessment process but will not be the decision-making authority.

The remaining questions have all been noted and passed to the various participants in the community consultation events but have not yet had a response.

What government owned infrastructure needs upgrading and /or locating across West Arthur Shire? What compensation is there for impacted landowners?

What government support & assistance is there for land holders negotiating contracts and agreements with non-transparent wind farm developers in WA?

Why can't government heavily subsidise residential/industrial/business rooftop solar and battery storage avoiding costly transmission line upgrades, rural amenity loss and rural community discord?

What part of WA is the most cost-effective location, per unit of deliverable power + cost of install/running costs to build renewable energy projects? Does locality economic contribution, state investment in infrastructure and opportunity cost during the build phase, form part of this consideration?

Are large wind turbines in Ag regions the ONLY solution for future energy needs in WA? Are all potential generation methods being considered? Such as community owned and managed solar/wind/battery and/or dams as energy store projects.

How will the State Government support small rural and regional towns, who are being expected to plan and provide for increased demands on infrastructure if wind farms or other renewables are established?

The turbines will add value to a property. What is the risk that local farmers can no longer expand their business by buying that local land? Is it possible that only big businesses will be

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able to buy the inflated price land, and plant the wind farm to trees resulting in depopulation on the local area?

Will the state government consider a statewide renewable energy planning policy like NSW rather than expecting small under resourced shires to develop individual local planning schemes that developers just ignore?

If there is a change in State Government next year, what are your thoughts regarding the renewable energy transition. Will it still be a top priority for the state? Or will the money already invested in the process just go to waste?

Appendix B - Informing Documents

Community Strategic Plan

The Shire of West Arthur's Community Strategic Plan ([strategic-community-plan-towards-2031](#)) provides the overarching guiding vision for the Shire for the next 10 years and is the Council's commitment to implementing the community's aspirations.

In the process of developing the plan, community engagement was undertaken through various forms, providing all individuals the opportunity to contribute to the strategic direction of the Shire council.

Through that process the community identified the following key aspirations for the next 10 years:

- Our community – safe, friendly, inclusive
- Local Economy – stable, sustainable agricultural industry, a dynamic and growing business sector
- Natural environment – our natural assets are valued and meet the needs of the community
- Built environment – well maintained roads and infrastructure which reflects our identity
- Leadership and management – inspirational, dynamic, transparent

Economic Development Strategy

The Shire of West Arthur's Economic Development Strategy document is a 10-year roadmap which is being used to pursue the Shire's economic development vision. The Economic Development Strategy sets priorities, objectives, and actions based on a multifaceted approach to fully build on our strengths and capture new opportunities for economic growth.

Results of the research and stakeholder consultation undertaken as part of this document will be taken into consideration when considering the renewable energy transition. The document outlines the Shire's existing position and strategic opportunities, whilst showcasing what matters to our community, and the Council's commitment to ensuring this strategy is delivered.

Renewable energy companies can contribute to the direction of the Shire and fulfill key objectives identified in the Economic Development Strategy Document as outlined below (westarthur.wa.gov.au/documents/667/economic-development-strategy):

- **A vibrant town centre and activated spaces within our townsite** – Wind farm proponents offering community benefit/enhancement funds could play a significant role in transforming the town centre into a lively and dynamic space.
- **Built infrastructure that is well maintained and meets the needs of our community** – The availability of additional funds could allow for upgrades to existing infrastructure and the establishment of additional facilities to ensure they adequately support the needs of the permanent workforce associated with these developments, as well as the growing population.
- **A growing and diverse business community** – By leveraging the potential of introducing a new type of business into the community, the Shire is diversifying its source of income, thereby decreasing its dependence on agriculture for the town's economic support.

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- **A thriving visitor economy that leverages our natural and heritage assets**
- **Great economic resilience through industry diversification** – Whilst the agricultural sector is the main source of income for the Shire, the over reliance on this sector could have a negative impact during times of hardship. Renewable energy may offer an alternative source of income to assist with economic resilience.
- **New industry development and diversified job opportunities** – There is a loss of labour and economic opportunities as a result of the lack of housing in the Shire, the increase in farm sizes and the automation of farming. Wind farms could increase the number of employment opportunities in the Shire therefore boosting the town's population.
- **Sufficient allocation of resources to successfully drive our strategy forward**

At 7:30pm, Cr Karen Harrington left the meeting.

11.4 LOCAL ROADS & COMMUNITY INFRASTRUCTURE (LRCI) PHASE 4 - WORK SCHEDULE VARIATION

File Reference: ADM402
Location: N/A
Applicant: N/A
Author: Tahnee-Lee Lubcke, Projects Officer
Authorising Officer: Vin Fordham Lamont, Chief Executive Officer
Date: 11/12/2024
Disclosure of Interest: Nil
Attachments: Nil

SUMMARY:

Council is requested to consider approving the following updated work schedule for the Shire of West Arthur Local Roads and Community Infrastructure (LRCI) Program:

Part A - \$366,694

- Darkan Railway Reserve Upgrade - \$140,000
- Installation of CCTV - \$78,647
- Glenorchy Bridge (completed) - \$49,059
- Footpath through railway reserve - \$39,988
- Upgrade of infrastructure associated with the town dam - \$29,000
- Construction of a kiosk at the Darkan Swimming pool - \$30,000

Part B - \$211,517

- Clarke Road resheeting/sheeting (completed) - \$93,468
- New white lines Darkan South Road (completed) - \$35,609
- Footpaths connecting Burrowes Street and Coalfields Hwy - \$82,440

BACKGROUND:

LRCI funding has been provided by the Federal Government for the past four years. A total of \$578,211 was provided to the Shire of West Arthur in the latest round of funding (Phase 4) and is split into two parts. Part A is provided for community infrastructure projects and Part B is for roads, footpaths, bridges and signage.

Previously Council had approved expenditure on the following projects (November 2024):

Part A - \$366,694

- Darkan Railway Reserve Upgrade - \$140,000
- Installation of CCTV - \$78,647
- Footpath through railway reserve - \$39,988
- Pump and tank at town dams - \$29,000
- Glenorchy Bridge (completed) - \$49,059
- Construction of a Kiosk at the Darkan Swimming Pool - \$30,000

Part B - \$211,517

- Clarke Road resheeting/sheeting (completed) - \$93,468
- New white lines Darkan South Road (completed) - \$35,609

- Footpaths connecting Burrowes Street and Coalfields Hwy - \$45,800
- Replace asphalt and line marking on Coalfields Hwy (near pub) - \$36,640

COMMENT:

Due to the higher value of the actual quotes received (relative to the original estimate) for asphalt contractors, and the higher safety risks associated with the footpath between Burrowes Street and Coalfields Hwy it is proposed to remove project 4B – Replace asphalt and line marking on Coalfields Hwy (near pub) and reallocate the funds to project 3B – Footpaths connecting Burrowes Street and Coalfields Hwy. If Council approves this variation, a work schedule will be submitted to the funding body and the Shire will await a response. Projects need to be completed by June 2025.

CONSULTATION:

LRCI Program administrators
Manager Works and Services

STATUTORY ENVIRONMENT:

Local Government Act 1995
S6.8 Expenditure from municipal fund not included in annual budget

POLICY IMPLICATIONS:

F29 – Purchasing Policy

FINANCIAL IMPLICATIONS:

No change to the total LRCI funding received, monies will be reallocated to different projects.

STRATEGIC IMPLICATIONS:

Shire of West Arthur Strategic Community Plan 2021-2031
Theme: Built Environment
Strategy: Our roads, towns and facilities are well maintained and reflect our rural identity and heritage.
Outcome 4.2 – Our built infrastructure is well maintained, attractive and inviting

RISK IMPLICATIONS:

Risk management is the removal of uncertainty from business decisions. Risk is expressed in terms of likelihood it may occur and the consequences that may flow from it. The consequences may be positive or negative or simply a deviation from the expected. The risk or consequence may be related to health and safety; financial; business or service interruption; compliance; reputation; or the environment. ***Reference to the risk matrix below will generate a risk rating by assessing the likelihood and consequence and multiplying these scores by each other.*** The greater the risk rating, the greater the risk and the higher the need for specific plans to be developed. All items with a risk rating greater than 10 should be added to the Risk Register and specific controls developed.

Risk Themes:

A risk theme is the categorising of risk. For example, the collection of risks that represent compliance failure. The risk themes in the shire Risk Register include:

- Business Disruption
- Community Disruption
- IT or Communications Failure
- External Threat or Fraud
- Misconduct
- Inadequate safety or security practices

- Inadequate project or change management
- Errors Omissions or Delays
- Inadequate Document Management Processes
- Inadequate supplier / contract management
- Providing inaccurate advice / information
- Ineffective Employment practices
- Compliance failure
- Inadequate asset management
- Inadequate engagement practices
- Ineffective facility or event management
- Inadequate environmental management

Risk Matrix:

Consequence Likelihood		Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (25)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

Description of Key Risk	Potential risk of losing funding as a result of failing to complete the projects within the required timeframe
Risk Likelihood (based on history and with existing controls)	Likely (4)
Risk Consequence	Moderate (3)
Risk Rating (Prior to Treatment or Control): Likelihood x Consequence	High (12)
Principal Risk Theme	Inadequate project or change management
Risk Action Plan (Controls or Treatment Proposed)	Determine the allocation of funds and execute the necessary tasks in a timely manner

VOTING REQUIREMENTS:

Absolute Majority

RESOLUTION CO-2024-133

Moved: Cr Robyn Lubcke

Seconded: Cr Graeme Peirce

That Council, by absolute majority, approve the following allocation of funds under the Local Roads and Community Infrastructure Program:

Part A - \$366,694

- Darkan Railway Reserve Upgrade - \$140,000
- Installation of CCTV - \$78,647
- Glenorchy Bridge (completed) - \$49,059
- Footpath through railway reserve - \$39,988
- Upgrade of infrastructure associated with the town dam - \$29,000
- Construction of a kiosk at the Darkan Swimming pool - \$30,000

Part B - \$211,517

- Clarke Road resheeting/sheeting (completed) - \$93,468
- New white lines Darkan South Road (completed) - \$35,609
- Footpaths connecting Burrowes Street and Coalfields Hwy - \$82,440

In Favour: Crs Neil Morrell, Graeme Peirce, Robyn Lubcke, Duncan South and Russell Prowse

Against: Nil

CARRIED 5/0 BY ABSOLUTE MAJORITY

At 7:31 pm, Cr Karen Harrington returned to the meeting.

12 CORPORATE SERVICES**12.1 FINANCIAL REPORTS - NOVEMBER 2024**

File Reference:	ADM339
Location:	N/A
Applicant:	N/A
Author:	Melinda King, Manager Financial Reporting
Authorising Officer:	Rajinder Sunner, Manager Corporate Services
Date:	6/12/2024
Disclosure of Interest:	Nil
Attachments:	1. Financial Reports - November 2024 ↓

SUMMARY:

Council is requested to consider the financial reports for the period ending 30 November 2024.

BACKGROUND:

The financial reports for the period ending 30 November 2024 are attached.

COMMENT:

If you have any questions regarding details in the financial reports, please get in touch with the office before Council meeting so that sufficient time is given to research the request. This will enable the information to be provided at the Council meeting.

CONSULTATION:

Not required.

STATUTORY ENVIRONMENT:

Regulation 34 (1) of the Local Government (Financial Management) Regulations 1996 states that a Local Government is to prepare each month a statement of financial activity reporting on the revenue and expenditure, as set out in the annual budget under regulation 22(1)(d), for the previous month (the relevant month) in the following detail —

- (a) annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c); and
- (b) budget estimates to the end of the relevant month and
- (c) actual amounts of expenditure, revenue and income to the end of the relevant month and
- (d) material variances between the comparable amounts referred to in paragraphs (b) and (c); and
- (e) the net current assets at the end of the relevant month, and a note containing a summary explaining the composition of the net existing assets.

POLICY IMPLICATIONS:

Nil

FINANCIAL IMPLICATIONS:

There are no financial implications. Reported income and expenditure will be assessed by management as being consistent with the 2024/25 Annual Budget.

STRATEGIC IMPLICATIONS:

West Arthur Towards 2031

Theme: Leadership and Management

Outcome: Establish and maintain sound business and governance structures

Strategy: Ensure that the local community is provided with value for money through the prudent expenditure of rates

RISK IMPLICATIONS:

Risk management is the removal of uncertainty from business decisions. Risk is expressed in terms of likelihood it may occur and the consequences that may flow from it. The consequences may be positive or negative or simply a deviation from the expected. The risk or consequence may be related to health and safety; financial; business or service interruption; compliance; reputation; or the environment. ***Reference to the risk matrix below will generate a risk rating by assessing the likelihood and consequence and multiplying these scores by each other.*** The greater the risk rating, the greater the risk and the higher the need for specific plans to be developed. All items with a risk rating greater than 10 should be added to the Risk Register and specific controls developed.

Risk Themes:

A risk theme is the categorising of risk. For example, the collection of risks that represent compliance failure. The risk themes in the shire Risk Register include:

- Business Disruption
- Community Disruption
- IT or Communications Failure
- External Threat or Fraud
- Misconduct
- Inadequate safety or security practices
- Inadequate project or change management
- Errors Omissions or Delays
- Inadequate Document Management Processes
- Inadequate supplier / contract management
- Providing inaccurate advice / information
- Ineffective Employment practices
- Compliance failure
- Inadequate asset management
- Inadequate engagement practices
- Ineffective facility or event management
- Inadequate environmental management

Risk Matrix:

Consequence Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (25)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

Description of Key Risk	Not preparing monthly financial statement which affects Council's ability to oversee the Shire's financial management.
Risk Likelihood (based on history and with existing controls)	Rare (1)
Risk Consequence	Minor (2)
Risk Rating (Prior to Treatment or Control): Likelihood x Consequence	Low (2)
Principal Risk Theme	Compliance failure
Risk Action Plan (Controls or Treatment Proposed)	Prepare monthly financial statements for the Council.

VOTING REQUIREMENTS:

Simple Majority

RESOLUTION CO-2024-134

Moved: Cr Duncan South

Seconded: Cr Karen Harrington

That Council accept the financial reports for the period ending 30 November 2024 as presented.

In Favour: Crs Neil Morrell, Karen Harrington, Graeme Peirce, Robyn Lubcke, Duncan South and Russell Prowse

Against: Nil

CARRIED 6/0

SHIRE OF WEST ARTHUR
MONTHLY FINANCIAL REPORT
(Containing the required statement of financial activity and statement of financial position)
For the period ended 30 November 2024

LOCAL GOVERNMENT ACT 1995
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

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SHIRE OF WEST ARTHUR
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 NOVEMBER 2024

	Supplementary Information	Adopted Budget Estimates (a) \$	YTD Budget Estimates (b) \$	YTD Actual (c) \$	Variance* \$ (c) - (b) \$	Variance* % ((c) - (b))/(b) %	Var.
OPERATING ACTIVITIES							
Revenue from operating activities							
General rates	10	2,118,003	2,118,003	2,118,032	29	0.00%	
Grants, subsidies and contributions	13	530,944	388,128	381,230	(6,898)	(1.78%)	
Fees and charges		353,890	175,418	196,113	20,695	11.80%	▲
Interest revenue		185,748	30,403	23,733	(6,670)	(21.94%)	▼
Other revenue		166,640	35,855	76,735	40,880	114.01%	▲
Profit on asset disposals	6	14,339	12,180	81,818	69,638	571.74%	▲
		3,369,564	2,759,987	2,877,661	117,674	4.26%	
Expenditure from operating activities							
Employee costs		(2,222,894)	(1,142,303)	(1,208,230)	(65,927)	(5.77%)	▼
Materials and contracts		(1,509,750)	(596,160)	(679,349)	(83,189)	(13.95%)	▼
Utility charges		(153,690)	(46,384)	(43,848)	2,536	5.47%	
Depreciation		(3,077,887)	(263,468)	(293,922)	(30,454)	(11.56%)	▼
Finance costs		(25,446)	(6,945)	(6,945)	0	0.00%	
Insurance		(134,430)	(134,430)	(133,040)	1,390	1.03%	
Other expenditure		(66,300)	(17,210)	(13,135)	4,075	23.68%	▲
Loss on asset disposals	6	(16,137)	0	0	0	0.00%	
		(7,206,534)	(2,206,900)	(2,378,469)	(171,569)	(7.77%)	
Non-cash amounts excluded from operating activities	Note 2(b)	3,079,685	251,288	212,104	(39,184)	(15.59%)	▼
Amount attributable to operating activities		(757,285)	804,375	711,296	(93,079)	(11.57%)	
INVESTING ACTIVITIES							
Inflows from investing activities							
Proceeds from capital grants, subsidies and contributions	14	1,750,780	175,083	174,662	(421)	(0.24%)	
Proceeds from disposal of assets	6	195,000	96,000	81,818	(14,182)	(14.77%)	▼
Proceeds from financial assets at amortised cost - self supporting loans		31,016	7,658	7,658	0	0.00%	
		1,976,796	278,741	264,138	(14,603)	(5.24%)	
Outflows from investing activities							
Payments for property, plant and equipment	5	(1,684,634)	(250,300)	(230,589)	19,711	7.87%	▲
Payments for construction of infrastructure	5	(1,813,571)	(331,126)	(332,880)	(1,754)	(0.53%)	
		(3,498,205)	(581,426)	(563,469)	17,957	3.09%	
Amount attributable to investing activities		(1,521,409)	(302,685)	(299,331)	3,354	1.11%	
FINANCING ACTIVITIES							
Inflows from financing activities							
Transfer from reserves	4	1,469,241	0	0	0	0.00%	
		1,469,241	0	0	0	0.00%	
Outflows from financing activities							
Repayment of borrowings	11	(137,156)	(36,993)	(36,993)	0	0.00%	
Transfer to reserves	4	(479,506)	(6,650)	(6,696)	(46)	(0.69%)	
		(616,662)	(43,643)	(43,689)	(46)	(0.11%)	
Amount attributable to financing activities		852,579	(43,643)	(43,689)	(46)	(0.11%)	
MOVEMENT IN SURPLUS OR DEFICIT							
Surplus or deficit at the start of the financial year		1,426,115	1,426,115	1,412,323	(13,792)	(0.97%)	▼
Amount attributable to operating activities		(757,285)	804,375	711,296	(93,079)	(11.57%)	▼
Amount attributable to investing activities		(1,521,409)	(302,685)	(299,331)	3,354	1.11%	
Amount attributable to financing activities		852,579	(43,643)	(43,689)	(46)	(0.11%)	
Surplus or deficit after imposition of general rates		(0)	1,884,162	1,780,599	(103,563)	(5.50%)	▼

KEY INFORMATION

▲ ▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.

* Refer to Note 3 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and Notes.

**SHIRE OF WEST ARTHUR
STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 30 NOVEMBER 2024**

	Supplementary Information	30 June 2024	30 November 2024
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	4,451,619	4,720,642
Trade and other receivables		314,921	596,528
Other financial assets		31,016	23,358
Inventories	8	91,855	91,855
TOTAL CURRENT ASSETS		4,889,411	5,432,383
NON-CURRENT ASSETS			
Other financial assets		310,730	310,730
Property, plant and equipment		19,787,583	19,724,251
Infrastructure		113,491,708	113,824,587
TOTAL NON-CURRENT ASSETS		133,590,021	133,859,568
TOTAL ASSETS		138,479,432	139,291,951
CURRENT LIABILITIES			
Trade and other payables	9	402,794	444,523
Other liabilities	12	208,199	339,996
Borrowings	11	137,156	100,163
Employee related provisions	12	365,491	367,623
TOTAL CURRENT LIABILITIES		1,113,640	1,252,305
NON-CURRENT LIABILITIES			
Borrowings	11	574,337	574,337
Employee related provisions		45,695	45,695
TOTAL NON-CURRENT LIABILITIES		620,032	620,032
TOTAL LIABILITIES		1,733,672	1,872,337
NET ASSETS		136,745,760	137,419,614
EQUITY			
Retained surplus		8,317,250	8,984,408
Reserve accounts	4	2,828,645	2,835,341
Revaluation surplus		125,599,865	125,599,865
TOTAL EQUITY		136,745,760	137,419,614

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

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD ENDED 30 NOVEMBER 2024

1 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

This prescribed financial report has been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996*, prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Shire to measure any vested improvements at zero cost.

Local Government (Financial Management) Regulations 1996, regulation 34 prescribes contents of the financial report. Supporting information does not form part of the financial report.

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

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.

All monies held in the Trust Fund are excluded from the financial statements.

Judgements and 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 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 balances, transactions and disclosures impacted by accounting estimates are as follows:

- estimated fair value of certain financial assets
- impairment of financial assets
- estimation of fair values of land and buildings, infrastructure and investment property
- estimation uncertainties made in relation to lease accounting
- estimated useful life of intangible assets

SIGNIFICANT ACCOUNTING POLICES

Significant accounting policies utilised in the preparation of these statements are as described within the 2023-24 Annual Budget. Please refer to the adopted budget document for details of these policies.

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 17 December 2024

**SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 NOVEMBER 2024**

2 STATEMENT OF FINANCIAL ACTIVITY INFORMATION

		Adopted Budget Opening 30 June 2024	Last Year Closing 30 June 2024	Year to Date 30 November 2024
(a) Net current assets used in the Statement of Financial Activity	Supplementary Information	\$	\$	\$
Current assets				
Cash and cash equivalents	3	4,257,269	4,451,619	4,720,642
Trade and other receivables		358,809	314,921	596,528
Other financial assets		30,007	31,016	23,358
Inventories	8	14,985	91,855	91,855
		4,661,070	4,889,411	5,432,383
Less: current liabilities				
Trade and other payables	9	(236,163)	(402,794)	(444,523)
Other liabilities	12	(6,750)	(208,199)	(339,996)
Borrowings	11	(125,119)	(137,156)	(100,163)
Employee related provisions	12	(316,845)	(365,491)	(367,623)
		(684,877)	(1,113,640)	(1,252,305)
Net current assets		3,976,193	3,775,771	4,180,078
Less: Total adjustments to net current assets	Note 2(c)	(2,425,915)	(2,363,448)	(2,399,479)
Closing funding surplus / (deficit)		1,550,278	1,412,323	1,780,599

(b) Non-cash amounts excluded from operating activities

The following non-cash revenue and expenditure has been excluded from operating activities within the Statement of Financial Activity in accordance with *Financial Management Regulation 32*.

		Adopted Budget \$	YTD Budget (a) \$	YTD Actual (b) \$
Non-cash amounts excluded from operating activities				
Adjustments to operating activities				
Less: Profit on asset disposals	6	(14,339)	(12,180)	(81,818)
Add: Loss on asset disposals	6	16,137	0	0
Add: Depreciation		3,077,887	263,468	293,922
Total non-cash amounts excluded from operating activities		3,079,685	251,288	212,104

(c) Current assets and liabilities excluded from budgeted deficiency

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with *Financial Management Regulation 32* to agree to the surplus/(deficit) after imposition of general rates.

		Adopted Budget Opening 30 June 2024	Last Year Closing 30 June 2024	Year to Date 30 November 2024
		\$	\$	\$
Adjustments to net current assets				
Less: Reserve accounts	4	(2,828,645)	(2,828,645)	(2,835,341)
Less: Financial assets at amortised cost - self supporting loans	8	(31,016)	(31,016)	(23,358)
- Current financial assets at amortised cost - self supporting loans				0
- Land held for resale		(70,000)	(70,000)	(70,000)
Add: Current liabilities not expected to be cleared at the end of the year:				
- Current portion of borrowings	11	130,731	137,156	100,163
- Employee Benefit Provision		373,015	429,057	429,057
Total adjustments to net current assets	Note 2(a)	(2,425,915)	(2,363,448)	(2,399,479)

CURRENT AND NON-CURRENT CLASSIFICATION

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the Council's operational cycle.

SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 NOVEMBER 2024

3 EXPLANATION OF MATERIAL VARIANCES

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date actual materially.

The material variance adopted by Council for the 2024-25 year is \$10,000 or 10.00% whichever is the greater.

Description	Var. \$ \$	Var. % %	
Revenue from operating activities			
Fees and charges	20,695	11.80%	▲
Private works fees above budget \$12,534			
Interest revenue	(6,670)	(21.94%)	▼
Other revenue	40,880	114.01%	▲
Reimbursement of contracted staff received - timing \$8,219		Timing	
Legal costs reimbursed greater than budget year to date - timing \$6,481		Timing	
Staff expenses reimbursed \$14,653. Externally funded leave.		Timing	
Water supply contribution greater than budget \$2,610		Permanent	
Profit on asset disposals	69,638	571.74%	▲
Proceeds on sale of assets to be processed.			
Expenditure from operating activities			
Employee costs	(65,927)	(5.77%)	▼
Wages funded by grant funding were budgeted as materials and externally funded wages \$31,838.			
Admin wages are greater than budget year to date.			
Materials and contracts	(83,189)	(13.95%)	▼
Compliance/legal costs greater than budget year to date \$25,967		Permanent	
Other accounting functions materials greater than budget year to date \$20,625		Timing	
Darkan Swimming pool exp greater than budget. \$19,191 timing setup of budget		Timing	
Parts and repairs greater than budget. \$10,031		Timing	
There are several non reportable variances which offset the above variances.			
Depreciation	(30,454)	(11.56%)	▼
Depreciation is greater than budget year to date.		Permanent	
Other expenditure	4,075	23.68%	▲
Minor variances			
Non-cash amounts excluded from operating activities	(39,184)	(15.59%)	▼
Due to depreciation variance.		Permanent	
Inflows from investing activities			
Proceeds from disposal of assets	(14,182)	(14.77%)	▼
Proceeds from sale of vehicles were below budget. Offset by lower vehicle cost.			
Outflows from investing activities			
Payments for property, plant and equipment	19,711	7.87%	▲
Vehicles \$17,560 below budget. Offset by lower trade.			
Surplus or deficit at the start of the financial year	(13,792)	(0.97%)	▼
Variance is due to post budget entries.			
Surplus or deficit after imposition of general rates	(103,563)	(5.50%)	▼
Due to variances described above			

SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION

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**SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 NOVEMBER 2024**

1 KEY INFORMATION

Funding Surplus or Deficit Components

Funding surplus / (deficit)				
	Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
Opening	\$1.43 M	\$1.43 M	\$1.41 M	(\$0.01 M)
Closing	(\$0.00 M)	\$1.88 M	\$1.78 M	(\$0.10 M)
Refer to Statement of Financial Activity				

Cash and cash equivalents		
	\$4.72 M	% of total
Unrestricted Cash	\$1.89 M	39.9%
Restricted Cash	\$2.84 M	60.1%
Refer to 3 - Cash and Financial Assets		

Payables		
	\$0.44 M	% Outstanding
Trade Payables	\$0.12 M	
0 to 30 Days		79.0%
Over 30 Days		21.0%
Over 90 Days		21.0%
Refer to 9 - Payables		

Receivables		
	\$0.04 M	% Collected
Rates Receivable	\$0.56 M	74.0%
Trade Receivable	\$0.04 M	% Outstanding
Over 30 Days		43.0%
Over 90 Days		21.6%
Refer to 7 - Receivables		

Key Operating Activities

Amount attributable to operating activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$0.76 M)	\$0.80 M	\$0.71 M	(\$0.09 M)
Refer to Statement of Financial Activity			

Rates Revenue		
YTD Actual	\$2.12 M	% Variance
YTD Budget	\$2.12 M	0.0%
Refer to 10 - Rate Revenue		

Grants and Contributions		
YTD Actual	\$0.38 M	% Variance
YTD Budget	\$0.38 M	(0.3%)
Refer to 13 - Grants and Contributions		

Fees and Charges		
YTD Actual	\$0.20 M	% Variance
YTD Budget	\$0.18 M	11.8%
Refer to Statement of Financial Activity		

Key Investing Activities

Amount attributable to investing activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$1.52 M)	(\$0.30 M)	(\$0.30 M)	\$0.00 M
Refer to Statement of Financial Activity			

Proceeds on sale		
YTD Actual	\$0.08 M	%
Adopted Budget	\$0.20 M	42.0%
Refer to 6 - Disposal of Assets		

Asset Acquisition		
YTD Actual	\$0.33 M	% Spent
Adopted Budget	\$1.81 M	18.4%
Refer to 5 - Capital Acquisitions		

Capital Grants		
YTD Actual	\$0.17 M	% Received
Adopted Budget	\$1.75 M	10.0%
Refer to 5 - Capital Acquisitions		

Key Financing Activities

Amount attributable to financing activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
\$0.85 M	(\$0.04 M)	(\$0.04 M)	(\$0.00 M)
Refer to Statement of Financial Activity			

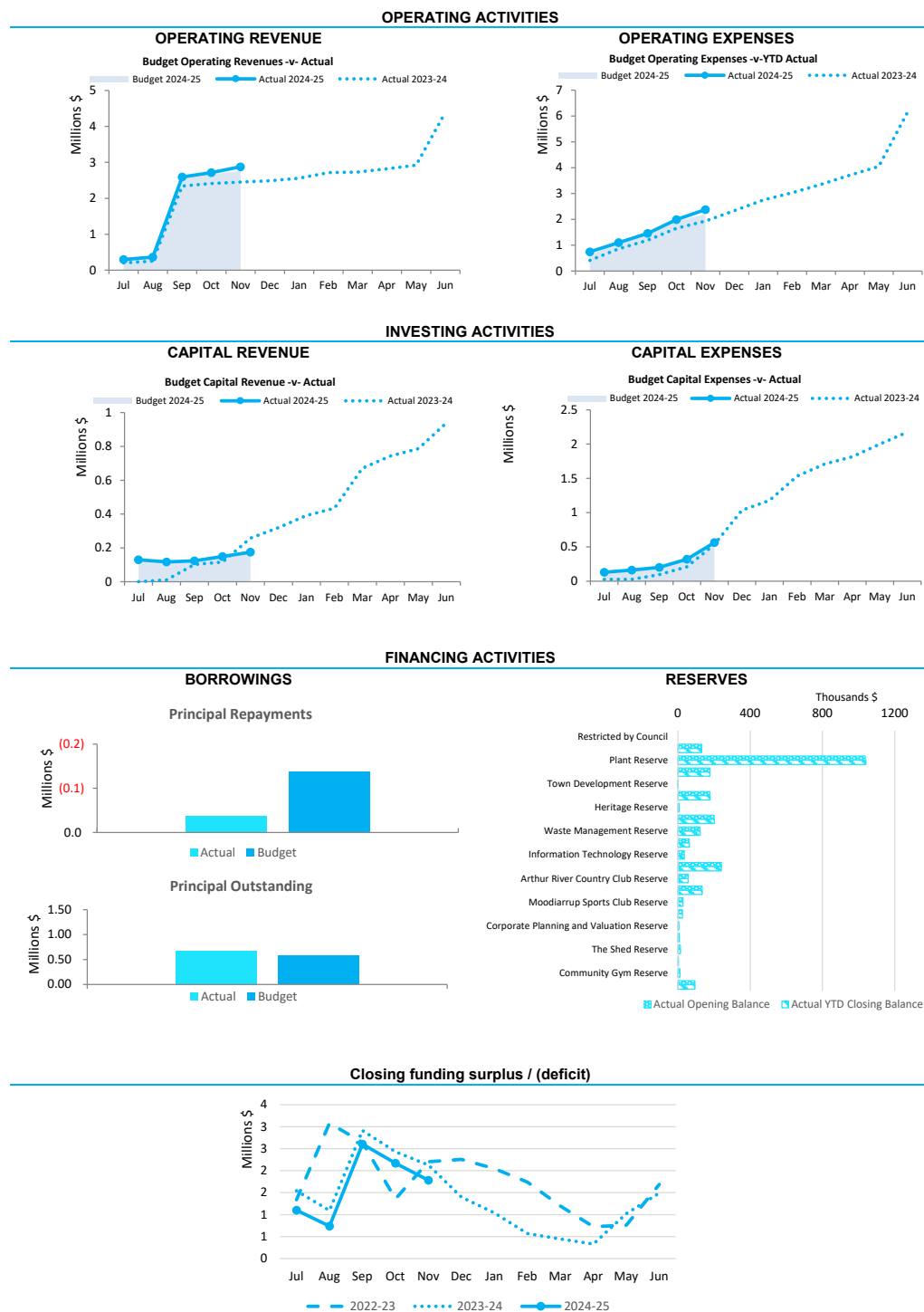
Borrowings		
Principal repayments	(\$0.04 M)	
Interest expense	(\$0.01 M)	
Principal due	\$0.67 M	
Refer to 11 - Borrowings		

Reserves		
Reserves balance	\$2.84 M	
Interest earned	\$0.01 M	
Refer to 4 - Cash Reserves		

This information is to be read in conjunction with the accompanying Financial Statements and notes.

SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 NOVEMBER 2024

2 KEY INFORMATION - GRAPHICAL



This information is to be read in conjunction with the accompanying Financial Statements and Notes.

**SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 NOVEMBER 2024**

3 CASH AND FINANCIAL ASSETS

Description	Classification	Unrestricted	Restricted	Total Cash	Trust	Institution	Interest Rate	Maturity Date
		\$	\$	\$	\$			
Municipal cash at bank	Cash and cash equivalents	535,101	0	535,101	0	NAB	0.01%	N/A
Municipal cash at bank - CM	Cash and cash equivalents	1,350,000	0	1,350,000	0	NAB	2.55%	N/A
Reserve - CM	Cash and cash equivalents	0	1,814	1,814	0	NAB	2.55%	N/A
Reserve	Cash and cash equivalents	0	2,000,000	2,000,000	0	NAB	5.30%	26/6/2025
Reserve	Cash and cash equivalents	0	833,527	833,527	0	BOQ	4.85%	3/2/2025
Cash on hand	Cash and cash equivalents	200	0	200	0	CASH	0.00%	N/A
Total		1,885,301	2,835,341	4,720,642	0			
Comprising								
Cash and cash equivalents		1,885,301	2,835,341	4,720,642	0			
		1,885,301	2,835,341	4,720,642	0			

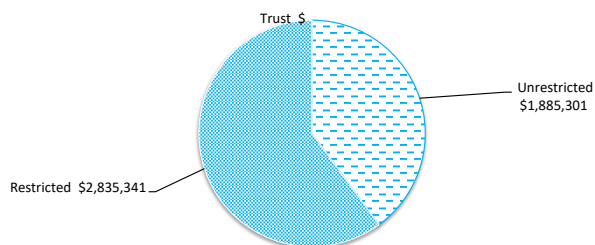
KEY INFORMATION

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

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

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

Financial assets at amortised cost held with registered financial institutions are listed in this note other financial assets at amortised cost are provided in Note 4 - Other assets



**SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 NOVEMBER 2024**

4 RESERVE ACCOUNTS

Reserve name	Budget Opening Balance	Budget Interest Earned	Budget Transfers In (+)	Budget Transfers Out (-)	Budget Closing Balance	Actual Opening Balance	Actual Interest Earned	Actual Transfers In (+)	Actual Transfer s Out (-)	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by Council										
Leave Reserve	131,460	5,686	0	0	137,147	131,460	311	0	0	131,771
Plant Reserve	1,037,504	44,878	300,000	(1,007,116)	375,266	1,037,504	2,457	0	0	1,039,961
Building Reserve	176,231	7,623	0	(179,106)	4,748	176,231	417	0	0	176,648
Town Development Reserve	1,658	72	0	0	1,730	1,658	4	0	0	1,662
Recreation Reserve	177,182	7,664	0	(143,019)	41,827	177,182	419	0	0	177,601
Heritage Reserve	7,047	305	150	0	7,502	7,047	17	0	0	7,064
Community Housing Reserve	200,920	8,691	1,000	(50,000)	160,611	200,920	476	0	0	201,396
Waste Management Reserve	122,945	5,318	0	0	128,263	122,945	291	0	0	123,236
Darkan Swimming Pool Reserve	63,662	2,754	5,000	(30,000)	41,415	63,662	151	0	0	63,813
Information Technology Reserve	35,654	1,542	0	0	37,196	35,654	84	0	0	35,738
Darkan Sport and Community Centre Reserve	240,632	10,409	40,000	0	291,041	240,632	570	0	0	241,202
Arthur River Country Club Reserve	55,871	2,417	6,000	0	64,288	55,871	132	0	0	56,003
Museum Reserve	134,654	5,825	0	(5,000)	135,479	134,654	319	0	0	134,973
Moodiarrup Sports Club Reserve	28,281	1,223	5,000	0	34,504	28,281	67	0	0	28,348
Landcare Reserve	25,543	1,105	0	(5,000)	21,647	25,543	60	0	0	25,603
Corporate Planning and Valuation Reserve	4,829	209	0	0	5,038	4,829	11	0	0	4,840
Kids Central Reserve	7,866	340	0	0	8,206	7,866	19	0	0	7,885
The Shed Reserve	14,130	611	0	0	14,741	14,130	33	0	0	14,163
Recreation Trails Reserve	2,713	117	0	0	2,830	2,712	6	0	0	2,718
Community Gym Reserve	11,336	490	0	0	11,827	11,336	27	0	0	11,363
Economic Development Reserve	94,451	4,086	0	(50,000)	48,536	94,451	224	0	0	94,675
Road Reserve	254,077	10,990	0	0	265,068	254,077	601	0	0	254,678
Interest to allocate	-	0	0	0	0	0	0	0	0	0
	2,828,645	122,356	357,150	(1,469,241)	1,838,910	2,828,645	6,696	0	0	2,835,341

**SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 NOVEMBER 2024**

INVESTING ACTIVITIES

5 CAPITAL ACQUISITIONS

	Adopted		YTD Actual	YTD Actual Variance
	Budget	YTD Budget		
Capital acquisitions	\$	\$	\$	\$
Land - freehold land	203,765	22,300	21,595	(705)
Buildings - non-specialised	241,106	58,000	61,288	3,288
Furniture and equipment	78,647	0	0	0
Plant and equipment	1,161,116	170,000	147,706	(22,294)
Acquisition of property, plant and equipment	1,684,634	250,300	230,589	(19,711)
Infrastructure - roads	1,577,057	172,400	175,818	3,418
Infrastructure - Other	236,514	158,726	157,062	(1,664)
Acquisition of infrastructure	1,813,571	331,126	332,880	(37,668)
Total capital acquisitions	3,498,205	581,426	563,469	(57,379)
Capital Acquisitions Funded By:				
Capital grants and contributions	1,750,780	175,083	174,662	(421)
Other (disposals & C/Fwd)	195,000	96,000	81,818	(14,182)
Reserve accounts				
Plant Reserve	1,007,116	0	0	0
Building Reserve	179,106	0	0	0
Recreation Reserve	143,019	0	0	0
Community Housing Reserve	50,000	0	0	0
Darkan Swimming Pool Reserve	30,000	0	0	0
Museum Reserve	5,000	0	0	0
Landcare Reserve	5,000	0	0	0
Economic Development Reserve	50,000	0	0	0
Contribution - operations	83,184	310,343	306,989	(3,354)
Capital funding total	3,498,205	581,426	563,469	(17,957)

SIGNIFICANT ACCOUNTING POLICIES

Each class of fixed assets within either plant and equipment or infrastructure, is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

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

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

Initial recognition and measurement for assets held at cost

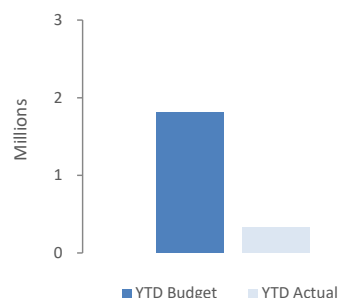
Plant and equipment including furniture and equipment is recognised at cost on acquisition in accordance with *Financial Management Regulation 17A*. Where acquired at no cost the asset is initially recognise at fair value. Assets held at cost are depreciated and assessed for impairment annually.

Initial recognition and measurement between

mandatory revaluation dates for assets held at fair value

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 zero cost or otherwise significantly less than fair value, 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.

Payments for Capital Acquisitions



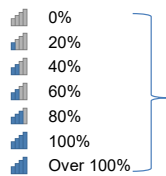
SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 NOVEMBER 2024

INVESTING ACTIVITIES

5 CAPITAL ACQUISITIONS - DETAILED

Capital expenditure total

Level of completion indicators



Percentage Year to Date Actual to Annual Budget expenditure where the expenditure over budget highlighted in red.

Level of completion indicator, please see table at the end of this note for further detail.

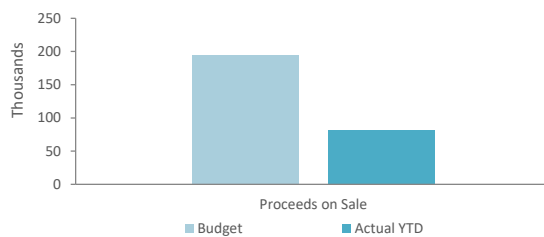
	Account Description	Adopted			Variance (Under)/Over
		Budget	YTD Budget	YTD Actual	
	Industrial Land Growden Place headworks, elec, survey	(27,000)	(300)	(278)	-22
	Swimming Pool Upgrade (move to operating)	0	0	(1,081)	1081
	Infrastructure				
	Water Supply Program	(50,000)	(15,000)	(12,349)	-2651
	New Playground equipment for Kids	(106,460)	(106,460)	(112,631)	6171
	Shade over little kids playground and landscaping	(16,288)	0	0	0
	Upgrade water infrastructure at town dam.	(28,000)	(1,500)	(1,819)	319
	Heritage Trail - Darkan Townsite	(35,766)	(35,766)	(30,263)	-5503
	Plant & Equipment				
	Excavator and attachment 22 ton	(380,000)	0	0	0
	3T Tipper for Parks	(90,000)	0	0	0
	6 Wheeler 3 way Tip	(300,000)	0	0	0
	3T Flatbed for Mechanic	(90,000)	0	0	0
	2021 Ford Everest White Auto - Sport	(68,000)	(68,000)	(57,775)	-10225
	2022 Ford Everest White Auto - Trend	(68,000)	(68,000)	(60,440)	-7560
	2023 Mitsubishi Triton	(58,200)	0	0	0
	2021 Kubota Petrol Mower	(30,000)	0	0	0
	8000L Spray Tank	(10,000)	0	0	0
	Depot Workshop Compressor	(12,916)	0	0	0
	Fuel Trailer	(20,000)	0	0	0
	Fast Fill Trailer fro VBFB	(9,000)	(9,000)	(9,000)	0
	Traffic Light Portable Trailer	(25,000)	(25,000)	(20,491)	-4509
	Roads				
	Bowelling Duranillin Road	(366,940)	(400)	(339)	-61
	Boyup Brook Road (Arthur River-Dinninup Road)	(361,160)	(60,000)	(60,176)	176
	Darkan Williams Road	(117,924)	0	0	0
	Bowelling McAlinden Road	(129,474)	(90,000)	(92,368)	2368
	Cordering North Road	(390,573)	(11,000)	(12,832)	1832
	Boyup Brook White line (Arthur River-Dinninup Road)	(35,488)	(4,000)	(4,330)	330
	Bridge works Bunce King	(25,000)	0	(175)	175
	Ashpalt overlay - Coalfields Road	(70,000)	0	0	0
	Main Road truck/car park design	(10,000)	(7,000)	(5,598)	-1402
	Footpaths Railway Reserve	(54,700)	0	0	0
	Footpaths - connect Burrowes and Coalfields Road	(15,800)	0	0	0
		(3,498,207)	(581,426)	(563,469)	(17,957)

SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 NOVEMBER 2024

OPERATING ACTIVITIES

6 DISPOSAL OF ASSETS

Asset Ref.	Asset description	Budget				YTD Actual			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	\$
	Land - freehold land								
	Industrial land Growden Place	64,059	50,000	0	(14,059)	0	0	0	0
	Plant and equipment								
	CEO vehicle	44,300	48,000	3,700	0	0	40,909	40,909	0
	MCS vehicle	39,520	48,000	8,480	0	0	40,909	40,909	0
	Works Manager Vehicle	37,656	38,000	344	0	0	0	0	0
	Mower	7,078	5,000	0	(2,078)	0	0	0	0
	Hino Truck	4,185	6,000	1,815	0	0	0	0	0
		196,798	195,000	14,339	(16,137)	0	81,818	81,818	0



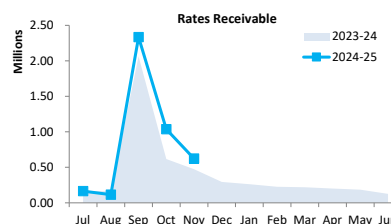
SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 NOVEMBER 2024

OPERATING ACTIVITIES

7 RECEIVABLES

Rates receivable

	30 Jun 2024	30 Nov 2024
Opening arrears previous years	\$ 171,494	\$ 280,916
Levied this year	1,997,367	2,118,032
Less - collections to date	(1,887,945)	(1,775,781)
Gross rates collectable	280,916	623,167
Allowance for impairment of rates receivable	(147,211)	(64,327)
Net rates collectable	133,705	558,840
% Collected	87.0%	74.0%



Receivables - general

	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	0	21,509	4,505	3,524	8,150	37,688
Percentage	0.0%	57.1%	12.0%	9.4%	21.6%	
Balance per trial balance						37,688
Trade receivables						
Total receivables general outstanding						37,688

Amounts shown above include GST (where applicable)

KEY INFORMATION

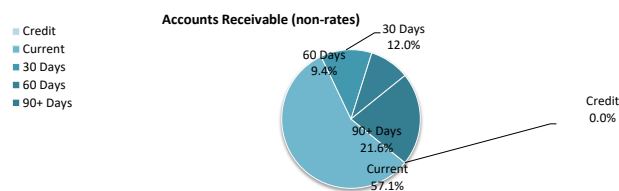
Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectable amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Classification and subsequent measurement

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

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



**SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 NOVEMBER 2024**

OPERATING ACTIVITIES

8 OTHER CURRENT ASSETS

	Opening Balance 1 July 2024	Asset Increase	Asset Reduction	Closing Balance 30 November 2024
	\$	\$	\$	\$
Other current assets				
Other financial assets at amortised cost				
Financial assets at amortised cost - self supporting loans	31,016		(7,658)	23,358
Inventory				
Fuel and materials	21,855	0	0	21,855
Land held for resale	70,000			70,000
Total other current assets	122,871	0	(7,658)	115,213

Amounts shown above include GST (where applicable)

KEY INFORMATION

Other financial assets at amortised cost

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

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

Inventory

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 WEST ARTHUR
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 NOVEMBER 2024**

OPERATING ACTIVITIES

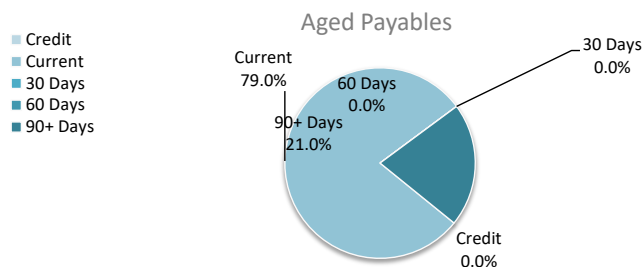
9 PAYABLES

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	351,302	0	0	93,221	444,523
Percentage	0.0%	79.0%	0.0%	0.0%	21.0%	
Balance per trial balance						
Sundry creditors						122,271
Accrued salaries and wages						63,568
ATO liabilities						100,877
Other payables						93,221
Payroll deductions						36,458
Collections						28,128
Total payables general outstanding						444,523

Amounts shown above include GST (where applicable)

KEY INFORMATION

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



SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 NOVEMBER 2024

OPERATING ACTIVITIES

10 RATE REVENUE

General rate revenue

RATE TYPE	Rate in	Number of	Rateable	Rate	Budget	Total	Rate	Interim	YTD Actual
	\$ (cents)	Properties	Value	Revenue	Interim Rate Revenue	Revenue	Revenue	Rate Revenue	Total Revenue
				\$	\$	\$	\$	\$	\$
Gross rental value									
GRV Townsite	0.088276	85	744,156	65,691	0	65,691	65,691	0	65,691
GRV Commercial	0.088276	12	232,024	20,482	0	20,482	20,482	0	20,482
GRV Industrial	0.088276	7	112,580	9,938	0	9,938	9,938	0	9,938
GRV Other Townsite	0.088276	15	95,888	8,465	0	8,465	8,465	0	8,465
Unimproved value									
UV Rural	0.003254	366	585,769,000	1,906,092	0	1,906,092	1,906,092	0	1,906,092
Sub-Total		485	586,953,648	2,010,668	0	2,010,668	2,010,668	0	2,010,668
Minimum payment									
Gross rental value									
GRV Townsite	632	47	179,944	29,704	0	29,704	29,704	0	29,704
GRV Commercial	632	9	22,440	5,688	0	5,688	5,688	0	5,688
GRV Industrial	632	3	9,690	1,896	0	1,896	1,896	0	1,896
GRV Other Townsite	442	19	20,820	8,398	0	8,398	8,398	0	8,398
UV Rural	632	91	10,009,714	57,512	0	57,512	57,512	0	57,512
Sub-total		169	10,242,608	103,198	0	103,198	103,198	0	103,198
Amount from general rates						2,113,866			2,113,866
Ex-gratia rates						4,137			4,166
Total general rates						2,118,003			2,118,032

SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 NOVEMBER 2024

FINANCING ACTIVITIES

11 BORROWINGS

Repayments - borrowings

Information on borrowings		New Loans			Principal Repayments		Principal Outstanding		Interest Repayments	
Particulars	Loan No.	1 July 2024	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
		\$	\$	\$	\$	\$	\$	\$	\$	\$
GROH Housing	70	42,521	0	0	(13,943)	(42,521)	28,578	0	(697)	(1,402)
Industrial Land	72	17,107	0	0	(2,795)	(11,312)	14,312	5,795	(140)	(421)
ERP	75	143,575	0	0	(6,492)	(27,518)	137,083	116,057	(1,499)	(5,940)
Loader	74	228,923	0	0	(6,105)	(24,789)	222,818	204,134	(2,290)	(8,791)
		432,126	0	0	(29,335)	(106,140)	402,791	325,986	(4,626)	(16,554)
Self supporting loans										
WA Cottage Homes		279,367	0	0	(7,658)	(31,016)	271,709	248,351	(2,319)	(8,892)
		279,367	0	0	(7,658)	(31,016)	271,709	248,351	(2,319)	(8,892)
Total		711,493	0	0	(36,993)	(137,156)	674,500	574,337	(6,945)	(25,446)
Current borrowings		137,156					100,163			
Non-current borrowings		574,337					574,337			
		711,493					674,500			

All debenture repayments were financed by general purpose revenue.
Self supporting loans are financed by repayments from third parties.

KEY INFORMATION

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.

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature. Non-current borrowings fair values are based on discounted cash flows using a current borrowing rate.

**SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 NOVEMBER 2024**

OPERATING ACTIVITIES

12 OTHER CURRENT LIABILITIES

	Note	Opening Balance 1 July 2024	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 30 November 2024
		\$	\$	\$	\$	\$
Other current liabilities						
Other liabilities						
Contract liabilities		52,939		107,754	(48,529)	112,164
Capital grant/contributions liabilities		155,260	0	236,024	(163,452)	227,832
Total other liabilities		208,199	0	343,778	(211,981)	339,996
Employee Related Provisions						
Provision for annual leave		146,388	0	0	0	146,388
Provision for long service leave		219,103	0	367	0	219,470
Other leave provisions [describe]		0	0	1,765		1,765
Total Provisions		365,491	0	2,132	0	367,623
Total other current liabilities		573,690	0	345,910	(211,981)	707,619
Amounts shown above include GST (where applicable)						

A breakdown of contract liabilities and associated movements is provided on the following pages at Note 13 and 14

KEY INFORMATION

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.

Employee Related Provisions

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 calculation of net current assets.

Other long-term employee benefits

The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as employee related 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 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.

Contract liabilities

An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer.

Capital grant/contribution liabilities

Grants to acquire or construct recognisable non-financial assets to identified specifications be constructed to be controlled by the Shire are recognised as a liability until such time as the Shire satisfies its obligations under the agreement.

SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 NOVEMBER 2024

OPERATING ACTIVITIES

13 GRANTS, SUBSIDIES AND CONTRIBUTIONS

Provider	Unspent grant, subsidies and contributions liability					Grants, subsidies and contributions revenue		
	Liability	Increase in Liability	Decrease in Liability	Liability	Current Liability	Adopted Budget	YTD Budget	YTD Revenue
	1 July 2024		(As revenue)	30 Nov 2024	30 Nov 2024	Revenue		Actual
	\$	\$	\$	\$	\$	\$	\$	\$
Grants and subsidies								
Grants Commission - General (WALGGC)	0	0	0	0	0	126,845	63,422	63,423
Grants Commission - Roads (WALGGC)	0	0	0	0	0	64,673	32,336	32,337
Governance								
National Australia Day Grant	0	8,000	0	8,000	8,000	0	0	0
DFES Grant - Operating	0	0	0	0	0	56,600	28,300	32,300
Mitigation funding	0	64,800	0	64,800	64,800	0	0	0
AWARE Disaster Recovery Funding	0	15,050	0	15,050	15,050	0	0	0
Community Amenities								
Protection of the Environment	8,121	0	(8,121)	0	0	15,443	8,121	8,121
Direct Road Grant	0	0	0	0	0	204,270	204,270	204,270
FRRR Grant Income	44,818	19,904	(40,408)	24,314	24,314	62,913	46,000	40,408
	52,939	107,754	(48,529)	112,164	112,164	530,744	382,449	380,859
Contributions								
Contributions Minor	0	0	0	0	0	200	0	371
	0	0	0	0	0	200	0	371
TOTALS	52,939	107,754	(48,529)	112,164	112,164	530,944	382,449	381,230

**SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 NOVEMBER 2024**

INVESTING ACTIVITIES

14 CAPITAL GRANTS, SUBSIDIES AND CONTRIBUTIONS

Provider	Capital grant/contribution liabilities					Capital grants, subsidies and contributions revenue		
	Liability	Increase in Liability	Decrease in Liability	Liability	Current Liability	Adopted Budget	YTD	YTD Revenue
	1 July 2024	(As revenue)		30 Nov 2024	30 Nov 2024	Revenue	Budget	Actual
	\$	\$	\$	\$	\$	\$	\$	\$
Capital grants and subsidies								
FPC Grant	9,000	0	(9,000)	0	0	9,000	9,000	9,000
LRCIP Phase 4 - CCTV	32,151	0	0	32,151	32,151	78,647	0	0
LRCIP Phase 4 Playground	106,460	0	(106,460)	0	0	106,460	106,460	106,460
LRCI shade over playground	0	0	0	0	0	16,288	0	0
Heritage Grant - Darkan townsite	7,649	0	(7,649)	0	0	19,123	19,123	18,859
Roads to Recovery	0	0	0	0	0	580,535	0	0
Regional Road Group	0	191,999	(40,343)	151,656	151,656	485,400	40,500	40,343
WSFN	0	44,025	0	44,025	44,025	110,062	0	0
Footpaths LRCI	0	0	0	0	0	140,500	0	0
Water infrastructure LRCI	0	0	0	0	0	28,000	0	0
Housing Support Program Stream 1	0	0	0	0	0	176,765	0	0
	155,260	236,024	(163,452)	227,832.00	227,832.00	1,750,780	175,083	174,662

12.2 ACCOUNTS FOR PAYMENT LISTING - NOVEMBER 2024

File Reference:	ADM338
Location:	N/A
Applicant:	N/A
Author:	Kylie Whitaker, Finance Officer
Authorising Officer:	Rajinder Sunner, Manager Corporate Services
Date:	6/12/2024
Disclosure of Interest:	Nil
Attachments:	1. Accounts for Payment Listing - November 2024 ↓ 2. Corporate Card Summary - 26 October to 25 November 2024 ↓

SUMMARY:

Council is requested to endorse payments of accounts for November 2024 as listed and note the attached credit card transactions.

BACKGROUND:

The schedule of accounts for payment is included as attachments for Council information.

COMMENT:

If you have any questions regarding payments in the listing, don't hesitate to contact the office before the Council meeting.

CONSULTATION:

No consultation is required.

STATUTORY ENVIRONMENT:

Local Government (Financial Management) Regulations 1996

12. Payments from municipal fund or trust fund, restrictions on making

- (1) A payment may only be made from the municipal fund or the trust fund —
 - (a) if the local government has delegated to the CEO the exercise of its power to make payments from those funds — by the CEO; or
 - (b) otherwise, if the payment is authorised in advance by a resolution of the council.
- (2) The council must not authorise a payment from those funds until a list prepared under regulation 13(2) containing details of the accounts to be paid has been presented to the council.

13. Payments from municipal fund or trust fund by CEO, CEO's duties as to etc.

- (1) If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing for each account paid since the last such list was prepared —
 - (a) the payee's name; and
 - (b) the amount of the payment; and
 - (c) the date of the payment; and
 - (d) sufficient information to identify the transaction.

- (2) A list of accounts for approval to be paid is to be prepared each month showing —
 - (a) for each account which requires council authorisation in that month —
 - (i) the payee's name; and
 - (ii) the amount of the payment; and
 - (iii) sufficient information to identify the transaction;
and
 - (b) the date of the meeting of the council to which the list is to be presented.
- (3) A list prepared under sub regulation (1) or (2) is to be —
 - (a) presented to the council at the next ordinary meeting of the council after the list is prepared; and
 - (b) recorded in the minutes of that meeting.

POLICY IMPLICATIONS:

Policy F29 – Purchasing Policy

Policy F2 – Corporate Transaction Cards Policy

FINANCIAL IMPLICATIONS:

There are no financial implications. Reported expenditure is assessed by management as being consistent with the adopted Annual Budget.

STRATEGIC IMPLICATIONS:

West Arthur Towards 2031

Theme: Leadership and Management

Outcome: Establish and maintain sound business and governance structures

Strategy: Comply with regulations and best practice standards to drive good decision making by Council and Staff

RISK IMPLICATIONS:

Risk management is the removal of uncertainty from business decisions. Risk is expressed in terms of likelihood it may occur and the consequences that may flow from it. The consequences may be positive or negative or simply a deviation from the expected. The risk or consequence may be related to health and safety; financial; business or service interruption; compliance; reputation; or the environment. ***Reference to the risk matrix below will generate a risk rating by assessing the likelihood and consequence and multiplying these scores by each other.*** The greater the risk rating, the greater the risk and the higher the need for specific plans to be developed. All items with a risk rating greater than 10 should be added to the Risk Register and specific controls developed.

Risk Themes:

A risk theme is the categorising of risk. For example, the collection of risks that represent compliance failure. The risk themes in the shire Risk Register include:

- Business Disruption
- Community Disruption
- IT or Communications Failure
- External Threat or Fraud
- Misconduct
- Inadequate safety or security practices
- Inadequate project or change management
- Errors Omissions or Delays
- Inadequate Document Management Processes
- Inadequate supplier / contract management

- Providing inaccurate advice / information
- Ineffective Employment practices
- Compliance failure
- Inadequate asset management
- Inadequate engagement practices
- Ineffective facility or event management
- Inadequate environmental management

Risk Matrix:

Consequence Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (25)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

Description of Key Risk	Unauthorised (or incorrectly authorised) payments being made
Risk Likelihood (based on history and with existing controls)	Rare (1)
Risk Consequence	Major (4)
Risk Rating (Prior to Treatment or Control): Likelihood x Consequence	Low (4)
Principal Risk Theme	Misconduct
Risk Action Plan (Controls or Treatment Proposed)	Payments listing provided to Council each month

VOTING REQUIREMENTS:

Simple Majority

RESOLUTION CO-2024-135

Moved: Cr Robyn Lubcke

Seconded: Cr Duncan South

That Council;

1. in accordance with section 13 of the Financial Management Regulations of the Local Government Act 1995 and in accordance with delegation, note November 2024 Municipal Fund vouchers 15112024.1-15112024.70, 28112024.1-28112024.48, Licensing, Salaries and Wages, EFT Transfers and Direct Debits totalling \$503,286.23 listed (attached) as approved for payment.
2. note the attached Corporate Credit Card facility transaction summary from 26 October to 25 November 2024.

In Favour: Crs Neil Morrell, Karen Harrington, Graeme Peirce, Robyn Lubcke, Duncan South and Russell Prowse

Against: Nil

CARRIED 6/0

Shire of West Arthur
Creditor Payments
November 2024

Date	Reference	Name	Amount
28/11/2024	BPAY	WA Planning Commission	5353.00
		Burrowes St West Subdivision Application	
28/11/2024	CHQ	King, Melinda	400.00
		Melinda to withdraw cash to give to Darkan Arts Council	
4/11/2024	DIRECT DEBIT	Synergy	462.74
		CRC Consumption and Supply Charge 17/9-14/10/24	
4/11/2024	DIRECT DEBIT	Water Corporation	534.90
		Horwood Standpipe Water Use and Supply Charge 30/7-2/10/24	
6/11/2024	DIRECT DEBIT	Aware Super Clearing House	13554.66
		PPE 23/10/24	
8/11/2024	DIRECT DEBIT	Aware Super Clearing House	12868.95
		PPE 6/11/24	
15/11/2024	DIRECT DEBIT	Synergy	54.98
		2/10 Hillman Street 29/8-15/10	
15/11/2024	DIRECT DEBIT	Rentfind Technologies Pty Ltd	22.00
		Staff Housing - Oct 24 Rentfind	
19/11/2024	DIRECT DEBIT	Synergy	1800.00
		Depot, Admin, Darkan Hall, Town Dam, 10 Gibbs Consumption and Supply Charge 22/9-29/10/24	
21/11/2024	DIRECT DEBIT	Synergy	3470.87
		Caravan Park, 6 & 22 Hillman, Rail Reserve, The Shed, Arthur River Hall & Historical Site,	
		Hull Park, Info Bay, 29/8 - 29/10/2024	
21/11/2024	DIRECT DEBIT	Telstra	166.38
		Builders, Leading Hand, Office, Caravan Park Mobile, Dongle in Admin, Depot Fuel System	
22/11/2024	DIRECT DEBIT	Aware Super Clearing House	12959.34
		PPE 20/11/2024	
22/11/2024	DIRECT DEBIT	Synergy	1554.46
		Streetlights, 7 Hillman 25/9-24/10/24	
25/11/2024	DIRECT DEBIT	Telstra	2523.48
		Supply Charge to various shire facilities and mobiles	
27/11/2024	DIRECT DEBIT	Nab Credit Card	3894.51
		See attached statement	
27/11/2024	DIRECT DEBIT	Synergy	184.95
		Lake 17/8-16/10	
27/11/2024	DIRECT DEBIT	Synergy	209.98
		Moodi Hall, Dura Water 17/8-16/10	
28/11/2024	DIRECT DEBIT	Synergy	128.70
		Rees Rd 20/8-17/10/24	
29/11/2024	DIRECT DEBIT	National Australia Bank	407.77
		MERCH FEE009185958SHIRE OF WEST AR	
29/11/2024	DIRECT DEBIT	National Australia Bank	73.00
		ACCOUNT FEE 086724 508314385	
29/11/2024	DIRECT DEBIT	National Australia Bank	10.00
		FROM A/C 50-831-4406	
29/11/2024	DIRECT DEBIT	Motorpass	240.78
		Arthur River Fire Brigade Fuel Card and Fuel Consumption	
21/11/2024	EFT	Salaries and Wages	71821.60
		PAYROLL Pmt 000274771023 042973 PAYROLL PMT 000274771023 042	
7/11/2024	EFT	Salaries and Wages	70934.80
		PAYROLL Pmt 000273643269 042973 PAYROLL PMT 000273643269 042	
15/11/2024	15112024.1	Afgri Equipment Australia Pty Limited	321.12
		AHC11572 Hydraulic Cylinder Kit for G12	
15/11/2024	15112024.2	Air Liquide	49.28
		Rental Large and small cylinder fee	

Shire of West Arthur
Creditor Payments
November 2024

15/11/2024	15112024.3	All Tech Plumbing	572.00
		Checked bathroom plumbing issues, unblocked bath and shower drains - 37 Hillman St	
15/11/2024	15112024.4	AMD Audit and Assurance Pty Limited	4658.00
		Caravan Park Refund, Roads to Recovery Acquittal and LRCI Acquittal	
15/11/2024	15112024.5	AMPAC Debt Recovery (WA)	2719.20
		Rate Recovery A727/986/975/986	
15/11/2024	15112024.6	Australia Post	105.57
		Fire break letters	
15/11/2024	15112024.7	Beach Street Design	762.30
		Sales The Station Stop 08/10/2024	
19/11/2024		Beach Street Design	-762.30
		Bounced back	
15/11/2024	15112024.8	Bell Sharon	233.98
		Reimbursement for seniors meals - groceries and office supplies	
15/11/2024	15112024.9	Blackwood Basin Group Inc	920.44
		Landcare Officer Role - October 2024	
15/11/2024	15112024.10	Botanical Beauty	115.00
		Sales The Station Stop 24/09/2024	
15/11/2024	15112024.11	Bunbury Trucks	5890.10
		PT0019AW Parts and Repairs	
15/11/2024	15112024.12	Carter Road Farm	25.00
		Sales The Station Stop 22/10/24	
15/11/2024	15112024.13	Coalfields Darkan Pty Limited	3085.50
		Accommodation - Pool Manager, Catering October Council Meeting and Rural Fire Awareness training	
15/11/2024	15112024.14	Coalfields Wearparts	363.00
		PG0037AW Parts and Repairs	
15/11/2024	15112024.15	Collie Mowers & More	65.00
		Orange nylon line 2.4mm - Workshop consumables	
15/11/2024	15112024.16	Contract Aquatic	1836.89
		Medical supplies and custom sign	
15/11/2024	15112024.17	Darkan Agri Services	3026.20
		Various monthly purchases	
15/11/2024	15112024.18	DKM Workplace Solutions	778.80
		Online meeting re performance matter, Workplace Support Services subscription	
15/11/2024	15112024.19	Douglas Partners	4147.00
		Darkan Bore - Groundwater Investigation	
15/11/2024	15112024.20	Education Linked to Families	168.00
		Travel to Play in the Park Series	
15/11/2024	15112024.21	Exurban Rural and Regional Planning	6847.69
		Town Planning Consultancy Services Oct 24	
15/11/2024	15112024.22	Fleays Store	796.80
		Seniors meals - groceries and Milk for Station Stop	
15/11/2024	15112024.23	Foster's Western Threads	29.95
		Sales The Station Stop 22/10/2024	
15/11/2024	15112024.24	Frontline Fire & Rescue Equipment	5104.00
		Foam Concentrate	
15/11/2024	15112024.25	Fuel Distributors of WA	37436.28
		Depot fuel and Fuel for Raj and Vin's vehicles	
15/11/2024	15112024.26	G & M Detergents	1314.63
		Hand towels, st/less steel cleaner, toilet paper, Bin bags - Halls, Caravan Park & public conveniences	
15/11/2024	15112024.27	Geographe Ford Bunbury	18515.32
		Arctic White Everest 2024 SUV Sport	
15/11/2024	15112024.28	Glenbrae Hay Trans	330.00
		Caravan Park Refund	

Shire of West Arthur
Creditor Payments
November 2024

15/11/2024	15112024.29	Hilltop Products	18.00
		Sales The Station Stop 08/10/2024	
15/11/2024	15112024.30	JAS Oceania Pty Ltd	82.61
		PT0019AW - Parts and Repairs	
15/11/2024	15112024.31	Jason Signmakers	499.30
		Signs for Pool	
15/11/2024	15112024.32	Landgate	283.08
		Rural UV Interim Valuation Shared	
15/11/2024	15112024.33	Let's Talk Flowers	82.85
		Sales The Station Stop 22/10/2024	
15/11/2024	15112024.34	Little Christine	403.75
		Travel reimbursement for Licensing training	
15/11/2024	15112024.35	Little Seed Handmade Jewellery	362.00
		Sales The Station Stop 24/09/2024	
15/11/2024	15112024.36	Lucindas Everlastings	49.00
		Sales The Station Stop 24/09/2024	
15/11/2024	15112024.37	Magiq Software Limited	1969.00
		Budget mapping	
15/11/2024	15112024.38	Malcolm Thompson Pumps Pty Ltd	173.25
		Water Pump trailer seal and freight	
15/11/2024	15112024.39	Mcleods Lawyers Pty Ltd	25826.15
		Darkan District Sporting Club lease, development application composing facility & template agreement community water supply	
15/11/2024	15112024.40	Middleton Road Roasters Pty Ltd	338.00
		Coffee Beans & Hot Chocolate Powder	
15/11/2024	15112024.41	Narrogin Carpet Court	4840.00
		Supply and install Rhea Soraya Carpet at 7 Hillman	
15/11/2024	15112024.42	Narrogin Mitsubishi	176.00
		Oil leak from trans on PCAW0	
15/11/2024	15112024.43	Ocean Edge Plumbing & Gas	5313.63
		Services at 7 Hillman St, 31 Arthur St, Darkan Sports Club, 11 King St, 10 Gibbs St, Units 1-2/10 Hillman St	
15/11/2024	15112024.44	Officeworks	237.83
		Record Keeping items and office supplies	
15/11/2024	15112024.45	Pederick Engineering	908.60
		Fabricate steel inlet and outlet section and repair thread 4" flanged fitting	
15/11/2024	15112024.46	Peirce Cr Graeme	1015.74
		2nd Quarter 24/25 Councillor Claim	
15/11/2024	15112024.47	PW and AM Lubcke	5302.89
		Rate refund	
15/11/2024	15112024.48	QHSE Integrated Solutions Pty Ltd	218.90
		SkyTrust Intelligence System -Monthly Subscription	
15/11/2024	15112024.49	Resonline Pty Ltd	220.00
		Room Manager Monthly Fee - October 2024	
15/11/2024	15112024.50	Roslyn King (Cleaning Contractor)	7078.32
		Monthly cleaning services	
15/11/2024	15112024.51	Signs Plus	106.00
		Council and Staff Name Badges with Magnetic clip	
15/11/2024	15112024.52	SOS Office Equipment	390.18
		Photocopier Billing Job October 2024	
15/11/2024	15112024.53	Southern Wheatbelt Tyres T/a Goodyear Autocar	104.55
		Amount incorrect in previous payment.	
15/11/2024	15112024.54	Sprys Meat Market	342.93
		Seniors meals - meat	
15/11/2024	15112024.55	St Luke's Family Practice	3080.00
		Darkan Clinic Service Fees and travel	

Shire of West Arthur
Creditor Payments
November 2024

15/11/2024	15112024.56	Stewart & Heaton Clothing Co. Pty Ltd	766.30
		Fire fighting PPE	
15/11/2024	15112024.57	Sundara Mosaics	50.00
		Sales The Station Stop 22/10/2024	
15/11/2024	15112024.58	Sunner Rajinder	40.00
		Reimbursement for parking for APV Financial Reporting Valuation Workshop 16/17 October	
15/11/2024	15112024.59	Team Global Express	441.34
		Freight for Truckline, Jason Signs, Bunbury Trucks	
15/11/2024	15112024.60	Telfer Bonnie	296.62
		Reimburse Materials for The Station Stop	
15/11/2024	15112024.61	The Williams Woolshed	2172.50
		Catering Windfarm Consultation 6/11	
15/11/2024	15112024.62	Think Project	572.00
		Building data into RAMM	
15/11/2024	15112024.63	Thomsons Auto Parts	120.00
		Window switch driver side PC0004AW	
15/11/2024	15112024.64	TranEx Roads and Traffic	22539.99
		Portable traffic lights	
15/11/2024	15112024.65	WA Contract Ranger Services Pty Limited	561.00
		Ranger Services 24 and 30 Oct 24	
15/11/2024	15112024.66	Wagin Mechanical Repairs	940.00
		Battery for Arthur River BFT	
15/11/2024	15112024.67	Wamerinoco Pty Ltd	74.00
		Shire of West Arthur - Outer Space Blue T shirt Cr Prowse	
15/11/2024	15112024.68	Warren Blackwood Waste	4188.58
		Recycling and Waste Fees October 2024	
15/11/2024	15112024.69	West Arthur Community Resource Centre	875.07
		Drs Hours 4, 10, 18 and 25 Oct 24	
28/11/2024	28112024.1	Ausrecord Pty Limited	432.08
		White administration files and W stickers	
28/11/2024	28112024.2	Beach Street Design	762.30
		Sales The Station Stop 08/10/2024	
28/11/2024	28112024.3	Birkin Jennifer	25.00
		Caravan Park refund	
28/11/2024	28112024.4	Bunnings Warehouse	932.97
		Supplies for 7 Hillman and spray mixer for Duranillin Hall	
28/11/2024	28112024.5	Central Garage	892.65
		Parts and repairs and travel for PR0035AW	
28/11/2024	28112024.6	Chia Kerrylyn	29.99
		Reimbursement for purchase of thumbdrive for BBHC	
28/11/2024	28112024.7	Coalfields Darkan Pty Limited	550.00
		Catering - 4WDL Meeting	
28/11/2024	28112024.8	Contract Aquatic	22110.00
		Pool Management Fee	
28/11/2024	28112024.9	Core Hospitality Group Pty Limited	4822.40
		Castel Chairs for Australia Day	
28/11/2024	28112024.10	Cuthbert Vanessa Carol-Anne	687.50
		Reimbursement for Seniors Christmas Lunch	
28/11/2024	28112024.11	Darkan Agri Services	2159.47
		Monthly purchases	
28/11/2024	28112024.12	Department of Fire and Emergency Services	19801.60
		ESLB 2nd Qtr Contribution	
28/11/2024	28112024.13	DKM Workplace Solutions	206.80
		Workplace Support Services Subscription	

Shire of West Arthur
Creditor Payments
November 2024

28/11/2024	28112024.14	Down to Earth Training & Assessing	950.00
		Training for Work Crew	
28/11/2024	28112024.15	Duff Electrical Contracting	1903.80
		Exhaust fan replacement @ 7 Hillman, Electrical works @ 2/10 Hillman, fix light switch in office,	
		check RCD's & smoke alarms @ 2/10 Hillman	
28/11/2024	28112024.16	Flintoff Bronwyn	68.51
		Caravan Park Refund	
28/11/2024	28112024.17	Fordham Lamont Vin	90.00
		CEO home internet - 15/11 - 14/12/24	
28/11/2024	28112024.18	Geoffrey & Kylie Whitaker	60.00
		Sales The Station Stop 24/09/2024 (Relaxation in a Box)	
28/11/2024	28112024.19	GJ and HR Earnshaw	4400.00
		Sand extraction	
28/11/2024	28112024.20	Hersey's Safety Pty Ltd	3133.07
		Darkan Williams Rd supplies	
28/11/2024	28112024.21	Hilltop Products	99.00
		Sales The Station Stop 05/11/2024	
28/11/2024	28112024.22	IG & BM Woodruff	6600.00
		Sand extraction	
28/11/2024	28112024.23	Infinitum Technologies Pty Ltd	5392.40
		Managed Service Agreement GOLD etc	
28/11/2024	28112024.24	Let's Talk Flowers	327.13
		Sales The Station Stop 05/11/2024	
28/11/2024	28112024.25	Little Blue Door	55.00
		Sales The Station Stop 24/09/2024	
28/11/2024	28112024.26	Lubcke Tahnee-Lee	106.42
		Reimbursement for Coles Food Shop for Windfarm Consultation Meeting	
28/11/2024	28112024.27	Malcolm Thompson Pumps Pty Ltd	27.50
		Freight	
28/11/2024	28112024.28	Mcleods Lawyers Pty Ltd	642.40
		Legal Fees - Illegal camping	
28/11/2024	28112024.29	Middleton Road Roasters Pty Ltd	338.00
		Coffee Beans & Hot Chocolate Powder	
28/11/2024	28112024.30	Ms Tyler Cook	737.75
		Reimbursement for Travel and food for Licensing Training	
28/11/2024	28112024.31	Narrogin Packaging	61.00
		23m pallet wrap	
28/11/2024	28112024.32	Neil-Smith Jane A	246.00
		Sales The Station Stop 24/09/2024	
28/11/2024	28112024.33	Ocean Edge Plumbing & Gas	800.00
		Septic tanks at joint venture units	
28/11/2024	28112024.34	On A Whim Designs	11.90
		Sales The Station Stop 22/10/2024	
28/11/2024	28112024.35	Pederick Engineering	525.38
		1" hydraulic hose 2800mm long for PL0028AW	
28/11/2024	28112024.36	PFD Food Services Pty Ltd	224.10
		Seniors meals - Dry goods	
28/11/2024	28112024.37	Signs Plus	201.00
		Staff Name badges with magnetic clip	
28/11/2024	28112024.38	Sprys Meat Market	105.64
		Seniors meals - meat	
28/11/2024	28112024.39	Startrack Express	38.87
		Truckline freight	

Shire of West Arthur
Creditor Payments
November 2024

28/11/2024	28112024.40	Stewart & Heaton Clothing Co Pty Ltd	684.42
		Fire fighting PPE	
28/11/2024	28112024.41	Team Global Express	659.85
		Freight for Stewart and Heaton and SOS Office	
28/11/2024	28112024.42	Timber Insight Pty Ltd	7513.00
		16 Bridges - Level 1 inspections and reports	
28/11/2024	28112024.43	Truckline	771.67
		Solenoid - Air electrics for PT0020AW	
28/11/2024	28112024.44	Tuffa Products Pty Ltd	371.80
		Custom Next Service Due - Vinyl stickers UV laminated	
28/11/2024	28112024.45	WA Contract Ranger Services Pty Limited	631.13
		Ranger Services 4/11 and 12/11	
28/11/2024	28112024.46	West Arthur Community Resource Centre	500.00
		Singer - DPS Art Exhibition	
28/11/2024	28112024.47	West.Candle	280.00
		Sales The Station Stop	
28/11/2024	28112024.48	White Amy	16.00
		Sales The Station Stop 22/10/2024	
28/11/2024	28112024.49	Zone 50 Engineering Surveys Pty Limited	6157.80
		Feature survey of Darkan main highway parking	
		VOUCHERS	AMOUNT
MUNICIPAL FUND			
		BPAY	\$5,353.00
		CHQ	\$400.00
		DIRECT DEBIT	\$55,122.45
		EFT - SALARIES & WAGES	\$142,756.40
		15112024.1-15112024.70	\$192,514.71
		28112024.1-28112024.48	\$98,143.30
		LICENSING NOVEMBER 2024 TRANSFERS	\$8,996.37
		TOTAL	\$503,286.23

SHIRE OF WEST ARTHUR
PAYMENTS OF ACCOUNTS BY NAB VISA CARD
FOR THE STATEMENT PERIOD: 26/10-25/11/24

DATE	PAYEE	PO NUMBER	DESCRIPTION	SOWA EXPENSE CODE	EXPENSE DESCRIPTION	TOTAL
01-Nov-24	Western Power	100899	Burrows St West - Western Power Application Fee	E139110	ECONOMIC SERVICES-Economic Development-Sustainable Development	\$498.91
08-Nov-24	Hotel at booking.com	100925	1 night stay at Hotel Clipper Steven Varrs	E143020	OTHER PROPERTY & SERVICES-Works Overheads-Training & Development	\$240.00
08-Nov-24	Starlink Internet	100434	Depot with	E142020	OTHER PROPERTY & SERVICES-Administration Overheads-Computer Maintenance	\$139.00
			CARD 1 PAYMENTS			\$877.91
	RAINIER SUNNER Cardholder Name		<i>R. Sunner</i> Cardholder Signed	VINCENT FORDHAM LAMONT Authorised By CEO	<i>On</i> Authorised By	
			2. CARD NUMBER 4336-XXXX-XXXX-1064			
28-Oct-24	Sydney Tools	100883	Xtorque Impact Reducer, impact extension, torque wrench	E144001	OTHER PROPERTY & SERVICES-Plant Cost Overheads-Expendable Tools	\$914.00
06-Nov-24	Sydney Tools	100965	Daytone portable workshop tool kit	E144001	OTHER PROPERTY & SERVICES-Plant Cost Overheads-Expendable Tools	\$279.00
07-Nov-24	Amplod Williams	100966	Breakfast - Excavator	E143065	OTHER PROPERTY & SERVICES-Works Overheads-Employee Costs Other	\$25.80
08-Nov-24	Amplod Hospitality	100967	Lunch - Excavator	E143065	OTHER PROPERTY & SERVICES-Works Overheads-Employee Costs Other	\$100.00
11-Nov-24	Amplod Williams	101192	Breakfast - Excavator	E143065	OTHER PROPERTY & SERVICES-Works Overheads-Employee Costs Other	\$43.80
11-Nov-24	Readcliffe Tavern	101197	Excavator - Lunch	E143065	OTHER PROPERTY & SERVICES-Works Overheads-Employee Costs Other	\$54.00
11-Nov-24	Kenmads Hire	101195	Mobile traffic lights	1999263401	OTHER PROPERTY & SERVICES-Works Overheads-Employee Costs Other	\$400.00
11-Nov-24	Kenmads Hire	101195	Mobile traffic lights	1999263401	OTHER PROPERTY & SERVICES-Works Overheads-Employee Costs Other	\$400.00
11-Nov-24	Kenmads Hire	101195	Mobile traffic lights	1999263401	OTHER PROPERTY & SERVICES-Works Overheads-Employee Costs Other	\$400.00
			CARD 2 PAYMENTS			\$3,016.60
	GARY RASMUSSEN Cardholder Name		<i>G. Rasmussen</i> Cardholder Signed	VINCENT FORDHAM LAMONT Authorised By CEO	<i>On</i> Authorised By	
			TOTAL NAB VISA CARD PAYMENTS 4336-XXXX-XXXX-7507			\$3,894.51
			Direct Debit Date			27-Nov-24

Kylie Whitaker, Finance Officer have reviewed the NAB visa card payments and confirm that from the descriptions on the documentation provided that:

- all transactions are expenses incurred by the Shire of West Arthur;
- all purchases have been made in accordance with the Shire of West Arthur policies and procedures;
- all purchases are in accordance with the Local Government Act 1995 and associated regulations;
- no misuse of the corporate card is evident.

Kylie Whitaker:

Kylie Whitaker

DATE: 11 / 12 / 2024



12.3 ADOPTION OF 2023-2024 ANNUAL REPORT

File Reference:	ADM133
Location:	N/A
Applicant:	N/A
Author:	Rajinder Sunner, Manager Corporate Services
Authorising Officer:	Vin Fordham Lamont, Chief Executive Officer
Date:	7/12/2024
Disclosure of Interest:	Nil
Attachments:	<ol style="list-style-type: none">2023-2024 Annual Report ↓Independent Auditor's Report ↓Interim Management Letter - Confidential ↓Final Management Letter - Confidential ↓

SUMMARY:

Council is requested to consider adopting the Shire of West Arthur 2023-2024 Annual Report, which includes the Annual Financial Report and Independent Auditors Report, and to set the date for the corresponding Annual Electors Meeting.

BACKGROUND:

Section 5.54 of the *Local Government Act 1995* (LGA), requires an Annual Report to be accepted by the Council by 31 December each year unless the Auditor's Report is not available in time. Section 5.54(2) of the LGA requires that if the Local Government does not accept the Annual Report by 31 December, then it must be presented within two (2) months of the Auditor's Report becoming available.

Section 6.4 of the LGA states, "A local government is to prepare an annual financial report for the preceding financial year and such other financial reports as are prescribed."

The annual financial report is incorporated into the annual report and presented to the council for adoption.

COMMENT:

The Interim Audit was conducted in May 2024. The Interim Audit Management Letter is attached to this item for information purposes. The Annual Audit was conducted in November 2024. The Final Audit Management Letter is attached to this item for information purposes.

On 4 December 2024, AMD and the OAG conducted an audit exit meeting with the Audit and Risk Committee comprising Cr Morrell (Shire President), Cr Harrington (Deputy Shire President) and Cr Peirce, together with the Chief Executive Officer, Manager Corporate Services and Manager Financial Reporting.

At the exit meeting, the auditors confirmed that the Shire of West Arthur had received an unqualified audit opinion for the review period. This means that no significant issues were found during the audit. Note that the attached Independent Auditor's Report does not mention any significant issues.

The annual financial report is incorporated into the annual report and then presented to the Council for adoption.

Please refer to the attached Management Letters for details of the issues that the auditors raised but did not consider significant.

The auditor's report was received on 6 December 2023. The Audit and Risk Committee met on Friday, 13 December 2024, and recommended that the Council accept the Annual Financial Report and Auditors Report.

CONSULTATION:

AMD Chartered Accountants
Office of Auditor General
Chief Executive Officer
Manager Corporate Services
Manager Financial Reporting

STATUTORY ENVIRONMENT:

Local Government Act 1995

5.27. Electors' general meetings

(2) A general meeting is to be held on a day selected by the local government but not more than 56 days after the local government accepts the annual report for the previous financial year.

5.53. Annual reports

(1) The local government is to prepare an annual report for each financial year.

5.54. Acceptance of annual reports

- (1) Subject to subsection (2), the annual report for a financial year is to be accepted* by the local government no later than 31 December after that financial year.*

** Absolute majority required.*

- (2) If the auditor's report is not available in time for the annual report for a financial year to be accepted by 31 December after that financial year, the annual report is to be accepted by the local government no later than 2 months after the auditor's report becomes available.*

5.55. Notice of annual reports

The CEO is to inform the local public of the availability of the annual report as soon as practicable after the report has been accepted by the local government.

5.55A. Publication of annual reports

The CEO is to publish the annual report on the local government's official website within 14 days after the report has been accepted by the local government.

6.4. Financial report

- (1) A local government is to prepare an annual financial report for the preceding financial year and such other financial reports as are prescribed.*
- (2) The financial report is to —*
 - (a) be prepared and presented in the manner and form prescribed; and*
 - (b) contain the prescribed information.*
- (3) By 30 September following each financial year or such extended time as the Minister allows, a local government is to submit to its auditor —*
 - (a) the accounts of the local government, balanced up to the last day of the preceding financial year; and*
 - (b) the annual financial report of the local government for the preceding financial year.*

Local Government (Financial Management) Regs 1996, regulation 51

51. Annual financial report to be signed etc. by the CEO and given to the Department.

- (1) After the annual financial report has been audited in accordance with the Act, the CEO is to sign and append to the report a declaration in the form of Form 1.*

- (2) *A copy of the annual financial report of a local government is to be submitted to the Departmental CEO within 30 days of the receipt by the local government's CEO of the auditor's report on that financial report.*

Local Government Act 1995 Section 7.9(1)

"7.9. Audit to be conducted.

- (1) *An auditor is required to examine the accounts and annual financial report submitted for audit and, by the 31 December next following the financial year to which the accounts and report relate or such later date as may be prescribed, to prepare a report thereon and forward a copy of that report to —*
 - (a) *the mayor or president; and*
 - (b) *the CEO of the local government; and*
 - (c) *the Minister."*

Local Government Financial Management Regulation 1996 Part 2

Local Government (Audit) Regulations 1996 – Reg 10

10. Report by auditor

- (1) *An auditor's report is to be forwarded to the persons specified in section 7.9(1) within 30 days of completing the audit.*
- (2) *The report is to give the auditor's opinion on —*
 - (a) *the financial position of the local government; and*
 - (b) *the results of the operations of the local government.*
- (3) *The report must include a report on the conduct of the audit. [(4A) deleted]*
- (4) *Where it is considered by the auditor to be appropriate to do so, the auditor is to prepare a management report to accompany the auditor's report and to forward a copy of the management report to the persons specified in section 7.9(1) with the auditor's report."*

POLICY IMPLICATIONS:

Nil

FINANCIAL IMPLICATIONS:

Nil

STRATEGIC IMPLICATIONS:

Shire of West Arthur Community Strategic Plan 2021-2031

Theme: Leadership and Management – Inspirational, dynamic, transparent.

Outcome: Establish and maintain a sound business and governance structure.

Strategy: Comply with regulations and best practice standards to drive good decision-making by Council and Staff.

RISK IMPLICATIONS:

Risk management is the removal of uncertainty from business decisions. Risk is expressed in terms of likelihood it may occur and the consequences that may flow from it. The consequences may be positive or negative or simply a deviation from the expected. The risk or consequence may be related to health and safety; financial; business or service interruption; compliance; reputation; or the environment. ***Reference to the risk matrix below will generate a risk rating by assessing the likelihood and consequence and multiplying these scores by each other.*** The greater the risk rating, the greater the risk and the higher the

need for specific plans to be developed. All items with a risk rating greater than 10 should be added to the Risk Register and specific controls developed.

Risk Themes:

A risk theme is the categorising of risk. For example, the collection of risks that represent compliance failure. The risk themes in the shire Risk Register include:

- Business Disruption
- Community Disruption
- IT or Communications Failure
- External Threat or Fraud
- Misconduct
- Inadequate safety or security practices
- Inadequate project or change management.
- Errors Omissions or Delays
- Inadequate Document Management Processes
- Inadequate supplier / contract management
- Providing inaccurate advice / information
- Ineffective Employment practices
- Compliance failure
- Inadequate asset management
- Inadequate engagement practices
- Ineffective facility or event management
- Inadequate environmental management

Risk Matrix:

Consequence Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (25)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

Description of Key Risk	Failing to comply with legislation and regulations may result in penalties and reputational damages.
Risk Likelihood (based on history and with existing controls)	Possible (3)
Risk Consequence	Moderate (3)
Risk Rating (Prior to Treatment or Control): Likelihood x Consequence	Medium (9)
Principal Risk Theme	Compliance Failure
Risk Action Plan (Controls or Treatment Proposed)	Adopt the annual report incorporating the audited annual financial report and the independent auditor's report.

VOTING REQUIREMENTS:

Simple and Absolute Majority

RESOLUTION CO-2024-136

Moved: Cr Duncan South

Seconded: Cr Robyn Lubcke

That Council, by simple majority:

1. Note the actions and strategies that management has provided in response to the matters raised in the Confidential Interim and Final Management Letters.

In Favour: Crs Neil Morrell, Karen Harrington, Graeme Peirce, Robyn Lubcke, Duncan South and Russell Prowse

Against: Nil

CARRIED 6/0**RESOLUTION CO-2024-137**

Moved: Cr Duncan South

Seconded: Cr Robyn Lubcke

That Council, by absolute majority:

2. Accept the Annual Report, which includes the Annual Financial Report and Independent Auditor's Report, for the 2023-2024 financial year.
3. In accordance with s5.27 (2) of the *Local Government Act 1995*, endorse the date of Monday, 10 February 2025, at 7:00 pm for the Annual Electors Meeting. (The venue will be advised by the end of January 2025.)
4. Publish the Annual Report, Independent Auditors Report and Notice of Meeting, and give public notice(s) to the above effect, pursuant to the *Local Government Act 1995*, sections 5.29, 5.55 and 5.55A, on the Shire's Website, Official Notice Boards, in the Public Library, Community Newsletter and on the Shire's Facebook page.

In Favour: Crs Neil Morrell, Karen Harrington, Graeme Peirce, Robyn Lubcke, Duncan South and Russell Prowse

Against: Nil

CARRIED 6/0 BY ABSOLUTE MAJORITY



Shire of West Arthur

Annual Report

2023 - 2024



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Acknowledgement of Country

The Shire of West Arthur respectfully acknowledges that the land upon which we work and live is the traditional land of the Wilman Noongar peoples. We recognise their cultural heritage, beliefs, and continuing relationship with the land. We honour Elders past and present, and we support the principles of a reconciled Australia for all its people.

About the Annual Report

The Shire of West Arthur's Annual Report is an important part of the Integrated Strategic Planning and Reporting Framework. It details the Shire's financial and operational performance in the 2023-2024 financial year and documents the Shire's progress in line with the Strategic Community Plan.

The Strategic Community Plan 'West Arthur: Towards 2031' provides the Shire's long-term strategic direction and guides the organisation's decision-making, services, projects and financial commitments that will deliver a Shire that is safe, friendly and welcoming, with a dynamic and expanding local economy.

Our Community – we live in a safe, friendly and inclusive community.

Local Economy – we have a sustainable and stable agricultural industry, supported by a dynamic and growing business sector.

Natural Environment – our natural assets are valued and meet the needs of our community.

Built Environment – our roads, towns and facilities are well maintained and reflect our rural identity and heritage.

Leadership and Management – we have inspirational, dynamic leaders providing well-managed, transparent governance.

The Shire of West Arthur's Annual Report includes a snapshot of its performance and an overview of its outlook for the future.

Photo credits: Astrid Volzke, Caroline Telfer, Kerryn Chia, Sharon Bell, Jessie Allington



Shire President's Report

I am honoured to present the 2023-2024 Annual Report to the residents and ratepayers of the Shire of West Arthur in what has been another busy and progressive year.

The Local Government elections were held in October 2023, with four seats declared vacant. Councillors Peirce and Squires were re-elected, along with me. Cr Neil Manuel retired after serving 14 years on the Council, and I would like to thank him for his dedication and service to the Shire. Cr Lucy Hall was elected unopposed but resigned in March 2024, creating a vacancy not filled before the end of the financial year. Each Councillor brings a defined skill set to the meetings, allowing for good discussion in Council briefing sessions.

Eleven Ordinary Council Meetings and the Annual Electors Meeting were held. This is a reminder that all community members are welcome to attend the monthly Council and Annual Electors Meetings.

Councillors also served on local, district, and regional committees and boards, helping deliver the best possible outcomes for our community. These committees include the Bush Fire Advisory Committee and Local Emergency Management Committee, WA Local Government Association Zone meetings, 4WDL (a Voluntary Regional Organisation of Councils (VROC) comprising the Shires of Wagin, West Arthur, Williams, Woodanilling, Dumbleyung and Lake Grace), and the Regional Road Group. They are also on local committees, including the West Arthur CRC, Darkan Swimming Pool, West Arthur Cottage Homes, Tidy Towns and Lake Towerrinning Reference Group. Councillors also completed training in areas such as Understanding Financial Reports and Budgets, Understanding Local Government, Conflicts of Interest, Meeting Procedures, and Serving on Council.

Council adopted the 2023/2024 Budget, the 2022/2023 Annual Report, the Public Health Plan, the Age-Friendly Plan, the Workforce Plan, the Animals, Environment and Nuisance Local Law, the Customer Service Charter, and reviewed the Wheatbelt Secondary Freight Network Governance Plan. It approved subdivisions at Capercup and in the industrial subdivision, signed an agreement to manage the caravan park, developed an agreement to supply water tanks to Duranillin residents, and awarded allocations for the Industry Attraction and Business Development Fund, as well as appointed the WA Electoral Commission to conduct an extraordinary election. The Council received development applications for a composting facility, which was refused, for the Darkan Roadhouse, the Darkan Hotel, the CWA, and a proposed new tree farm.

The Shire saw the retirements of long-term staff member Geoff Bunce and Kym McGregor from the Outside crew. I wish them all the best. The staff within the office has remained the same.

The focus has been on the Shire's road network, ensuring that our community has access to all areas of the Shire. As an agricultural area, the road network is significant to the Shire. The Works and Services manager established a grading zone program, which has led to regular maintenance.

The Shire continues to support local community groups and volunteers and recognises the enormous benefits they bring to the community. Without the dedication of the volunteers who selflessly give up their time, our community would be worse off.

Green energy developers have shown significant interest in sites within the Shire to develop wind farms. Our proximity to transmission lines, agricultural land, and good winds gives the area potential

for wind farm development. The Shire has been working with our Planning Officer to develop a policy enabling agriculture and green energy to work together.

A special flag-raising event took a first step towards reconciliation with the local Wilman Noongar peoples. Students from Darkan PS joined local elder Wayne Coles in a smoking ceremony before the Indigenous flag was raised for the first time outside the Shire Administration Centre. Consultation with Wilman Noongar people occurred during a survey of the Hillman Rock area as we looked at developing walking trails there.

The upcoming 2024/25 year will see the completion of the Local Roads and Community Infrastructure program projects. The Shire is working with the Department of Education to review and renew the lease agreement for the Darkan Swimming Pool and transition it from the Grade 3 to the Grade 1 pool. We continue to seek ways to enhance our community and make West Arthur a great place to live, work and visit.

Neil Morrell
Shire President



Chief Executive Officer's Report

I am pleased to present the CEO's Report for the 2023/2024 financial year, encapsulating the progress and achievements of the Shire of West Arthur.



As we reflect on the past year, it is evident that our community's resilience and collaborative spirit have been the driving forces behind our success.

During the year, we said farewell to the following staff members:

- Kym McGregor (Plant Operator / Labourer)
- Krista Etheridge (Casual Cleaner)
- Ros King (Casual Cleaner)
- Bill Sloan (Plant Operator / Labourer)

We welcomed the following new staff:

- Gary Cooper (Building Maintenance Officer)
- Shelley Cooper (Customer Service Officer – Maternity Leave)
- Izaak Flowerdew (Casual Gardener)
- Bonnie Telfer (Casual Project Coordinator)
- Ross Eastwood (Plant Operator / Labourer)
- Mark Peez (Parks and Gardens Townsperson)
- Ryan Fowles (Plant Operator / Labourer)

Thank you to all the departing staff for their valuable contributions to the organisation and the community over many years. We wish them well in their future endeavours.

I am pleased to report that the Shire has maintained a strong financial position throughout the year. Our prudent financial management and strategic planning have allowed us to allocate resources efficiently, ensuring that essential services are delivered without compromising the Shire's fiscal health. We have continued to invest in infrastructure projects that contribute to the long-term prosperity of our community.

The Shire remains committed to fostering a vibrant and inclusive community. We have worked diligently to enhance community facilities, promote cultural events, and support local initiatives. Our efforts in community development have aimed at creating an environment where residents can thrive and businesses can prosper. The successful completion of various community projects is a testament to our dedication to the well-being of our residents.

Substantial progress has been made in upgrading and maintaining our vital infrastructure. Roads, bridges, and recreational facilities have been a particular focus, ensuring that our community enjoys safe and accessible amenities. These upgrades not only contribute to the quality of life for residents but also attract visitors, bolstering our local economy.

Collaboration with stakeholders is paramount to our success. The Shire values the input and feedback received from residents, businesses, and community organisations. Where time constraints permitted and Council felt it necessary, we have actively sought to engage with stakeholders.

Notable Achievements

1. Council adopted the Shire of West Arthur Public Health Plan. A Public Health Plan is a comprehensive set of proposed activities that informs the way in which public health is managed within a local government area.
2. Council adopted an Animals, Environment and Nuisance Local Law to provide for the regulation, control and management of animals and birds, the prevention of environmental damage and nuisances within the District.
3. Council adopted the new Local Planning Policy No 4 Wellington Catchment to streamline the processing of development applications within the Wellington Reservoir Catchment Special Control Area of the Shire's Planning Scheme.
4. Council adopted the Shire of West Arthur Corporate Business Plan (CBP) 2023/24 to 2026/27. The CBP is our plan that puts into effect the strategic vision and aspirations outlined in our Strategic Community Plan (SCP). These vision and aspirations were identified in our extensive community engagement program undertaken in 2020 and 2021.
5. Three local existing/potential businesses shared in \$10,000 through the Shire's Industry Attraction and Business Development Fund.
6. The Shire implemented a new ERP (Corporate computer system) which actually went live on 1 July 2024. The ERP integrates different systems such as rating, payroll, and financial management into one system with the goal of making our processes more efficient and effective.
7. The Monarch electronic records management system was implemented to ensure that the Shire can comply with its legislated recordkeeping requirements.
8. Council approved a Memorandum of Understanding for Emergency Traffic Control on State Roads between the Shire of West Arthur and Main Roads Western Australia.
9. Council adopted the new Local Planning Policy No 6 Outbuildings. The objectives of the Policy are:
 - To ensure that oversized outbuildings do not detract from the streetscape or the visual amenity of residents or neighbouring properties;
 - To accommodate outbuildings that meet the needs of the residents whilst being appropriate for the zone and land use; and
 - To provide guidance for the consideration of Development Applications.
10. Council adopted the Shire of West Arthur Age-Friendly Community Plan 2024- 2029.
11. Council adopted the Shire of West Arthur Customer Service Charter.
12. Council adopted the Shire of West Arthur's Asset Management Plan 2023-2033.
13. Council adopted the Shire of West Arthur's Long Term Financial Plan 2023-2033.
14. Council adopted the Shire of West Arthur's Workforce Plan 2024-2028.

Looking ahead, the Shire will continue to focus on such important issues as wind farms and the renewable energy transition, worker housing, water sustainability and changes to waste management requirements.

In conclusion, I extend my gratitude to the Shire's dedicated staff, the Council, and the entire community for their unwavering support and commitment. Together, we have achieved significant milestones, and I am confident that our collective efforts will continue to shape a prosperous and sustainable future for the Shire of West Arthur.

Vin Fordham Lamont
Chief Executive Officer



Your Council

Portfolios and Roles

The Shire of West Arthur has seven Elected Members representing the local community. The Councillors elect the President and Deputy President every two years. The following councillors represented the community in the 2023/24 financial year.

Cr Neil Morrell (President) – Elected to Office in 2019, Retiring 2027

- 4WDL VROC Committee
- Audit & Risk Committee
- Central Country Zone of WALGA
- Development Assessment Panel (Proxy)
- Lake Towerrinning Strategic Plan Reference Group
- Local Emergency Management Committee (Chairperson)

Cr Karen Harrington (Deputy President) - Elected to Office in 2021, Retiring 2025

- 4WDL VROC Committee
- Audit & Risk Committee
- Central Country Zone of WALGA
- Development Assessment Panel (Proxy)
- Local Emergency Management Committee
- Sub-group of the Regional Roads Group (Proxy)

Cr Graeme Peirce - Elected to Office in 2019, Retiring 2027

- 4WDL VROC Committee
- Bush Fire Advisory Committee (Proxy)
- Development Assessment Panel
- West Arthur-Collie Senior School Bus Working Group

Cr Neil Manuel - Elected to Office in 2009, Retired 2023

- Audit & Risk Committee
- Development Assessment Panel
- Proxy to the Regional Road Group
- Tidy Towns Committee
- Arthur River Development Group

Cr Adam Squires - Elected to Office in 2019, Retiring 2025

- West Arthur Cottage Homes Committee

Cr Robyn Lubcke - Elected to Office in 2021, Retiring 2025

- Darkan Swimming Pool Committee
- Tidy Towns Committee
- Museum Reference Group
- West Arthur Community Resource Centre

Cr Duncan South - Elected to Office in 2021, Retiring 2025

- Bush Fire Advisory Committee
- Local Emergency Management Committee
- Sub-group of the Regional Roads Group

Cr Lucy Hall - Elected to Office in 2023, Retired 2024

- Audit & Risk Committee
- Development Assessment Panel
- Tidy Towns Committee

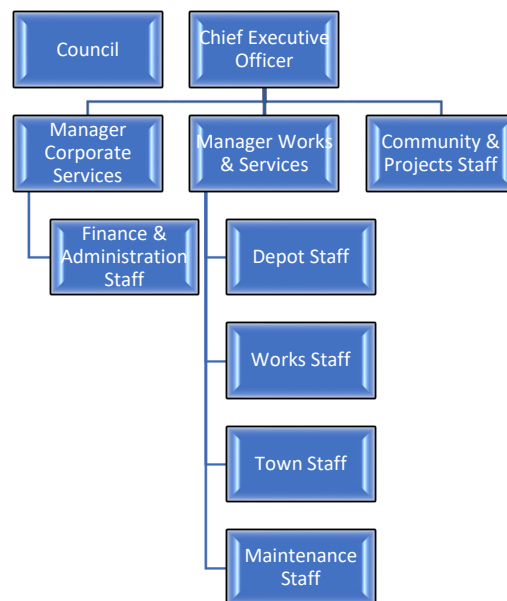


SoWA Councillors (L-R): Graeme Peirce, Robyn Lubcke Neil Morrell, Karen Harrington, Duncan South, Adam Squires. Absent: Lucy Hall

Executive Officers and Organisation Structure

As of June 30th, 2024, our management team consisted of:

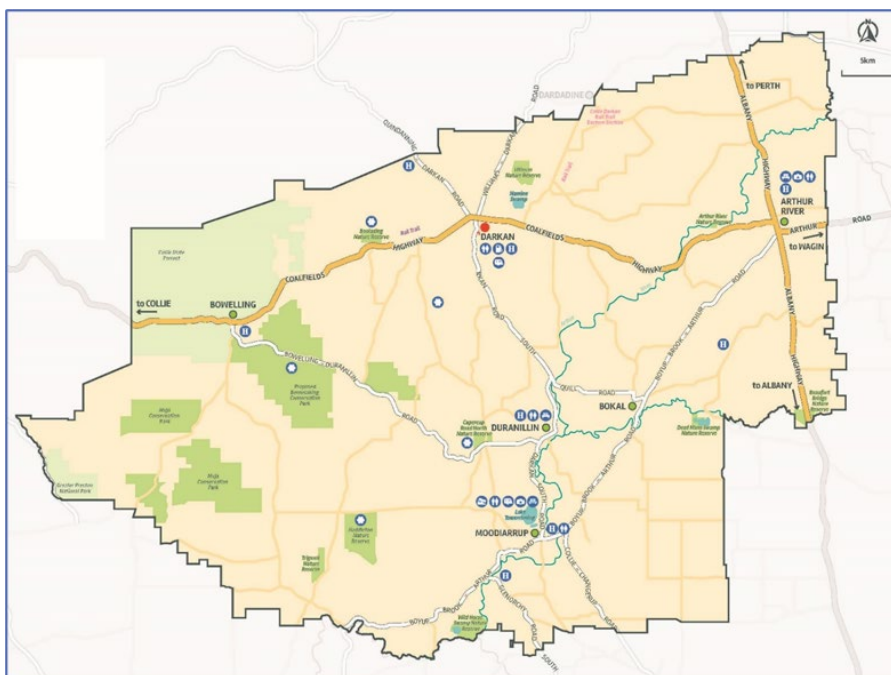
Chief Executive Officer	Vin Fordham Lamont
Manager Corporate Services	Rajinder Sunner
Manager Financial Reporting	Melinda King
Manager Works & Services	Gary Rasmussen



1: Organisational Structure

Shire of West Arthur Quick Facts

- Area: 283,182.7 hectares
- Road length: 208km sealed roads, 652km unsealed roads
- Population: 773 (ABS Census 2021)
- Number of Electors: 597
- Year Shire established: 1896



Map of Shire of West Arthur

Public Facilities

Arthur River Country Club	Darkan to Collie Rail Trail	Duranillin School
Arthur River Hall	Darkan Pioneer Hall	Duranillin Town Hall
Arthur River Historical Precinct	Darkan Railway Station	Glenorchy School
Betty Brown Historical Centre	Darkan Sports Complex	Lake Towerinna
Bowelling Railway Station	Darkan Station Masters House	Moodiarrup Hall
Community Gym	Darkan Swimming Pool	Moodiarrup Sports Complex
	Darkan Town Hall	Six Mile Cottage
		The Shed

Revenue 2023/2024

Total Capital Works Value for 2023/24	\$2,117,704
Total Operational Revenue for 2023/24	\$5,338,050
Total Non-operational Revenue for 2023/24	\$ 940,646
Total Income from Rates for 2023/24	\$1,997,367

Community Strategic Plan / Corporate Business Plan Overview

This report is based on the Community Strategic Plan adopted in 2021, and the accompanying Corporate Business Plan adopted in 2021.

Section 5.53(e) of the Local Government Act 1995 states that the Annual Report is “an overview of the Plan for the Future of the district made in accordance with section 5.56, including major initiatives that are proposed to commence or continue in the next financial year.”

The Community Strategic Plan and the Corporate Business Plan have five key themes: Community, Local Economy, Natural Environment, Built Environment, and Leadership and Management.

The Corporate Business Plan expands on the community’s desired goals and outcomes with strategies and actions and supports the strategic direction with specific priorities and actions. It informs the annual planning and budgeting processes.

Many of the projects listed in this annual report have been made possible by Economic Stimulus funding provided by the Federal Government through the Local Roads and Community Infrastructure (LRCI) program.

The Year in Review

Community – Safe, Friendly, and Inclusive

Key Performance Measures

- We have a range of sporting, cultural and recreational activities, and people from all walks of life are actively participating in the community
- We have developed Risk Management Plans, Disability Access & Inclusion Plans, and Reconciliation Action Plan
- We maintained our low crime rate
- People are able to access health facilities they require
- Increasing number of people are actively involved in volunteering within the community
- We have created a Heritage list to protect our heritage assets

Outcome 1.1 – A safe place to work, live, and visit

Strategies and Plans

- Support for the provision of emergency services and volunteers
- Prevention of crime
- Communication of risks and hazards to the community and assistance with management of these

The Shire is actively involved in managing emergencies in our district. During 2022/23, the Shire attended several fires, two traffic incidents, and two truck incidents on Coalfields Highway. There were also over 20 callouts related to trees down on roads in the Shire.

Shire purchased 3 Fast Fill Trailers for the local Bush Fire Brigades.

The Shire uses the Signal app to communicate with local volunteers, and an SMS service provides information to local community members, including harvest and vehicle movement bans, road closures, and bushfire information. Social media and the website are also used to provide public information.

The Community Emergency Services Manager (CESM) and CEO attended two Local Emergency Management Committee (LEMC) and two Bush Fire Advisory Committee (BFAC) meetings.

The Shire collaborates with the local brigades, and we acknowledge the dedication of the volunteers, especially Chief Fire Control Officer Ben Robinson and Deputy Graeme Peirce.



Outcome 1.2 – Support available for people of all ages and abilities

Strategies and Plans

- Actively support and promote a range of activities for a range of ages and abilities
- Maintain and support the growth of medical facilities, childcare and aged services in the district
- Provide services and infrastructure to meet the needs of the community

In April 2023, a wall-mounted television was installed in the foyer of the Shire Administration building as part of the upgrade. A new presentation, including posters of upcoming events, courses, and other activities, is created each month. These are also promoted through the Shire website and social media. The Shire also supported local community groups through events, including the RSL, CWA, and Act Belong Commit Darkan Sheepfest.

The Shire received a \$10,000 grant for an Australia Day event in 2024. This funding provided entertainment, equipment replacement, bus hire, and a new portable PA system.

In January 2024, Dr Marelene Oelofse commenced delivering GP services in Darkan following the retirement of the former long-term doctor, Coert Erasmus. The medical services provided at the CRC are essential to the community, and the Shire continues to subsidise the CRC's operational costs to ensure these services are provided.

The Local Roads and Community Infrastructure program continued throughout 2023-2024, with the final project, the Swimming Pool Toilets, being completed. The initial issues associated with the toilets were resolved, and the project was completed on time and on budget.

1,097 seniors' meals were prepared during 2023/2024 and were subsidised by the Shire. The Shire acknowledges the work of the volunteers who assist in this project. The Shire also manages the funds associated with the annual Seniors Christmas Lunch.

The Council endorsed a five-year Public Health Plan in September 2023 and adopted the following policies: EH1—Healthy Eating, EH2—Active West Arthur Policy, EH3—Drug and Alcohol, and EH4—Environmental Health.

Work commenced on preparing the site of the new 1-8-year-olds playground in Railway Reserve. The site was chosen for its proximity to the BBQ shelter installed in 2022/2023.

Outcome 1.3 – A unique identity and a strong connection to our past

Strategies and Plans

- Maintain and preserve our cultural and heritage assets
- Reconnect with our Aboriginal heritage
- Support community events that connect to our history (e.g. Sheepfest / exhibitions / displays in Betty Brown Historical Centre)

The Shire received grant funding (\$19,123) for the realignment of the old Darkan Heritage Trail, which had fallen into disrepair and was routed through the King Street Development. These signs have been installed. Some work is still required on the way markers before finalising this project.

This year, the Betty Brown Historical Society celebrated the Country Women's Association's 100th year with an exhibition featuring prominent local CWA ladies and memorabilia associated with the local branches of CWA. The exhibition was opened on the 20th of April 2024. Approximately 70 people attended the opening, with visitors from as far afield as Geraldton and Joondalup to view the exhibit. We were honoured to host Trish Langdon (CWA CEO), Pam Batten OAM (ex-State president), Shelley Payne MLC, Vin Fordham Lamont (Shire CEO), Karen Harrington (Shire Deputy President) and Eloisa Goss (Darkan CWA President) to the event. Members from the Wagin and Jandakot CWA branches were also in attendance.

In conjunction with the CWA exhibition and as part of the National Trust Heritage Festival, the Shire also hosted an event featuring Barry Strickland, who talked about the historical books donated to the library. Many of these books, with some over 100 years old, will be useful for historical research. Twenty-five people attended the event, and the books have since been used by people from out of town for research purposes.

On June 18, 2024, a smoking and flag-raising ceremony was held with local Indigenous elder Wayne Coles. Darkan Primary School and community members attended as the Indigenous flag was raised for the first time at the Shire's administration centre. Wayne played the didgeridoo and acknowledged the country before student leaders passed the flag through the smoke. The flag was then raised.

Australia Day was again held at Lake Towerrinning, and the annual Citizen of the Year Awards were combined with a Thank a Volunteer Day event to recognise local Bush Fire Brigade members. Service medals were presented, and a long-serving member was specially recognised.

Anzac Day services were held at Lake Towerrinning and the war memorial. The mid-morning service included the anthems of Australia and New Zealand, with a haka performed by members of the local Māori community. At the end of the service, an RAAF plane flew by.



Local Economy – Stable and Sustainable Agricultural Industry and a Dynamic and Growing Business Sector

Key Performance Measures

- Our population remains stable or increases
- There is an increase in development approvals
- Visitor numbers increase
- There is no loss of businesses in our towns and new businesses are added to our main street
- There is interest from the local farming community in implementing diversification in agriculture

Outcome 2.1 – Improved employment through diversification in Agriculture

Strategies and Plans

- Investigate opportunities for diversification within the agricultural sector
- Investigate water security and development opportunities associated with water sources
- Liaise with key stakeholders to continue to support agriculture in the Shire

The Shire continues to partner with the Blackwood Basin Group (BBG) to deliver land care services in the Shire. The Shire's Landcare officer successfully received \$23,000 to develop a Biodiversity Strategy that develops a local biodiversity conservation priority map and action plan for the Shire. Several community engagement sessions have already been held, and the final plan will be developed in December 2024 for endorsement by council February 2025.

Grants and training opportunities aimed at primary producers were communicated throughout the year via social media and email.

Proposed wind farm developments offer a new opportunity for economic diversification but are not without challenges. The State government announcement of the closure of the State-owned Collie power station by 2030 has resulted in a flurry of interest from Wind Farm proponents in developments within the Shire of West Arthur. The interest in this shire is related to the proximity to the existing powerlines and the power infrastructure in Collie, cleared farmland on which turbines could be hosted and winds that vary from those in other parts of the State.

After the Shire became aware of the interest from developers, it hosted a wind farm forum in April 2023 that included presenters from Synergy, Western Power, and wind farm proponents. In addition, various experts in different fields, such as contract negotiations, land values, noise, and social impacts, were also presented to the community. The forum aimed to provide the community with some information and contacts so that negotiations could be undertaken in an informed manner. Approximately 150 people from both the Shire and other areas attended the forum.

Since the forum, the Shire has regularly engaged with the various proponents to determine the issues and opportunities that these developments propose. In addition, the Shire has been advocating to the State Government for assistance with the transition to renewables.

A draft Local Planning Policy for wind farms was prepared and advertised for public comment. Numerous comments were received, and it was decided to redraft the policy. A revised policy will be advertised in the upcoming financial year.

Outcome 2.2 – A growing, diverse business community

Strategies and Plans

- Investigate tourism opportunities and support this growing sector
- Maintain and enhance our existing assets to encourage visitation
- Promote the light industrial area for the use of new businesses
- Advocate for improved communication facilities
- Promote the Shire to people outside the area as a fantastic place to live, work and visit
- Investigate opportunities for growth within the local community

Housing continues to be an issue for the Shire of West Arthur, as it is for many other Wheatbelt Shires. The Shire has liaised with the Wheatbelt Development Commission and several other Wheatbelt shires to prepare a business case in 2023. This document was then used to undertake some initial planning concepts for the subdivision of 22 Burrowes Street West (lot opposite the swimming pool).

As a result of the above work, the Shire was in a position that enabled it to submit a combined grant application for \$159,765 for the planning works associated with the subdivision of 22 Burrowes Street and \$17,000 for planning associated with the old Bowling Green Site (Lot 186 Burrowes Street). The Shire was advised that we successfully received this funding in July 2024, and this work will be undertaken in the 2024/25 financial year.

Outcome 2.3 – Existing businesses develop and grow

Strategies and Plans

- Communicate opportunities with existing businesses to support their changing requirements
- Encourage main street businesses to meet on a regular basis and discuss issues
- Ensure that services and products are sourced locally wherever possible

In the 2023/24 financial year, the Shire allocated \$10,000 to fund the development of local small businesses.

The aim of the program is to:

- Assist new businesses with the early stages of business development (including the development of business plans, strategic plans, etc).
- Assist existing businesses with expanding their existing business to increase employment opportunities within the Shire.

Three businesses were successful in receiving funds:

- The Darkan Hotel for website design (\$2,656)
- The Valley of Plenty for shop signage (\$3,344)
- Alysia Kepert for a basic business feasibility study (\$4,000)

The Shire successfully received \$83,000 from the Foundation for Rural and Regional Renewal's Helping Regional Communities Prepare for Drought – Community Impact Program to assist the community with challenges associated with potential drought years. In our community, we aimed to encourage economic diversification and activate our main street. In 2023-2024, we ran a sundowner for local main street businesses, an Ideation session and a Business Bootcamp. We prepared to open a pop-up shop in the Station building to activate an empty space.

Finally, we combined \$6370 of the funds with \$10,000 from the Rural Aid Community Builders Program and \$1,600 from CBH to produce some bright panels that have been installed in the railway reserve to encourage foot traffic from Coalfields Hwy to Burrowes Street shopping precinct. The footpaths through these signs will be upgraded as part of the Phase 4 LRCI funding.

Further projects will be implemented in the 2024/25 financial year.



Natural Environment – Our Natural Assets are Valued and meet the needs of the Community

Key Performance Measures

- Our natural assets continue to be used by locals and visitors
- The community is satisfied with the waste management service provided
- Our community has a defined water supply heading into the future

Outcome 3.1 – Maintain and improve our key natural assets

Strategies and Plans

- Maintain Lake Towerrinning as our premier, iconic natural asset
- Maintain and develop our trails for use by locals and visitors (Collie-Darkan Rail Trail, Nangip Creek Walk, Hillman Walk Trail, Duranillin to Bowelling Rail Trail)
- Protect our night skies to ensure that they retain their dark sky rating
- Protect and improve additional natural assets

Lake Towerrinning is the key natural asset within the Shire, drawing hundreds of visitors each year. The Shire continues to work with the Department of Biodiversity, Conservation, and Attractions (DBCA) on the management of the lake.

The Shire discussed with landowners the possibility of an easement over the drainage channel from the Re-diversion dam to Lake Towerrinning. A draft agreement was prepared and presented to the landowners. The easement now needs to be surveyed.

Membership to Astrotourism WA's Astro Towns was continued.

The Shire received grant funding to undertake the initial planning studies for the development of the Hillman Walk Trail. The Shire matched the grant funding of \$6,750 to undertake desktop Environmental and Aboriginal Heritage studies. Following these studies and as per the recommendation of the Aboriginal heritage study, an on-ground Aboriginal heritage survey of the proposed Hillman Access track was undertaken (\$23,701). The final report indicated that a full survey of the entire reserve is required before progressing the project. The Shire has applied to the State Heritage Survey Program to have this area surveyed.

Outcome 3.2 – Our water resources are well-defined and used sustainably

Strategies and Plans

- Develop a whole of Shire Water Strategy to better manage our water resources and target development of supplies
- Invest in water security and manage existing water resources in a sustainable manner
- Encourage development of private water supplies

The Shire liaised with the Department of Water and Environmental Protection over the 2023-24 years to install some water infrastructure to continue to secure a water supply for the Darkan townsite. DWER installed tanks at the Darkan and Districts Sports complex and the Shire Depot, and an evaporative cover was installed at the town dam. The Shire will continue investigating options for supplying water during dry conditions, including bores at Hillman and Cordering and upgrading infrastructure at the town dam.

The Department of Water and Environmental Regulation developed a Non-Potable Strategic Community Water Supplies Plan for the Shire in March 2024.

Council adopted LP4 – Wellington Catchment in September 2023.

Outcome 3.3 – Our natural biodiversity is maintained and valued

Strategies and Plans

- Blackwood Biodiversity Group is supported to manage pests in the Shire
- Weeds are managed or eliminated in areas of high biodiversity
- Protection of our unique flora and fauna
- Consideration of biodiversity in all land use applications and developments

The Shire continues to partner with Blackwood Basin Group (BBG) for the delivery of land care services. Surveying the flora and fauna of several nature reserves in the Shire has been carried out, along with developing a Weed Management Plan. The Plan was released in early 2024.

The Shire's Parks and Gardens crew continues to manage weeds throughout the Shire, focusing on Lake Tawerrinning, local parks, and road verges.

The Planning applications approved during 2023/2024 all considered environmental and biodiversity issues as part of the approval process.

Council amended W4 – Wildflower, Leaves and Branches, and Seed Harvesting from Reserves Policy in February 2024 to include non-commercial pickers.

Outcome 3.4 – Waste is minimised, and environmentally sustainable practices are employed

Strategies and Plans

- Provide an effective waste management service
- Promote environmentally sustainable principles

The Shire maintains two refuse sites, Darkan and Duranillin. DrumMuster, refuse and recycling collection services are provided.

There is a small recycling site next to the Shire Depot yard where residents can recycle items, including waste oil. This area was expanded to include e-waste, ready for the implementation of the new e-waste laws that commenced on July 1, 2024.

Built Environment – well maintained roads and infrastructure which reflects our identity

Key Performance Measures

- Our community is proud of the look and feel of our towns and district
- Our roads and infrastructure meet the needs and expectations of the local community
- Our heritage buildings are well maintained and where possible have a continued use

Outcome 4.1 – Our road network is well maintained



Strategies and Plans

- Regularly review and update our long term road construction and maintenance program
- Collaborate with surrounding Shires and State government to ensure sound planning and resource utilisation
- Enhance road safety strategies for road users

The Shire continues to maintain the road network. Improved grading assists in reducing the impact of rain events. Changes to the structure and number of crew members are also helping achieve higher standards in road maintenance, culvert clearing, pothole patching, and bridge maintenance. Smaller work jobs previously done using contractors are now being undertaken in-house, with only the larger jobs going out to contract.

The federal government has allocated the Shire \$366,694 for community projects (Part A) and \$211,517 for roads and footpaths (Part B) in Phase 4 of the LRCI program.

Project	Description of Works	Co-Funding	Total Cost
Beaufort Road	Clear drains & re-sheet	RRG	\$74,902
Boyup Brook Arthur River Rd	Gravel top-up & seal drainage	RRG	\$406,062
Clarke Road	Gravel re-sheeting	LRCI4	\$153,329
Cordering North Road	Construct & seal, gravel re-sheet	RTR	\$245,998
Darkan South Road	New white line marking	LRCI4	\$43,500
Darkan Williams Road	Clear drains	RRG	\$147,930
Glenorchy Bridge	Bridgeworks	LRCI4	\$49,059

Plant replacement in 2023/24 included the following:

- Kubota Skid Steer
- Rotary Axe Slasher
- Manager of Works ute
- Workshop mobile column hoist
- Workshop scan tools
- Oil reels, pumps, and bulk waste oil
- Depot oil storage
- Fast Fill Trailers x 3 for Bush Fire Brigades

Outcome 4.2 – Our built infrastructure is well maintained, attractive and inviting

Strategies and Plans

- Our parks and gardens are well maintained and attractive
- Community facilities are continually reviewed and upgraded as required through asset maintenance plans
- Our townscapes are attractive and well developed with consideration for current and future usage

The Shire recognises the work of the Parks and Gardens crew in maintaining the facilities' attractiveness. Many compliments from the public, including visitors, show their hard work is appreciated.

Phase 4 of the LRCI program has been allocated to the Shire by the Federal Government. This round has funds of \$366,694 allocated for community projects:

- Installation of a young children’s playground and soft fall in the railway reserve (\$140,000)
- Installation of CCTV around Darkan (\$78,647)
- Footpath replacement through the railway reserve (\$39,988)
- Construction of a kiosk at the Darkan Swimming pool (\$30,000)

Outcome 4.3 – Our cultural heritage is preserved and promoted

Strategies and Plans

- Maintain the integrity of our heritage buildings
- Investigate opportunities to develop our historical assets
- Planning and development take into consideration heritage values

Historical buildings provide tourism opportunities and establish the district's historical context. The Shire maintains heritage buildings within its care.

Outcome 4.4 – Appropriate planning and development

Strategies and Plans

- Implement the town planning scheme and policies to ensure any planning and development is appropriate through the Shire

Council has a contracted Planning Officer, who assesses all planning and development applications and makes recommendations to Council.



Leadership and Management – inspirational, dynamic, transparent

Outcome 5.1 – Councillors represent the community and are well-trained

Strategies and Plans	<ul style="list-style-type: none"> ➤ The Shire Council is representative of the community and collaborates with Shire staff to ensure the best outcomes for the community ➤ Elected Members have the training and skills relevant to serving as Councillors in order to act in the best interest of the Shire ➤ Council process is open and transparent to the general community
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All Councillors undergo regular training with the WA Local Government Association (WALGA), covering topics such as serving on local government, understanding local government, meeting procedures, conflicts of interest, and understanding financial reports and budgets. Councillors are regularly updated about ongoing issues at closed briefing sessions held prior to Council meetings, which are open to the public.

Outcome 5.2 – Shire staff are well-trained, motivated and customer focused

Strategies and Plans	<ul style="list-style-type: none"> ➤ Ensure that staff have opportunities to continue professional development when available ➤ Provide flexible working arrangements where possible in order to attract the best quality staff ➤ Continuously strive to be customer focused and serve Council and the community
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Staff continue to attend training face-to-face, via webinar, or through online recordings. This assists them in providing high-quality services to customers. Office staff attended licencing training this year as an example of completed courses.

Office staff have flexibility in their working arrangements, with some team members job sharing and others working from home. Communication via email, Teams, and phone enables staff to ensure that customer service is of the utmost importance and delivered appropriately.

Outcome 5.3 – Establish and maintain sound business and governance structures

Strategies and Plans

- Ensure that the local community is provided with value for money through the prudent expenditure of rates
- Provide informed decision making based on our strategic directions and legal requirements and that these are open, transparent and adequately communicated with the community
- Comply with regulations and best practice standards to drive good decision making by Council and staff

The Community Strategic Plan and the Corporate Business Plan guide the Shire’s day-to-day operations. Budget preparation commenced in March 2023. The budget for 2023/2024 was adopted by Council in August 2023. The leadership team undertakes these processes on an annual basis.

In June 2024, The Shire of West Arthur launched a new digital platform, MAGIQ ERP and MAGIQ Performance, to streamline our internal processes, enhance reporting, and improve service delivery to the community.

Key Benefits of the New System

- **Efficiency and Productivity:** With automated workflows and integrated processes, our teams can complete tasks faster and with fewer errors, allowing more time to focus on valuable community services.
- **Better Reporting and Decision-Making:** MAGIQ Performance provides real-time data, helping us track budgets, monitor key performance indicators, and make informed, timely decisions.
- **Increased Transparency:** The system supports accurate and accessible reporting, reinforcing our commitment to transparency and accountability in serving residents.

Project Phases

The transition involved careful planning, data migration, and staff training, followed by rigorous testing before the system went live. This phased approach ensured a smooth changeover and minimised disruptions.

Looking Ahead

In the future, we’ll explore new ways the system can support efficient, data-driven decisions and further improve the Shire’s operations and community services.

The Shire is proud of this important step towards modernising its services and looks forward to continued benefits for our community.

In November 2023, the Shire of West Arthur implemented Monarch, a new Electronic Document and Records Management System (EDRMS), to organise and secure our records, making it easier for staff to access and manage important information.

Key Benefits

- **Efficient Document Access:** Monarch centralises all Shire records, allowing staff to quickly find and retrieve documents, which saves time and boosts productivity.

- **Stronger Security and Compliance:** The system's security features protect sensitive information and help ensure we meet regulatory requirements by attaching the required metadata to the records.
- **Enhanced Workflow and Collaboration:** With easier access to documents, teams can work more efficiently and collaborate better on shared tasks.

Implementation Highlights

The rollout involved careful planning, migrating existing documents, training staff, and testing the system to ensure a smooth transition.

Looking Ahead

The Shire will continue to explore more ways to use Monarch to support our goal of transparent and efficient operations, which will benefit both staff and the community.

Monarch is a vital upgrade in our commitment to secure and accessible information management, helping us deliver excellent service to the Shire.

The old swimming pool changeroom building was repurposed and relocated and is now the Shire's Archive Building.



Outcome 5.4 – Actively engage with community, business and other stakeholders to grow and develop the community

Strategies and Plans

- Continue to collaborate with other regional Shires to achieve maximum benefits for the region
- Council will advocate on behalf of the community on issues that the community identifies as important
- Continued improvement in communication with the community through various platforms that ensure all members of the community have access to information
- Continuously review and revise the Community Plan to reflect the changing needs of the community

Again, this year's electors meeting was well attended by the public, who showed keen interest in seeing that Council delivered an accountable service. The public is welcome to attend Council meetings anytime throughout the year. Councillors and staff represent the Shire on various committees and regularly meet with these committees to provide a conduit of information and support the community.

Shire staff and councillors' attendance at 4WDL Voluntary Regional Organisation of Councils, Regional Road Group, and the Central Zone of WALGA ensures that the Shire is well represented regionally, remains up to date with current issues, and can advocate about those areas that impact the Shire.

The Shire continues to engage with the public through Council meetings, our website, and our Facebook pages. In addition, a fortnightly shire report is provided to the Bleat community newsletter for inclusion in the publication.



Statutory Reporting Requirements

Disability Access and Inclusion Plan (DAIP)

The DAIP Progress Report for 2022/2023 contained key highlights such as:

- Creation of an Accessible Events Checklist
- Accessible BBQ / Shade Shelter in the Railway Reserve
- Accessible boardwalk at Lake Towerrinning
- Online Disability Awareness Training
- Community Consultation
- Employee Engagement Survey

These highlights reflect some of the specific outcomes identified in the Shire's 2021/22 DAIP, including:

- Access to the beach area at Lake Towerrinning and better access to the BBQ area
- All access toilet at the swimming pool (project to be completed in 2023/2024)
- Review of ACROD parking

Complaints Register

Section 5.121 of the Local Government Act 1995 requires the Annual Report to contain details of the entries made in the Complaints Register regarding complaints about elected members. There were no complaints that were referred to the Local Government Standards Panel.

State Records Act

The State Records Act 2000 requires that the Shire maintain and dispose of all records in the prescribed manner. The Act also requires all local authorities to produce a Record Keeping Plan to be endorsed by the State Records Commission.

A Record-Keeping Plan was submitted in May 2023 and endorsed in November 2023. The Shire is progressing with some of the recommended improvements mentioned in the Plan, which will be completed throughout the 2023-2024 fiscal year.

Public Interest Disclosure

In accordance with legislation, procedures have been implemented to facilitate reporting and action on public interest disclosures. No public interest disclosures were lodged during the 2023/2024 reporting period.

Freedom of Information Statement

In complying with the Freedom of Information Act 1992, the Shire of West Arthur is required to prepare and publish an information statement. The Shire's Information Statement was updated in June 2024, and a copy is available from the Shire Office and on the Shire website at the following link: <https://www.westarthur.wa.gov.au/documents/826/freedom-of-information-statement-2024>

The information statement contains information on the type of documents available to the public and how to access those documents. During the 2023/2024 year, the Shire had one Freedom of Information request.

Employee Remuneration

Set out below in bands of \$10,000 is the number of employees of the Shire entitled to an annual salary of \$130,000 or more (regulation 19B(2)(a) and (b) Local Government (Administration) Regulations 1996).

Salary Range	2022/23
\$130,001 - \$140,000	0
\$140,001 - \$150,000	0
\$150,000 - \$160,000	1

Remuneration Provided to the CEO

The total remuneration provided to the CEO during the financial year 2023/2024 pursuant to regulation 19B(2)(e) Local Government (Administration) Regulations 1996, including all benefits such as housing, vehicle provision and superannuation, was \$211,328 (IAW SAT BAND 4).

Elected Member Demographics

Elected member demographics of those elected in 2023 are detailed below (regulation 19B(2)(h) Local Government (Administration) Regulations 1996).

Gender	5 Males 2 Females
Linguistic Background	7 English
Country of Birth	7 Australian
Elected Members aged between 18-24 years old	Nil
Elected Members aged between 25-34 years old	Nil
Elected Members aged between 35-44 years old	Nil
Elected Members aged between 45-54 years old	2
Elected Members aged between 55-64 years old	5
Elected Members aged 65 and over	Nil
Aboriginal or Torres Strait Islander Elected Members	Nil

Table 1: Council Structure

Meeting Attendances

The Council of the Shire of West Arthur meets monthly for information sessions and workshops on a variety of topics. In the fourth week of the month, Council convenes an Ordinary Council Meeting, where decisions are made on all report items in the best interest of the community (regulation 19B(2)(f) Local Government (Administration) Regulations 1996).

Below is a table outlining individual Elected Members's attendance, for the financial year, on various Council Committees as a member in their capacity as an Elected Member.

	ORDINARY MEETINGS	ANNUAL ELECTORS	SPECIAL MEETING OF COUNCIL	AUDIT ADVISORY COMMITTEE	LOCAL EMERGENCY MANAGEMENT COMMITTEE	BUSHFIRE ADVISORY COMMITTEE
No of meetings held	11	1	1	3	2	2
ELECTED MEMBER						
Cr Neil Morrell	11	1	1	3	2	2
Cr Graeme Peirce	11	1	1			
Cr Neil Manuel	7					
Cr Adam Squires	7	1	1			
Cr Karen Harrington	11	1	1	3		
Cr Robyn Lubcke	11	1	1			
Cr Duncan South	8	1				2
Cr Lucy Hall	2	1		1		

Table 2: Meeting Attendances

Audit and Risk Committee

The Audit Committee met three times during the 2023/24 year. It consists of three Councillors, with Cr Karen Harrington as the Presiding Member and Cr Neil Morrell as the Deputy Presiding Member. The committee is assisted by the Chief Executive Officer, the Manager of Corporate Services, and the Manager of Financial Reporting.

Their duties include accepting the audited Annual Financial Statements and Audit Reports, adopting the Compliance Audit Returns, and adopting the Half-Yearly Budget Reviews.

Employee Demographics

During the 2023/2024 year, the Shire of West Arthur employed 37 staff.

Full-Time: 22

Part-Time: 10

Casual: 5

Males: 20

Females: 17

The Year Ahead 2024/2025

The year ahead looks exciting as the LRCI Phase 4 projects, along with Regional Road Group, Roads to Recovering funding, and other capital works, are completed.

- Burrowes St subdivision
- CEO house
- Headworks at Growden Place
- Bridgeworks
- Asphalt overlay
- Footpaths
- Replacement plant

The Shire has budgeted \$1.161 million on plant and equipment replacement, including an excavator, 3T tipper, 6-wheeler 3-way tipper, replacement staff vehicles, fuel trailers, and a portable traffic light trailer.

Shire is working on a new agreement with the Department of Education for Darkan Swimming Pool. As part of the new agreement, Shire is transitioning away from the keyholder system and will be contracting out the pool's management.

The Shire will continue to work with the 4WDL group to advocate for more rural and regional housing. The compilation of a key worker accommodation report outlining the gaps in accommodation in our area will be prepared to highlight the issue to State and Federal governments.

The Shire will continue to support local businesses, look for opportunities to diversify our economy, and assist new businesses in establishing themselves in the shire.

The Community Builder program will receive support to bring the community together and assist it with its development.

Major road works in the next financial year will include:

- Regional Road Group - \$485,400
 - Bowelling Duranillin Rd - reseal
 - Boyup Brook Arthur Road – gravel top up, sealing and drainage works
 - Darkan Williams Road - drainage works and vegetation removal
- Roads to Recovery - \$320,264
 - Bowelling McAlinden Rd – gravel re-sheeting
 - Boyup Brook Arthur Rd – line marking
 - Bunce King Rd Bridge – corbel replacement and repair
 - Cordering North Road – construct and seal, and gravel re-sheeting
- LRCI - \$196,829
 - Clarke Road – gravel re-sheeting
 - Darkan South Road – centre line markings

The next year promises to be busy, with many new and exciting developments around the Shire. We look forward to continuing to make the Shire of West Arthur a great place to work, live, and play.

Annual Financial Report

SHIRE OF WEST ARTHUR
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

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Principal place of business:
31 Burrowes Street
Darkan WA 6392



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Statement by Chief Executive Officer

SHIRE OF WEST ARTHUR FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2024

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

STATEMENT BY CEO

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

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

Signed on the 4th day of December 2024



Vin Fordham Lamont
Chief Executive Officer



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Statement of Comprehensive Income

**SHIRE OF WEST ARTHUR
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
Revenue				
Rates	2(a),25	1,997,367	1,998,156	1,887,578
Grants, subsidies and contributions	2(a)	1,677,502	417,215	2,003,251
Fees and charges	2(a)	338,260	336,840	308,302
Interest revenue	2(a)	204,389	201,900	155,727
Other revenue	2(a)	178,624	109,470	124,801
		<u>4,396,142</u>	<u>3,063,581</u>	<u>4,479,659</u>
Expenses				
Employee costs	2(b)	(2,254,867)	(2,169,272)	(1,863,920)
Materials and contracts		(1,489,371)	(1,416,780)	(1,102,930)
Utility charges		(139,983)	(118,152)	(109,655)
Depreciation		(3,586,841)	(2,269,487)	(3,077,886)
Finance costs		(29,287)	(27,016)	(26,499)
Insurance		(122,840)	(130,039)	(116,509)
Other expenditure	2(b)	(102,776)	(65,800)	(43,631)
		<u>(7,725,965)</u>	<u>(6,196,546)</u>	<u>(6,341,030)</u>
		<u>(3,329,823)</u>	<u>(3,132,965)</u>	<u>(1,861,371)</u>
Capital grants, subsidies and contributions	2(a)	940,646	1,310,628	1,257,166
Profit on asset disposals		222,863	11,124	81,548
Loss on asset disposals		(51,234)	(5,034)	0
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	1,262	0	2,764
		<u>1,113,537</u>	<u>1,316,718</u>	<u>1,341,478</u>
Net result for the period		(2,216,286)	(1,816,247)	(519,893)
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	17	0	0	10,023,205
Total other comprehensive income for the period	17	0	0	10,023,205
Total comprehensive income for the period		(2,216,286)	(1,816,247)	9,503,312

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



Statement of Financial Position

SHIRE OF WEST ARTHUR STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	NOTE	2024 \$	2023 \$
CURRENT ASSETS			
Cash and cash equivalents	3	4,451,619	4,257,269
Trade and other receivables	5	223,764	296,858
Other financial assets	4(a)	31,016	30,007
Inventories	6	100,973	84,985
Other assets	7	91,157	61,689
Assets classified as held for sale	7	65,107	65,107
TOTAL CURRENT ASSETS		4,963,636	4,795,915
NON-CURRENT ASSETS			
Other financial assets	4(b)	310,730	340,484
Property, plant and equipment	8	19,606,482	19,680,290
Infrastructure	9	113,547,031	115,289,607
TOTAL NON-CURRENT ASSETS		133,464,243	135,310,381
TOTAL ASSETS		138,427,879	140,106,296
CURRENT LIABILITIES			
Trade and other payables	12	402,794	235,168
Other liabilities	13	208,199	7,336
Borrowings	14	137,156	125,119
Employee related provisions	15	365,491	310,426
TOTAL CURRENT LIABILITIES		1,113,640	678,049
NON-CURRENT LIABILITIES			
Borrowings	14	574,337	561,137
Employee related provisions	15	45,695	11,941
Other provisions	16	55,324	0
TOTAL NON-CURRENT LIABILITIES		675,356	573,078
TOTAL LIABILITIES		1,788,996	1,251,127
NET ASSETS		136,638,883	138,855,169
EQUITY			
Retained surplus		8,210,373	10,500,426
Reserve accounts	28	2,828,645	2,754,878
Revaluation surplus	17	125,599,865	125,599,865
TOTAL EQUITY		136,638,883	138,855,169

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



Statement of Changes in Equity

SHIRE OF WEST ARTHUR STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2024

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2022		10,941,177	2,834,020	115,576,660	129,351,857
Comprehensive income for the period					
Net result for the period		(519,893)	0	0	(519,893)
Other comprehensive income for the period	17	0	0	10,023,205	10,023,205
Total comprehensive income for the period		(519,893)	0	10,023,205	9,503,312
Transfers from reserve accounts	28	574,523	(574,523)	0	0
Transfers to reserve accounts	28	(495,381)	495,381	0	0
Balance as at 30 June 2023		10,500,426	2,754,878	125,599,865	138,855,169
Comprehensive income for the period					
Net result for the period		(2,216,286)	0	0	(2,216,286)
Total comprehensive income for the period		(2,216,286)	0	0	(2,216,286)
Transfers from reserve accounts	28	855,747	(855,747)	0	0
Transfers to reserve accounts	28	(929,514)	929,514	0	0
Balance as at 30 June 2024		8,210,373	2,828,645	125,599,865	136,638,883

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



Statement of Cash Flows

**SHIRE OF WEST ARTHUR
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2024 Actual \$	2023 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		1,967,200	1,852,136
Grants, subsidies and contributions		1,755,720	2,039,860
Fees and charges		402,130	308,302
Interest revenue		204,389	155,727
Goods and services tax received		243,117	249,203
Other revenue		178,624	127,565
		4,751,180	4,732,793
Payments			
Employee costs		(2,112,966)	(1,835,017)
Materials and contracts		(1,416,197)	(1,116,712)
Utility charges		(139,983)	(109,655)
Finance costs		(29,287)	(26,499)
Insurance paid		(122,840)	(116,509)
Goods and services tax paid		(223,778)	(273,132)
Other expenditure		(102,776)	(43,631)
		(4,147,827)	(3,521,155)
Net cash provided by operating activities		603,353	1,211,638
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	8(a)	(876,040)	(803,050)
Payments for construction of infrastructure	9(a)	(1,174,993)	(1,958,036)
Capital grants, subsidies and contributions		1,134,581	744,969
Proceeds from financial assets at amortised cost - self supporting loans		30,007	29,032
Proceeds from financial assets at fair values through profit and loss		0	(2,764)
Proceeds from sale of property, plant & equipment		452,205	195,000
Net cash (used in) investing activities		(434,240)	(1,794,849)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	27(a)	(124,763)	(107,070)
Proceeds from new borrowings	27(a)	150,000	270,000
Net cash provided by financing activities		25,237	162,930
Net increase (decrease) in cash held		194,350	(420,281)
Cash at beginning of year		4,257,269	4,677,550
Cash and cash equivalents at the end of the year		4,451,619	4,257,269

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



Statement of Financial Activity

SHIRE OF WEST ARTHUR
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2024

NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
OPERATING ACTIVITIES			
Revenue from operating activities			
General rates	25 1,993,437	1,998,156	1,795,847
Rates excluding general rates	25 3,930	0	91,731
Grants, subsidies and contributions	1,677,502	417,215	2,003,251
Fees and charges	338,260	336,840	308,302
Interest revenue	204,389	201,900	155,727
Other revenue	178,624	109,470	124,801
Profit on asset disposals	222,863	11,124	81,548
Fair value adjustments to financial assets at fair value through profit or loss	4(b) 1,262	0	2,764
	4,620,267	3,074,705	4,563,971
Expenditure from operating activities			
Employee costs	(2,254,867)	(2,169,272)	(1,863,920)
Materials and contracts	(1,489,371)	(1,416,780)	(1,102,930)
Utility charges	(139,983)	(118,152)	(109,655)
Depreciation	(3,586,841)	(2,269,487)	(3,077,886)
Finance costs	(29,287)	(27,016)	(26,499)
Insurance	(122,840)	(130,039)	(116,509)
Other expenditure	(102,776)	(65,800)	(43,631)
Loss on asset disposals	(51,234)	(5,034)	0
	(7,777,199)	(6,201,580)	(6,341,030)
Non cash amounts excluded from operating activities	26(a) 3,436,697	2,263,397	3,087,582
Amount attributable to operating activities	279,765	(863,478)	1,310,523
INVESTING ACTIVITIES			
Inflows from investing activities			
Capital grants, subsidies and contributions	940,646	1,310,628	1,257,166
Proceeds from disposal of assets	452,205	125,000	195,000
Proceeds from financial assets at amortised cost - self supporting loans	27(a) 30,007	30,007	29,032
	1,422,858	1,465,635	1,481,198
Outflows from investing activities			
Purchase of property, plant and equipment	8(a) (876,040)	(1,419,371)	(803,050)
Purchase and construction of infrastructure	9(a) (1,174,993)	(1,564,245)	(1,958,036)
	(2,051,033)	(2,983,616)	(2,761,086)
Non-cash amounts excluded from investing activities	26(b) 55,324	0	0
Amount attributable to investing activities	(572,851)	(1,517,981)	(1,279,888)
FINANCING ACTIVITIES			
Inflows from financing activities			
Proceeds from borrowings	27(a) 150,000	150,000	270,000
Transfers from reserve accounts	28 855,747	1,146,546	574,523
	1,005,747	1,296,546	844,523
Outflows from financing activities			
Repayment of borrowings	27(a) (124,763)	(125,119)	(107,070)
Transfers to reserve accounts	28 (929,514)	(478,654)	(495,381)
	(1,054,277)	(603,773)	(602,451)
Amount attributable to financing activities	(48,530)	692,773	242,072
MOVEMENT IN SURPLUS OR DEFICIT			
Surplus or deficit at the start of the financial year	26(c) 1,753,939	1,688,686	1,481,232
Amount attributable to operating activities	279,765	(863,478)	1,310,523
Amount attributable to investing activities	(572,851)	(1,517,981)	(1,279,888)
Amount attributable to financing activities	(48,530)	692,773	242,072
Surplus or deficit after imposition of general rates	26(c) 1,412,323	0	1,753,939

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



Index for Notes to the Financial Report

**SHIRE OF WEST ARTHUR
FOR THE YEAR ENDED 30 JUNE 2024
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SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

1. BASIS OF PREPARATION

The financial report of the Shire of West Arthur which is a Class 4 local government comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

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

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

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 *Leases* which would have required the Shire to measure any vested improvements at zero cost.

The *Local Government (Financial Management) Regulations 1996* provide that:

- land and buildings classified as property, plant and equipment; or
- infrastructure; or
- vested improvements that the local government controls; and measured at reportable value, are only required to be revalued every five years. Revaluing these non-financial assets every five years is a departure from AASB 116 Property, Plant and Equipment, which would have required the Shire to assess at each reporting date whether the carrying amount of the above mentioned non-financial assets materially differs from their fair value and, if so, revalue the class of non-financial assets.

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

Critical accounting estimates and judgements

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

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

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

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

- Fair value measurement of assets carried at reportable value including:
 - Property, plant and equipment - note 8
 - Infrastructure - note 9
- Assets held for sale - note 7
- Measurement of employee benefits - note 15
- Measurement of provisions - note 16

Fair value hierarchy information can be found in note 24

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.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 29 of the financial report.

Initial application of accounting standards

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

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

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

New accounting standards for application in future years

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

- AASB 2014-10 *Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- AASB 2020-1 *Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current*
- AASB 2021-7c *Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]*
- AASB 2022-5 *Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback*
- AASB 2022-6 *Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants*

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

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

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

- AASB 2023-1 *Amendments to Australian Accounting Standards - Supplier Finance Arrangements*
- These amendments may result in additional disclosures in the case of applicable finance arrangements.



SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Timing of revenue recognition
Grants, subsidies and contributions	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management.	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Output method based on regular weekly and fortnightly period as proportionate to collection service
Fees and charges for other goods and services	Cemetery services, reinstatements and private works	Single point in time	Payment in full in advance	None	Output method based on provision of service or completion of works

Consideration from contracts with customers is included in the transaction price.

Revenue Recognition

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

For the year ended 30 June 2024

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,997,367	0	1,997,367
Grants, subsidies and contributions	163,774	0	0	1,513,728	1,677,502
Fees and charges	327,218	0	11,042	0	338,260
Interest revenue	0	0	21,327	183,062	204,389
Other revenue	36,026	0	0	142,598	178,624
Capital grants, subsidies and contributions	0	940,646	0	0	940,646
Total	527,018	940,646	2,029,736	1,839,388	5,336,788

For the year ended 30 June 2023

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,887,431	147	1,887,578
Grants, subsidies and contributions	202,808	0	0	1,800,443	2,003,251
Fees and charges	298,432	0	9,870	0	308,302
Interest revenue	0	0	18,198	137,529	155,727
Other revenue	100,821	0	0	23,980	124,801
Capital grants, subsidies and contributions	0	1,257,166	0	0	1,257,166
Total	602,061	1,257,166	1,915,499	1,962,099	5,736,825



SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Note	2024 Actual \$	2023 Actual \$
Interest revenue		
Financial assets at amortised cost - self supporting loans	9,900	10,876
Interest on reserve account	139,371	91,410
Trade and other receivables overdue interest	21,347	18,198
Other interest revenue	33,771	35,243
	<u>204,389</u>	<u>155,727</u>
Fees and charges relating to rates receivable		
Charges on instalment plan	1,143	724
(b) Expenses		
Auditors remuneration		
- Audit of the Annual Financial Report	28,790	30,500
- Other services – grant acquittals	4,600	1,600
	<u>33,390</u>	<u>32,100</u>
Employee Costs		
Employee benefit costs	2,254,867	1,863,920
	<u>2,254,867</u>	<u>1,863,920</u>
Other expenditure		
Sundry expenses	102,776	43,631
	<u>102,776</u>	<u>43,631</u>



SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

3. CASH AND CASH EQUIVALENTS

Note	2024	2023
	\$	\$
Cash at bank and on hand	4,451,619	4,257,269
Total cash and cash equivalents	4,451,619	4,257,269
Held as		
- Unrestricted cash and cash equivalents	1,414,775	1,495,055
- Restricted cash and cash equivalents	3,036,844	2,762,214
18	4,451,619	4,257,269

MATERIAL ACCOUNTING POLICIES

Cash and cash equivalents

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

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

Restricted financial assets

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

4. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

Note	2024	2023
	\$	\$
	31,016	30,007
	31,016	30,007
Other financial assets at amortised cost		
Self supporting loans receivable	31,016	30,007
26(c)	31,016	30,007
Held as		
- Unrestricted other financial assets at amortised cost	31,016	30,007
	31,016	30,007

(b) Non-current assets

Financial assets at amortised cost

Financial assets at fair value through profit or loss

	248,352	279,368
	62,378	61,116
	310,730	340,484
Financial assets at amortised cost		
Self supporting loans receivable	248,352	279,368
	248,352	279,368
Financial assets at fair value through profit or loss		
Units in Local Government House Trust - opening balance	61,116	58,352
Movement attributable to fair value increment	1,262	2,764
Units in Local Government House Trust - closing balance	62,378	61,116

MATERIAL ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 24 (i)) due to the observable market rates).

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

Financial assets at fair value through profit or loss

The Shire has elected to classify the following financial assets at fair value through profit or loss:

- debt investments which do not qualify for measurement at either amortised cost or fair value through other comprehensive income.
- equity investments which the Shire has elected to recognise as fair value gains and losses through profit or loss.



SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

5. TRADE AND OTHER RECEIVABLES

TRADE AND OTHER RECEIVABLES		Note	2024	2023
			\$	\$
Current				
Rates and statutory receivables			280,916	254,835
Trade receivables			65,946	81,912
GST receivable			24,113	43,452
Allowance for credit losses of rates and statutory receivables			(147,211)	(83,341)
			223,764	296,858
Disclosure of opening and closing balances related to contracts with customers				
Information about receivables from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:				
	Note	30 June 2024 Actual \$	30 June 2023 Actual \$	1 July 2022 Actual \$
Contract assets	7	0	61,689	63,166
Total trade and other receivables from contracts with customers		0	61,689	63,166

MATERIAL ACCOUNTING POLICIES

Rates and statutory receivables

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

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

Trade receivables

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

Other receivables

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

Measurement

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

Classification and subsequent measurement

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

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

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

SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

6. INVENTORIES

Note	2024	2023
	\$	\$
Current		
Fuel and materials	21,855	14,985
Land held for resale		
Cost of acquisition	70,000	70,000
Development costs	9,118	0
	100,973	84,985
The following movements in inventories occurred during the year:		
Balance at beginning of year	84,985	17,256
Inventories expensed during the year	(257,422)	(263,191)
Additions to inventory	273,410	330,920
Balance at end of year	100,973	84,985

MATERIAL ACCOUNTING POLICIES

General

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

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

Land held for resale

Land held for development and resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development.

Land held for resale (Continued)

Borrowing costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed onto the buyer at this point.

Land held for resale is classified as current except where it is held as non-current based on the Shire's intentions to release for sale.

**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

7. OTHER ASSETS

Other assets - current

	2024	2023
	\$	\$
Prepayments	32,578	0
Accrued income	58,579	0
Contract assets	0	61,689
	91,157	61,689

Non-current assets held for sale

Land and buildings	65,107	65,107
	65,107	65,107

MATERIAL ACCOUNTING POLICIES

Other current assets

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

Non-current assets held for sale

Assets are classified as held for sale where the carrying amount will be recovered through a sale rather than continuing use and the asset is available for immediate sale with a sale being highly probable.

Contract assets

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

SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Assets not subject to operating lease			Assets subject to operating lease			Total Property					Plant and equipment		Total property, plant and equipment	
	Land	Buildings - non-specialised	Buildings - specialised	Land	Buildings - non-specialised	Buildings - specialised	Land	Buildings - non-specialised	Buildings - specialised	Work in progress	Total Property	Furniture and equipment	Plant and equipment		
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		
Balance at 1 July 2022	730,400	10,945	10,062,600	96,700	1,797,100	4,063,700	827,100	1,808,045	14,146,300	\$	0	16,781,445	21,192	2,955,480	19,758,117
Additions	0	28,823	50,257	0	0	71,468	0	28,823	121,725			150,548	11,068	641,434	803,050
Disposals							0	0	0			0		(113,452)	(113,452)
Depreciation	0	(194)	(156,529)	0	(34,532)	(59,592)	0	(34,726)	(216,121)			(250,847)	(6,373)	(375,098)	(632,318)
Transfers	(70,000)	0	0	(2,200)	(62,907)	0	(72,200)	(62,907)	0			(135,107)			(135,107)
Balance at 30 June 2023	660,400	39,574	9,976,328	94,500	1,699,661	4,075,576	754,900	1,739,235	14,051,904	0	16,546,039		25,887	3,108,364	19,680,290
Comprises:															
Gross balance amount at 30 June 2023	660,400	39,768	10,132,857	94,500	1,734,193	4,135,168	754,900	1,773,961	14,268,025	0	16,796,886		54,198	4,993,041	21,844,125
Accumulated depreciation at 30 June 2023	0	(194)	(156,529)	0	(34,532)	(59,592)	0	(34,726)	(216,121)	0	(250,847)		(28,311)	(1,884,677)	(2,183,835)
Balance at 30 June 2023	660,400	39,574	9,976,328	94,500	1,699,661	4,075,576	754,900	1,739,235	14,051,904	0	16,546,039		25,887	3,108,364	19,680,290
Additions	0	0	18,136	0	0	0	0	0	18,136	520,765	538,901		20,000	317,139	876,040
Disposals	0	0	(20,012)	0	0	0	0	0	(20,012)		(20,012)			(239,952)	(259,964)
Depreciation	0	(194)	(157,626)	0	(34,532)	(63,937)	0	(34,726)	(221,563)		(256,289)		(10,630)	(422,965)	(689,884)
Balance at 30 June 2024	660,400	39,380	9,816,826	94,500	1,665,129	4,011,639	754,900	1,704,509	13,828,465	520,765	16,808,639		35,257	2,762,586	19,606,482
Comprises:															
Gross balance amount at 30 June 2024	660,400	39,768	10,128,791	94,500	1,733,300	4,135,168	754,900	1,773,068	14,263,959	520,765	17,312,692		74,198	4,805,737	22,192,827
Accumulated depreciation at 30 June 2024	0	(388)	(311,965)	0	(68,171)	(123,529)	0	(68,559)	(435,494)	0	(504,053)		(38,941)	(2,043,151)	(2,586,145)
Balance at 30 June 2024	660,400	39,380	9,816,826	94,500	1,665,129	4,011,639	754,900	1,704,509	13,828,465	520,765	16,808,639		35,257	2,762,586	19,606,482



SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Amount Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value - as determined at the last valuation date					
Land and buildings					
Land	2	Market approach using recent observable market data for similar properties.	Registered Valuer	June 2022	Price per hectare or m2
Buildings - non-specialised	2	Market approach using recent observable market data for similar properties.	Registered Valuer	June 2022	Market data/improvements to land using construction costs and current market conditions (Level 2)
Buildings - specialised	2 & 3	Cost approach using depreciated replacement cost	Registered Valuer	June 2022	Improvements to land using construction costs and current conditions (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. The valuation techniques applied to property subject to lease was the same as that applied to property not subject to lease.					
(ii) Cost					
Furniture and equipment		N/A	Cost	N/A	N/A
Plant and equipment		N/A	Cost	N/A	N/A



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**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

9. INFRASTRUCTURE

(a) Movements in Balances

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

	Infrastructure - roads	Infrastructure - other	Infrastructure - landfill assets	Infrastructure - bridges	Total Infrastructure
	\$	\$	\$	\$	\$
Balance at 1 July 2022	85,116,898	3,538,400	0	17,098,636	105,753,934
Additions	1,180,207	777,829	0		1,958,036
Revaluation increments / (decrements) transferred to revaluation surplus	0	0	0	10,023,205	10,023,205
Depreciation	(1,763,490)	(182,237)	0	(499,841)	(2,445,568)
Balance at 30 June 2023	84,533,615	4,133,992	0	26,622,000	115,289,607
Comprises:					
Gross balance at 30 June 2023	86,297,105	4,316,229	0	26,622,000	117,235,334
Accumulated depreciation at 30 June 2023	(1,763,490)	(182,237)	0	0	(1,945,727)
Balance at 30 June 2023	84,533,615	4,133,992	0	26,622,000	115,289,607
Additions	1,071,061	48,608	55,324	0	1,174,993
(Disposals)	0	(20,612)	0	0	(20,612)
Depreciation	(1,857,796)	(207,462)	0	(831,699)	(2,896,957)
Balance at 30 June 2024	83,746,880	3,954,526	55,324	25,790,301	113,547,031
Comprises:					
Gross balance at 30 June 2024	87,368,166	4,339,338	55,324	26,622,000	118,384,828
Accumulated depreciation at 30 June 2024	(3,621,286)	(384,812)	0	(831,699)	(4,837,797)
Balance at 30 June 2024	83,746,880	3,954,526	55,324	25,790,301	113,547,031



SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

9. INFRASTRUCTURE (Continued)

(b) Carrying Amount Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value - as determined at the last valuation date					
Infrastructure - roads	3	Cost approach using depreciated replacement cost	Registered Valuer	June 2022	Costs and current condition), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - other	3	Cost approach using depreciated replacement cost	Registered Valuer	June 2022	Costs and current condition, residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - bridges	3	Cost approach using depreciated replacement cost	Registered Valuer	June 2023	Costs and current condition, residual values and remaining useful life assessments (Level 3) inputs

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

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



**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

10. FIXED ASSETS

(a) Depreciation

Depreciation rates

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

Asset Class	Useful life
Buildings	30 to 100 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement	70 years
seal	
bituminous seals	15 to 25 years
asphalt surfaces	15 to 25 years
Gravel roads	
formation	not depreciated
pavement	50 years
gravel sheeting	10 to 15 years
Formed roads (unsealed)	
formation	not depreciated
pavement	50 years
Footpaths - slab	20 years
Sewerage piping	100 years
Water supply piping and drainage systems	75 years
Bridges	60 to 90 years



SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

10. FIXED ASSETS (Continued)

MATERIAL ACCOUNTING POLICIES

Initial recognition

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

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

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

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

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

Measurement after recognition

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

Reportable Value

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

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

Revaluation

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

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

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

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

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

Depreciation

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

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

Depreciation on revaluation

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

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

Impairment

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

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

Gains or losses on disposal

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

**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

11 LEASES

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

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

Less than 1 year
1 to 2 years

2024 Actual	2023 Actual
\$	\$
26,180	43,097
0	3,400
26,180	46,497
Amounts recognised in profit or loss for Property, Plant and Equipment Subject to Lease	
Rental income	
110,272	92,475

The Shire leases houses to staff and community members with rentals payable monthly. These leases are classified as operating leases as they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. The staff houses are not considered investment property as they are leased for use in the supply of services to the community. The community housing units are considered a joint operation and are not considered investment property as the primary purpose is provision of community housing.

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

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

MATERIAL ACCOUNTING POLICIES

The Shire as Lessor

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

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

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

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



**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

12 TRADE AND OTHER PAYABLES

Current

Sundry creditors
Prepaid rates
Accrued payroll liabilities
Payroll deductions
Bonds and deposits held

2024	2023
\$	\$
189,689	151,469
6,398	10,484
63,568	55,414
44,928	0
98,211	17,801
402,794	235,168

MATERIAL ACCOUNTING POLICIES

Financial liabilities

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

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

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

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the 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 of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Prepaid rates

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



**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

13. OTHER LIABILITIES

	2024	2023
	\$	\$
Current		
Contract liabilities	69,588	7,336
Capital grant/contributions liabilities	138,611	0
	208,199	7,336
Reconciliation of changes in contract liabilities		
Opening balance	7,336	512,197
Additions	69,588	7,336
Revenue from contracts with customers included as a contract liability at the start of the period	(7,336)	(512,197)
	69,588	7,336
Reconciliation of changes in capital grant/contribution liabilities		
Opening balance	0	0
Additions	138,611	0
	138,611	0

The Shire expects to satisfy the performance obligations, from contracts with customers unsatisfied at the end of the reporting period, within the next 12 months.

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

MATERIAL ACCOUNTING POLICIES

Contract liabilities

Contract liabilities represent the Shire's obligation to transfer goods or services to a customer for which the Shire has received consideration from the customer.

Contract liabilities represent obligations which are not yet satisfied. Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

Capital grant/contribution liabilities

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

Fair values for non-current capital grant/contribution liabilities, not expected to be extinguished within 12 months, are based on discounted cash flows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 24(i)) due to the unobservable inputs, including own credit risk.



**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

14. BORROWINGS

	Note	2024			2023		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Long term borrowings		137,156	574,337	711,493	125,119	561,137	686,256
Total secured borrowings	27(a)	137,156	574,337	711,493	125,119	561,137	686,256

Secured liabilities and assets pledged as security

MATERIAL ACCOUNTING POLICIES

Borrowing costs

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

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature. Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 24(i)) due to the unobservable inputs, including own credit risk.

Risk

Details of individual borrowings required by regulations are provided at Note 27(a).



**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

15. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

	2024	2023
	\$	\$
Current provisions		
Employee benefit provisions		
Annual leave	146,388	122,354
Long service leave	219,103	188,072
	365,491	310,426
Total current employee related provisions	365,491	310,426
Non-current provisions		
Employee benefit provisions		
Long service leave	45,695	11,941
	45,695	11,941
Total non-current employee related provisions	45,695	11,941
Total employee related provisions	411,186	322,367

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

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

MATERIAL ACCOUNTING POLICIES

Employee benefits

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

Short-term employee benefits

Provision is made for the 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

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

The 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.



**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

16. OTHER PROVISIONS

	Provision for tip closure	Total
	\$	\$
Opening balance at 1 July 2023	0	0
Additional provision	55,324	55,324
Balance at 30 June 2024	55,324	55,324
Comprises		
Non-current	55,324	55,324
	55,324	55,324

Other provisions

Amounts which are expected to be paid out within 12 months of the reporting date are classified as current. Exact timing of payment of non-current obligations is unable to be reliably estimated as it is dependent on factors beyond the control of the local government.

MATERIAL ACCOUNTING POLICIES

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

17. REVALUATION SURPLUS

	2024 Opening Balance	2024 Closing Balance	2023 Opening Balance	Total Movement on Revaluation	2023 Closing Balance
	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	472,399	472,399	472,399	0	472,399
Revaluation surplus - Buildings - non-specialised	6,723,325	6,723,325	6,723,325	0	6,723,325
Revaluation surplus - Buildings - specialised	3,889,902	3,889,902	3,889,902	0	3,889,902
Revaluation surplus - Furniture and equipment	10,206	10,206	10,206	0	10,206
Revaluation surplus - Infrastructure - roads	82,924,457	82,924,457	82,924,457	0	82,924,457
Revaluation surplus - Infrastructure - other	1,711,767	1,711,767	1,711,767	0	1,711,767
Revaluation surplus - Infrastructure - bridges	29,867,809	29,867,809	19,844,604	10,023,205	29,867,809
	125,599,865	125,599,865	115,576,660	10,023,205	125,599,865



**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

18. RESTRICTIONS OVER FINANCIAL ASSETS

	Note	2024 Actual \$	2023 Actual \$
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents	3	3,036,844	2,762,214
		3,036,844	2,762,214
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	28	2,828,645	2,754,878
Contract liabilities	13	69,588	7,336
Capital grant liabilities	13	138,611	0
Total restricted financial assets		3,036,844	2,762,214

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

Bank overdraft limit		150,000	150,000
Bank overdraft at balance date		0	0
Credit card limit		15,000	15,000
Credit card balance at balance date		(5,336)	(6,089)
Total amount of credit unused		159,664	158,911
Loan facilities			
Loan facilities - current		137,156	125,119
Loan facilities - non-current		574,337	561,137
Total facilities in use at balance date		711,493	686,256
Unused loan facilities at balance date		NIL	NIL



**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

20. CONTINGENT LIABILITIES

The Shire of West Arthur has identified the following site in relation to land owned, vested or leased, that is possibly contaminated with investigation required.

Darkan Landfill Site - Reserve 31890 Coalfields Road, Darkan.

Until the Shire conducts an investigation to determine the presence and scope of contamination, assesses the risk, and agrees with the Department of Water and Environmental Regulation on the need and criteria for remediation of a risk based approach, the Shire is unable to estimate the potential costs associated with remediation of this site. This approach is consistent with the Department of Water and Environmental Regulation Guidelines.

21. CAPITAL COMMITMENTS

	2024	2023
	\$	\$
Contracted for:		
- capital expenditure projects	107,226	453,575
	107,226	453,575
Payable:		
- not later than one year	107,226	453,575

The capital expenditure project outstanding at the end of the current reporting period includes the final payment on completion of the construction of a new staff house in King Street, Darkan (the prior year commitment was for the same project).

The capital expenditure projects outstanding also includes a playground to be constructed in the Railway Reserve in Burrowes Street, Darkan.



**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

22. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

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

Note	2024 Actual \$	2024 Budget \$	2023 Actual \$
President's annual allowance	6,000	6,000	4,000
President's meeting attendance fees	4,600	4,200	3,300
President's annual allowance for ICT expenses	500	500	500
President's travel and accommodation expenses	1,881	1,220	1,202
	<u>12,981</u>	<u>11,920</u>	<u>9,002</u>
Deputy President's annual allowance	1,500	1,500	1,000
Deputy President's meeting attendance fees	3,000	2,900	2,540
Deputy President's annual allowance for ICT expenses	500	500	500
Deputy President's travel and accommodation expenses	1,076	694	688
	<u>6,076</u>	<u>5,594</u>	<u>4,728</u>
All other council member's meeting attendance fees	15,600	14,200	11,490
All other council member's ICT expenses	2,360	2,500	2,500
All other council member's travel and accommodation expenses	1,890	1,586	1,518
	<u>19,850</u>	<u>18,286</u>	<u>15,508</u>
22(b)	<u>38,907</u>	<u>35,800</u>	<u>29,238</u>

(b) Key Management Personnel (KMP) Compensation

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

Short-term employee benefits	423,363	377,259
Post-employment benefits	54,518	47,919
Employee - other long-term benefits	28,034	29,968
Council member costs	<u>38,907</u>	<u>29,238</u>
22(a)	<u>544,822</u>	<u>484,384</u>

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

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

Council member costs

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



**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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22. RELATED PARTY TRANSACTIONS

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 guarantees exist in relation to related parties at year end.

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

	2024 Actual	2023 Actual
	\$	\$
Short term employee benefits - other related parties	317,506	275,655
Payment of council member costs (Refer to Note 22(a))	38,907	29,238

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 Shire, directly or indirectly, including any council member, are considered key management personnel and are detailed in Notes 22(a) and 22(b).

ii. Other Related Parties

Short-term employee benefits related associated persons of the CEO, Manager of Works and Services and Councillors who were employed by the Shire under normal employment terms and conditions.

Outside of normal citizen type transactions with the Shire, there were no other related party transactions involving key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

iii. Entities subject to significant influence by the Shire

There were no such entities requiring disclosure during the current or previous year.



**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

23. JOINT ARRANGEMENTS

Share of joint operations

The Shire has a joint arrangement with the Department of Communities which provides housing for the community. The only assets are land and housing units of which the Shire owns a percentage share.

Statement of Financial Position

	2024 Actual	2023 Actual
	\$	\$
Cash and cash equivalents	200,920	191,208
Land - 10 Hillman Street	5,400	5,400
Land - 12 Hillman Street	3,500	3,500
Land - 18 Gibbs St/25 Nangip Cres	2,200	2,200
Building - 10 Hillman Street	91,800	91,800
Building - 12 Hillman Street	59,500	59,500
Building - 18 Gibbs Street	31,900	31,900
Building - 25 Nangip Cres	31,900	31,900
(less accumulated depreciation)	(2,892)	(2,892)
Total assets	424,228	414,516

Reserve accounts

	200,920	191,208
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Total equity

Statement of Comprehensive Income

Rental Income	36,260	37,859
Depreciation	(2,892)	(2,892)
Other expense	(23,698)	(23,559)
Profit/(loss) for the period	9,670	11,408
Other comprehensive income	0	0
Total comprehensive income for the period	9,670	11,408

Statement of Cash Flows

Rental Income	36,260	37,859
Other expense	(23,698)	(23,559)
Net cash provided by (used in) operating activities	12,562	14,300

MATERIAL ACCOUNTING POLICIES

Joint operations

A joint operation is a joint arrangement where the Shire has joint control with two or more parties to the joint arrangement. All parties to joint arrangement have rights to the assets, and obligations for the liabilities relating to the arrangement.

Assets, liabilities, revenues and expenses relating to the Shire's interest in the joint operation are accounted for in accordance with the relevant Australian Accounting Standard.



SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

24. OTHER MATERIAL ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Shire's operational 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 report is presented.

e) Budget comparative figures

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

f) Superannuation

The 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) Interest revenue

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

i) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

The 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.

j) Impairment of assets

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

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

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

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

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



**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

25. RATING INFORMATION

(a) General Rates

RATE TYPE Rate Description	Rate in \$	Number of Properties	2023/24 Actual Rateable Value*	2023/24 Actual Rate Revenue	2023/24 Actual Interim Rates	2023/24 Actual Total Revenue	2023/24 Budget Rate Revenue	2023/24 Budget Interim Rate	2023/24 Budget Total Revenue	2022/23 Actual Total Revenue
	\$		\$	\$	\$	\$	\$	\$	\$	\$
(i) General rates										
GRV Townsite	0.083280	85	744,156	61,973	0	61,973	61,973	0	61,973	58,468
GRV Commercial	0.083280	13	239,564	19,951	0	19,951	19,951	0	19,951	18,823
GRV Industrial	0.083280	7	112,580	9,376	0	9,376	9,376	0	9,376	8,845
GRV Other Townsite	0.083280	15	95,888	7,986	0	7,986	7,986	0	7,986	7,534
UV Rural	0.003954	374	455,842,000	1,802,399	(197)	1,802,202	1,802,399	0	1,802,399	1,702,177
Total general rates		494	457,034,188	1,901,685	(197)	1,901,488	1,901,685	0	1,901,685	1,795,847
(ii) Minimum payment										
Minimum Payment \$										
GRV Townsite	597	47	179,632	28,059	0	28,059	28,059	0	28,059	26,461
GRV Commercial	597	9	22,440	5,373	0	5,373	5,373	0	5,373	5,067
GRV Industrial	597	3	9,690	1,791	0	1,791	1,791	0	1,791	2,432
GRV Other Townsite	417	19	20,820	7,923	0	7,923	7,923	0	7,923	7,467
UV Rural, Industrial & Mining	597	83	7,091,434	49,551	(748)	48,803	49,551	0	49,551	46,596
Total minimum payments		161	7,324,016	92,697	(748)	91,949	92,697	0	92,697	88,023
Total general rates and minimum payments		655	464,358,204	1,994,382	(945)	1,993,437	1,994,382	0	1,994,382	1,883,870
(iii) Ex-gratia Rates										
Ex-gratia rates										
Total amount raised from rates (excluding gener										
Total Rates						1,997,367			1,998,156	1,887,578
Rate instalment interest						2,124			1,800	1,239
Rate overdue interest						19,223			15,200	16,959

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

*Rateable Value at time of raising of rate.



**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

26. DETERMINATION OF SURPLUS OR DEFICIT

Note	2023/24 (30 June 2024 Carried Forward) \$	2023/24 Budget (30 June 2024 Carried Forward) \$	2022/23 (30 June 2023 Carried Forward) \$
(a) Non-cash amounts excluded from operating activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to operating activities			
Less: Profit on asset disposals	(222,863)	(11,124)	(81,548)
Less: Fair value adjustments to financial assets at fair value through profit or loss	(1,262)		(2,764)
Add: Loss on disposal of assets	51,234	5,034	0
Add: Depreciation	3,586,841	2,269,487	3,077,886
Non-cash movements in non-current assets and liabilities:			
Assets held for sale	7 (65,107)	0	65,107
Employee benefit provisions	88,818	0	12,293
Movement in accrued wages	8,154	0	16,608
Inventory	(9,118)	0	0
Non-cash amounts excluded from operating activities	3,436,697	2,263,397	3,087,582
(b) Non-cash amounts excluded from investing activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to investing activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to investing activities			
Movement in non-current capital expenditure provisions	55,324	0	0
Non-cash amounts excluded from investing activities	55,324	0	0
(c) Surplus or deficit after imposition of general rates			
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
Adjustments to net current assets			
Less: Reserve accounts	28 (2,828,645)	(2,086,986)	(2,754,878)
Less: Financial assets at amortised cost - self supporting loans	4(a) (31,016)	(31,016)	(30,007)
Less: Financial assets at amortised cost			
Less: Current assets not expected to be received at end of year			
- Land held for resale	6 (79,118)	0	(70,000)
- Assets held for sale	(65,107)	0	0
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	14 137,156	135,795	125,119
- Employee benefit provisions	429,057	372,259	365,839
Total adjustments to net current assets	(2,437,673)	(1,609,948)	(2,363,927)
Net current assets used in the Statement of Financial Activity			
Total current assets	4,963,636	2,322,682	4,795,915
Less: Total current liabilities	(1,113,640)	(712,734)	(678,049)
Less: Total adjustments to net current assets	(2,437,673)	(1,609,948)	(2,363,927)
Surplus or deficit after imposition of general rates	1,412,323	0	1,753,939



SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

27. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual						Budget			
		Principal at	New Loans	Principal	Principal at 30	New Loans	Principal	Principal at 1	New Loans	Principal	Principal at
		1 July 2022	During 2022-23	Repayments During 2022-23	June 2023	During 2023-24	Repayments During 2023-24	July 2023	During 2023-24	Repayments During 2023-24	30 June 2024
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
GRCH housing		146,262	0	(50,184)	96,078	0	(53,558)	96,079	0	(53,558)	42,521
Industrial land		38,657	0	(10,599)	28,058	0	(10,950)	28,059	0	(10,950)	17,109
Loader		0	270,000	(17,255)	252,745	0	(23,823)	252,746	0	(23,823)	228,923
ERP		0	0	0	0	150,000	(6,425)	0	150,000	(6,781)	143,219
Total		184,919	270,000	(78,038)	376,881	150,000	(94,756)	376,884	150,000	(95,112)	431,772
Self Supporting Loans											
WA Cottage Homes		338,407	0	(29,032)	309,375	0	(30,007)	309,374	0	(30,007)	279,367
Total Self Supporting Loans		338,407	0	(29,032)	309,375	0	(30,007)	309,374	0	(30,007)	279,367
Total Borrowings	14	523,326	270,000	(107,070)	686,256	150,000	(124,763)	686,258	150,000	(125,119)	711,139

Self supporting loans are financed by payments from third parties. These are shown in Note 4 as other financial assets at amortised cost.
All other loan repayments were financed by general purpose revenue.

Borrowing Finance Cost Payments

Purpose	Loan Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2024	Budget for year ending 30 June 2024	Actual for year ending 30 June 2023
					\$	\$	\$
GRCH housing	70	WATC *	6.60%	31/03/2025	(5,003)	(5,003)	(8,377)
Industrial land	72	WATC *	3.30%	31/12/2025	(784)	(784)	(1,135)
Loader	74	WATC *	4.00%	30/09/2032	(9,758)	(9,758)	(6,111)
ERP	75	WATC *	4.18%	31/03/2029	(1,345)	(1,571)	0
Total					(16,890)	(17,116)	(15,623)
Self Supporting Loans Finance Cost Payments							
WA Cottage Homes	73	WATC *	3.30%	30/06/2032	(9,900)	(9,900)	(10,876)
Total Self Supporting Loans Finance Cost Payments					(9,900)	(9,900)	(10,876)
Total Finance Cost Payments					(26,790)	(27,016)	(26,499)

* WA Treasury Corporation



SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

27. BORROWING AND LEASE LIABILITIES (Continued)

(b) New Borrowings - 2023/24

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
					2024	2024	2024	2024		
					Actual	Budget	Actual	Budget		
ERP and ED RMS software	WATC	Fixed	5	4.18%	\$	\$	\$	\$	\$	\$
					150,000	150,000	150,000	150,000	17,604	0
					150,000	150,000	150,000	150,000	17,604	0
* WA Treasury Corporation										

* WA Treasury Corporation



SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

28. RESERVE ACCOUNTS

	2024 Actual Opening Balance	2024 Actual Transfer to	2024 Actual Transfer (from)	2024 Actual Closing Balance	2024 Budget Opening Balance	2024 Budget Transfer to	2024 Budget Transfer (from)	2024 Budget Closing Balance	2023 Actual Opening Balance	2023 Actual Transfer to	2023 Actual Transfer (from)	2023 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Leave Reserve	125,105	6,355	0	131,460	125,105	5,972	0	131,077	121,148	3,957	0	125,105
(b) Plant Reserve	556,751	751,299	(270,547)	1,037,503	556,751	326,576	(376,926)	506,401	454,017	351,723	(248,989)	556,751
(c) Building Reserve	691,759	34,672	(550,200)	176,231	691,759	33,021	(694,620)	30,160	734,309	23,982	(66,532)	691,759
(d) Town Development Reserve	1,578	80	0	1,658	1,578	75	0	1,653	1,528	50	0	1,578
(e) Recreation Reserve	168,617	8,565	0	177,182	168,617	8,049	0	176,666	163,284	5,333	0	168,617
(f) Heritage Reserve	6,563	483	0	7,046	6,563	463	0	7,026	6,091	472	0	6,563
(g) Community Housing Reserve	191,208	9,712	0	200,920	191,208	10,127	(1,000)	200,335	169,135	22,073	0	191,208
(h) Waste Management Reserve	117,002	5,943	0	122,945	117,002	5,585	(35,000)	87,587	122,753	4,009	(9,760)	117,002
(i) Darkan Swimming Pool Reserve	55,826	7,836	0	63,662	55,826	7,665	0	63,491	49,219	6,607	0	55,826
(j) Information Technology Reserve	57,723	2,931	(25,000)	35,654	57,723	2,755	(25,000)	35,478	66,550	5,173	(14,000)	57,723
(k) Darkan Sport and Community Centre Reserve	184,875	55,757	0	240,632	184,875	38,825	0	223,700	325,421	39,482	(180,028)	184,875
(l) Arthur River Country Club Reserve	47,461	8,410	0	55,871	47,461	8,266	0	55,727	40,150	7,311	0	47,461
(m) Museum Reserve	132,904	6,750	(5,000)	134,654	132,904	6,344	(5,000)	134,248	128,701	4,203	0	132,904
(n) Moodiarup Sports Club Reserve	22,156	6,125	0	28,281	22,156	6,058	0	28,214	17,582	4,574	0	22,156
(o) Landcare Reserve	29,067	1,476	(5,000)	25,543	29,067	1,388	(5,000)	25,455	32,990	1,077	(5,000)	29,067
(p) Corporate Planning and Valuation Reserve	4,596	233	0	4,829	4,596	219	0	4,815	19,945	651	(16,000)	4,596
(q) Kids Central Reserve	7,088	778	0	7,866	7,088	338	(2,000)	5,426	7,156	234	(302)	7,088
(r) The Shed Reserve	13,103	1,027	0	14,130	13,103	625	0	13,728	12,824	419	(140)	13,103
(s) Recreation Trails Reserve	1,258	1,455	0	2,713	1,258	60	0	1,318	1,218	40	0	1,258
(t) Community Gym Reserve	8,558	2,778	0	11,336	8,558	409	(2,000)	6,967	12,004	2,646	(6,092)	8,558
(u) Economic Development Reserve	89,885	4,596	0	94,451	89,885	4,291	0	94,176	113,847	3,718	(27,680)	89,885
(v) Road Reserve	241,795	12,283	0	254,078	241,795	11,543	0	253,338	234,148	7,647	0	241,795
	2,754,878	929,514	(855,747)	2,828,645	2,754,878	478,654	(1,146,546)	2,086,986	2,834,020	495,381	(574,523)	2,754,878

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

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



SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

Restricted by council	
(a) Leave Reserve	To be used to fund long service leave and annual leave requirements
(b) Plant Reserve	To be used for the purchase of major plant
(c) Building Reserve	To be used for the construction and maintenance of Council buildings
(d) Town Development Reserve	To be used to enhance town infrastructure
(e) Recreation Reserve	To be used to enhance recreation infrastructure
(f) Heritage Reserve	To be used to maintain and improve the heritage buildings of the Shire
(g) Community Housing Reserve	To be used for the maintenance and provision of housing within the Shire
(h) Waste Management Reserve	To be used to assist with funding future infrastructure requirements for waste management
(i) Darkan Swimming Pool Reserve	To be used to assist with funding works at the Darkan swimming pool
(j) Information Technology Reserve	To be used for upgrades to computers and office equipment
(k) Darkan Sport and Community Centre Reserve	To be used to maintain and improve the Darkan Sport and Community Centre
(l) Arthur River Country Club Reserve	To be used to maintain and improve the Arthur River Country Club
(m) Museum Reserve	To be used to maintain and to provide new displays in the Museum
(n) Moodiarup Sports Club Reserve	To be used to maintain and improve the Moodiarup Sports Club Reserve
(o) Landcare Reserve	To be used to fund the landcare expenditure of the Shire
(p) Corporate Planning and Valuation Reserve	To be used to fund the corporate planning and valuation expenditure of the Shire
(q) Kids Central Reserve	To be used to fund the renewal of equipment and infrastructure
(r) The Shed Reserve	To be used to fund the renewal of equipment and infrastructure
(s) Recreation Trails Reserve	To be used for the construction and maintenance of recreation trails
(t) Community Gym Reserve	To be used for the renewal of gym equipment and activities
(u) Economic Development Reserve	To be used for economic development initiatives that benefit the Shire
(v) Road Reserve	To be used to fund road improvements or urgent repairs



**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

29. TRUST FUNDS

Funds held at balance date which are required to be held in trust and which are not included in the financial statements are as follows:

	1 July 2023	Amounts Received	Amounts Paid	30 June 2024
	\$	\$	\$	\$
Westcare	43,822	0	(43,822)	0
Seniors Luncheon	1,512	0	(1,512)	0
Arthur River Development	2,769	0	(2,769)	0
RSL Trust Fund	4,141	0	(4,141)	0
Darkan Arts Council	8,004	0	(8,004)	0
Arthur River Hall	2,840	250	(3,090)	0
Arthur River Restoration	10,622	0	(10,622)	0
Trust Fund Interest	0	1,886	(1,886)	0
	73,710	2,136	(75,846)	0



Independent Auditor's Report



Auditor General

INDEPENDENT AUDITOR'S REPORT 2024 Shire of West Arthur

To the Council of the Shire of West Arthur

Opinion

I have audited the financial report of the Shire of West Arthur (Shire) which comprises:

- the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity, statement of cash flows and statement of financial activity for the year then ended
- notes comprising a summary of material accounting policies and other explanatory information.

In my opinion, the financial report:

- is based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the Shire for the year ended 30 June 2024 and its financial position at the end of that period
- is 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

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial report section below.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2024, but not the financial report and my auditor's report.

My opinion on the financial report does not cover the other information and accordingly, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

Page 1 of 3

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If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to the CEO and Council and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

Responsibilities of the Chief Executive Officer and Council for the financial report

The Chief Executive Officer (CEO) of the Shire is responsible for:

- keeping proper accounts and records
- preparation and fair presentation of the financial report in accordance with the requirements of the Act, the Regulations and Australian Accounting Standards
- managing internal control as required by the CEO to ensure the financial report 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
- 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.

Auditor's responsibilities for the audit of the financial report

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial report. The objectives of my 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 my 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. 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, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

My independence and quality management relating to the report on the financial report

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQM 1 Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements, the Office of the Auditor General maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Shire of West Arthur for the year ended 30 June 2024 included in the annual report 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. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the Shire to confirm the information contained in the website version.



Tim Sanya
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
6 December 2024



Auditor General

INDEPENDENT AUDITOR'S REPORT 2024 Shire of West Arthur

To the Council of the Shire of West Arthur

Opinion

I have audited the financial report of the Shire of West Arthur (Shire) which comprises:

- the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity, statement of cash flows and statement of financial activity for the year then ended
- notes comprising a summary of material accounting policies and other explanatory information.

In my opinion, the financial report:

- is based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the Shire for the year ended 30 June 2024 and its financial position at the end of that period
- is 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

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial report section below.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2024, but not the financial report and my auditor's report.

My opinion on the financial report does not cover the other information and accordingly, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to the CEO and Council and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

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Tim Sanya
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
6 December 2024

12.4 BUDGET AMENDMENT - INCREASE IN INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) COSTS TO COVER CYBERSECURITY RECOMMENDATIONS BY AUDITORS

File Reference:	ADM381
Location:	N/A
Applicant:	N/A
Author:	Rajinder Sunner, Manager Corporate Services
Authorising Officer:	Vin Fordham Lamont, Chief Executive Officer
Date:	7/12/2024
Disclosure of Interest:	Nil
Attachments:	<ol style="list-style-type: none"> 1. Infinitum Technologies - Quote ↓ 2. Australian Signals Directorate - Essential Eight Maturity Model FAQ ↓

SUMMARY:

The council is requested to consider amending the adopted 2024/2025 annual budget to accommodate the cost of revising the existing Managed Service Agreement (MSA) with our current Information and Communication Technology (ICT) service provider.

BACKGROUND:

In the second half of 2022, the Shire of West Arthur sought a new provider to manage its ICT support. The Shire requested proposals from several vendors and received eight submissions. After thorough evaluations, assisted by an external independent expert in Information Technology, the Shire chose Infinitum Technologies as the preferred vendor. A three-year Managed Service Agreement (MSA) was signed in February 2023. The Shire opted for the Silver plan, which adequately met its needs at the time of the signing of the MSA.

COMMENT:

Our auditor conducted a performance audit for 2023-24, focusing on the Shire's ICT and cyber preparedness. They identified several weaknesses in our current ICT-managed services that require an immediate response. The Office of the Auditor General mandates that local governments comply with the Essential Eight Maturity Model. I discussed this matter with our neighbouring shires and discussed the findings with our current provider. As a result of our Auditor's Interim Management Letter, the Shire needs to upgrade our existing MSA from the Silver category to the Gold category.

Infinitum Technologies has provided a revised MSA for our consideration. We currently pay \$3,450 monthly for our ICT support plus other software licenses the Shire requires. The new plan will cost \$5,200 per month plus an implementation fee of \$3,680.

The budget amendment needed for 2024-25 will be \$15,000, which will be funded from the existing Information Technology Reserve. The balance of the Information Technology Reserve as of July 1, 2024, was \$35,654.

Monthly fees increase – January – June 2025	\$10,500.00	((\$5,200-\$3,450) x 6 = \$10,500
Implementation cost	\$ 3,680.00	
Incidentals	\$ 820.00	
Totals	\$15,000.00	

CONSULTATION:

Chief Executive Officer

Infinitum Technologies

STATUTORY ENVIRONMENT:

Nil

POLICY IMPLICATIONS:

Nil

FINANCIAL IMPLICATIONS:

To comply with the audit findings, \$15,000 will need to be transferred from the Information Technology Reserve to the Municipal account. The balance of the Information Technology Reserve as of July 1, 2024, was \$35,654.

STRATEGIC IMPLICATIONS:

Community Strategic Plan West Arthur Towards 2031

Theme: Leadership and Management – Inspirational, Dynamic, Transparent.

Outcome 4.3: Establish and maintain sound business and governance structures.

Strategy: Comply with regulations and best practice standards to drive good decision-making by Council and Staff.

RISK IMPLICATIONS:

Risk management is the removal of uncertainty from business decisions. Risk is expressed in terms of likelihood it may occur and the consequences that may flow from it. The consequences may be positive or negative or simply a deviation from the expected. The risk or consequence may be related to health and safety; financial; business or service interruption; compliance; reputation; or the environment. ***Reference to the risk matrix below will generate a risk rating by assessing the likelihood and consequence and multiplying these scores by each other.*** The greater the risk rating, the greater the risk and the higher the need for specific plans to be developed. All items with a risk rating greater than 10 should be added to the Risk Register and specific controls developed.

Risk Themes:

A risk theme is the categorising of risk. For example, the collection of risks that represent compliance failure. The risk themes in the shire Risk Register include:

- Business Disruption
- Community Disruption
- IT or Communications Failure
- External Threat or Fraud
- Misconduct
- Inadequate safety or security practices
- Inadequate project or change management
- Errors Omissions or Delays
- Inadequate Document Management Processes
- Inadequate supplier / contract management
- Providing inaccurate advice / information
- Ineffective Employment practices
- Compliance failure
- Inadequate asset management
- Inadequate engagement practices
- Ineffective facility or event management

- Inadequate environmental management

Risk Matrix:

Consequence Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (25)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

Description of Key Risk	The Shire is not compliant with Essential Eight Maturity Model.
Risk Likelihood (based on history and with existing controls)	(5) Almost Certain
Risk Consequence	(3) Moderate
Risk Rating (Prior to Treatment or Control): Likelihood x Consequence	(15) High
Principal Risk Theme	Compliance failure in managing ICT
Risk Action Plan (Controls or Treatment Proposed)	Approve the proposed budget amendment to comply with Audit findings.

VOTING REQUIREMENTS:

Absolute Majority

RESOLUTION CO-2024-138

Moved: Cr Karen Harrington

Seconded: Cr Graeme Peirce

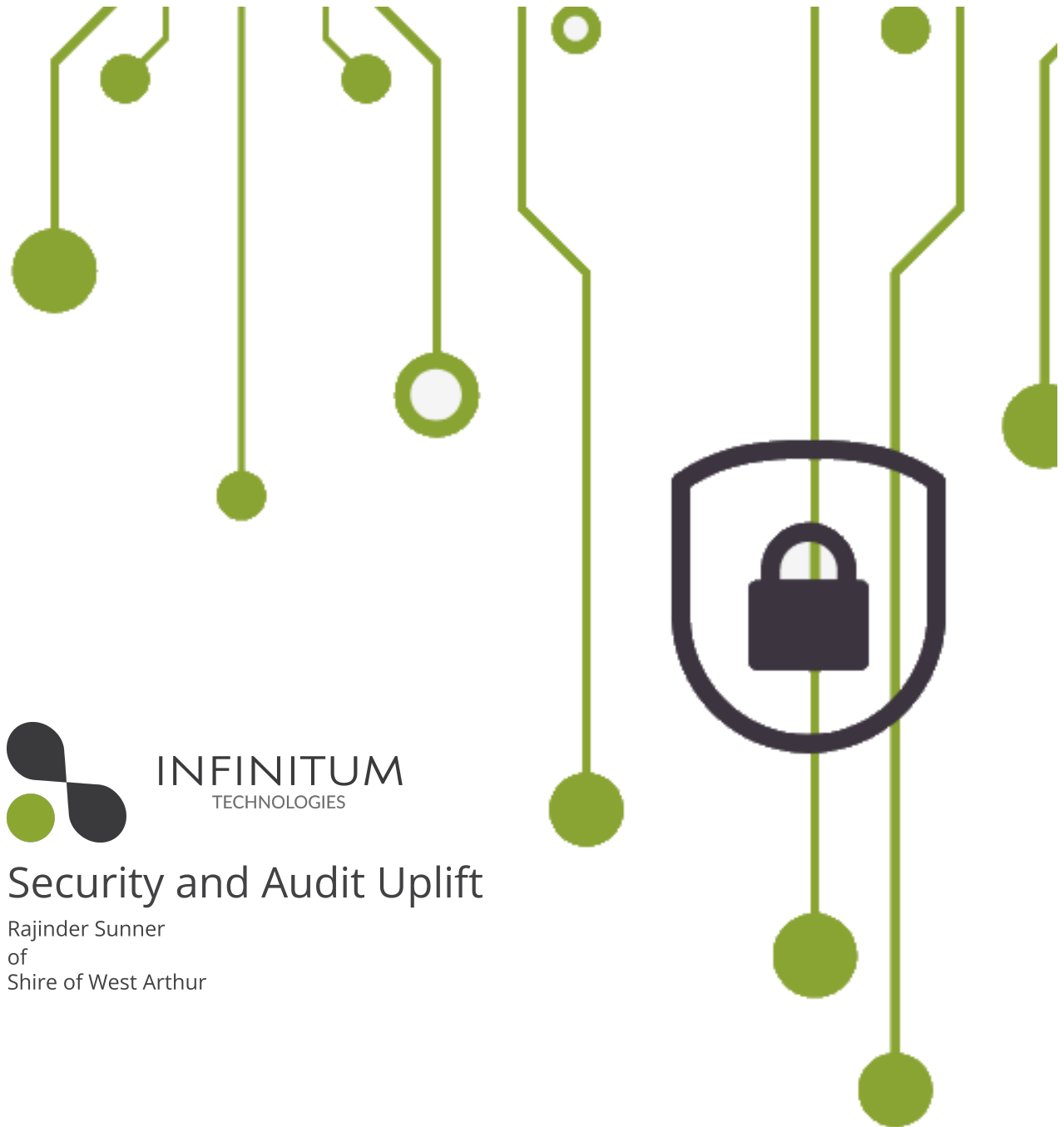
That Council approve the following amendment to the adopted 2024/2025 annual budget to accommodate the cost of planned changes to our Information and Communication Technology managed service agreement to comply with 2023-2024 Audit findings:

- Add expenditure of \$15,000 to the account Computer and Equipment – GL14202012, which will be funded via the Information Technology Reserve.
- Add a transfer of \$15,000 from the Information Technology Reserve to the Shire's Municipal Account.

In Favour: Crs Neil Morrell, Karen Harrington, Graeme Peirce, Robyn Lubcke, Duncan South and Russell Prowse

Against: Nil

CARRIED 6/0 BY ABSOLUTE MAJORITY



INFINITUM
TECHNOLOGIES

Security and Audit Uplift

Rajinder Sunner
of
Shire of West Arthur

Interim Audit Requirement Review

We have reviewed the key finding from the interim audit on the SoWA systems and have the following Managed Service Uplift to consolidate some already charged/inplace systems while also uplifting the following requirements.

2. DISASTER RECOVERY PLAN TESTING - Included in our Silver and above plans.
3. STRATEGIC PLAN DOES NOT INCLUDE INFORMATION TECHNOLOGY - Gold and above plans include the assistance in development of policies and additional structured strategic planning.
4. CYBER SECURITY TRAINING - Automated training included in Silver and above, further uplift to simulate attacks is included in Gold and above.
5. VULNERABILITY ASSESSMENT AND PENETRATION TESTING - Included as part of our Dark Web Monitoring Service in Gold and Above. Can be subject to change depending on specific 3rd party applications that may require more advanced testing.
6. CHANGE MANAGEMENT POLICY - Gold and above plans include the assistance in development of policies and additional structured strategic planning, process is based around ITIL frameworks.
7. NO REVIEW OF APPROPRIATE USERS REQUIRING ACCESS TO CRITICAL SYSTEMS - Gold and above plans include the assistance in development of policies and additional structured strategic planning to formalise this process.
8. IT RISK REGISTER - Gold and above plans include the assistance in development of policies and additional structured strategic planning to formalise this process.
9. CYBER SECURITY RESPONSE PLAN - Gold and above plans include the assistance in development of policies and additional structured strategic planning to formalise this process. Silver and above plans align with ASD Essential 8 Maturity Levels 1-3 respectively, these requirements are subject to change and therefore the services provided can be subject to review to stay aligned.

Infinitum Technologies recommends the **GOLD** Plan for Local Government Authorities to achieve Essential 8 Level 2 Maturity and Audit Requirements.

A significant new feature in our SoE is the 24/7 Security Operations Center, which is integral to clients' Incident Response and Business Continuity Planning.

Managed Services

Infinitem Technologies emphasizes the importance of regular maintenance for all technology systems across our client base. This proactive approach ensures that technology solutions remain up-to-date, secure, and allows for timely resolution of any identified issues before they escalate.

Our proposed managed services plans go beyond the basics, addressing additional security and compliance requirements to align with the Essential 8 Maturity levels defined by the ASD. These plans also incorporate third-party software components, forming the backbone of Infinitem Technologies' Standard Operating Environments (SoE) for our valued clients.

Managed Service Plans	Bronze	Silver	Gold	Platinum
Remote Monitoring and Security Operations Center♦ 24x7	Basic	Yes	Yes	Yes
Remote Support♦ Monday - Friday 0830 - 1700	-	Yes	Yes	Yes
On-site Support*† Monday - Friday 0830 - 1700	-	Yes	Yes	Yes
Windows Update Automation♦	Basic	Basic	Yes	Yes
3rd Party Update Automation‡♦	Basic	Basic	Yes	Yes
Infrastructure Management♦	-	Basic	Yes	Yes
Multi Factor Authentication♦	-	Yes	Yes	Yes
MFA & Secure Access Service Edge♦	-	-	-	Yes
Email Signature Automation	-	Yes	Yes	Yes
Collaboration Security Email, Teams, SharePoint, OneDrive	-	Yes	Yes	Yes
Collaboration Backup**♦ Email, Teams, SharePoint, OneDrive	-	Yes	Yes	Yes
Antivirus Monitoring	Basic	Yes	Yes	Yes
Endpoint Security Platform♦	Basic	Basic	Advanced	Complete
AV / Endpoint Detection Managment	-	Yes	Yes	Yes
Managed Detection and Response♦	-	-	Basic 24x7	Advanced 24x7
Secure Application Control♦	-	-	Yes	Yes
Backup Managment♦	-	Yes	Yes	Yes
Server Backup**♦	-	-	Yes	Yes
Mobile Device Security	-	-	-	Yes
Security Awareness Training	-	Yes	Yes	Yes
Security Awareness Simulation	-	-	Yes	Yes
Dark Web Monitoring	-	-	Basic	Yes
Credential and Password Manager	-	-	Yes	Yes
Documentation and Manager	-	Basic	Yes	Yes
Service Level Agreement	-	Basic	Yes	Yes
Warranty Reporting	-	Basic	Yes	Yes
Service Reporting	Basic	Basic	Yes	Yes
Strategic Reviews and Forecasting	Yes	Yes	Yes	Yes

* On-site support is provided at the discretion of the Infinitem Technologies Service Delivery Team.

† On-site support outside of Perth or Geraldton Metro areas may have associated travel costs.

** Fair use policy applies, backup storage for servers charged at \$13.50 per TB.

‡ Supported applications only.

♦ Essential 8 Requirement.

Users	Workstations	Servers & Services	Network Devices	Security Appliances	Phones	Security Platforms	Sites
30	25	3	5	2	0	All Included	2





The following pricing has been based on the quantities above. If the quantities change billing will be adjusted accordingly.

Managed Service Plan Selection - Commitment to existing 28/02/2026 expiry date

The current MSA for the SoWA is approximately **\$3450.00 p/m** with the current November 2024 user and device count.

Government discounting has been taken into consideration for the below

\$0.00

Product	Quantity	Price	Amount
<input type="checkbox"/>  Managed Service Agreement - BRONZE Monthly	1	\$1,125.00	\$600.00 <i>\$525.00 off \$1125.00</i>
<input type="checkbox"/>  Managed Service Agreement - SILVER Monthly	1	\$4,445.00	\$3,425.00 <i>\$1020.00 off \$4445.00</i>
<input type="checkbox"/>  Managed Service Agreement - GOLD Monthly	1	\$7,830.00	\$5,200.00 <i>\$2630.00 off \$7830.00</i>
<input type="checkbox"/>  Managed Service Agreement - PLATINUM Monthly	1	\$8,955.00	\$5,900.00 <i>\$3055.00 off \$8955.00</i>

Integration and Uplift

This comprehensive upgrade will involve several key changes and enhancements:

Backend System Upgrades: We will implement significant changes to the backend systems to enhance performance, stability, and security. This includes migrating existing data to a new, more secure cloud infrastructure, ensuring data integrity and accessibility throughout the process.

Security Platform Implementation: To ensure compliance with the Essential 8 Level 2 Maturity and Audit Requirements mandated by the Australian government, we will deploy additional security platforms. These platforms will provide robust protection against cyber threats and enhance the overall security posture of the shire.



Minimal Disruption: Our team will work diligently to ensure that these upgrades cause as little interruption as possible to the daily operations of the shire staff. We will coordinate closely with your team to schedule updates and migrations at times that are least disruptive.

Staff Training: Comprehensive training will be provided to all staff members on how to connect to the new infrastructure and use the updated communications equipment. This training is essential to ensure that all personnel are proficient in the new systems, thereby maximizing the benefits of the upgrade.

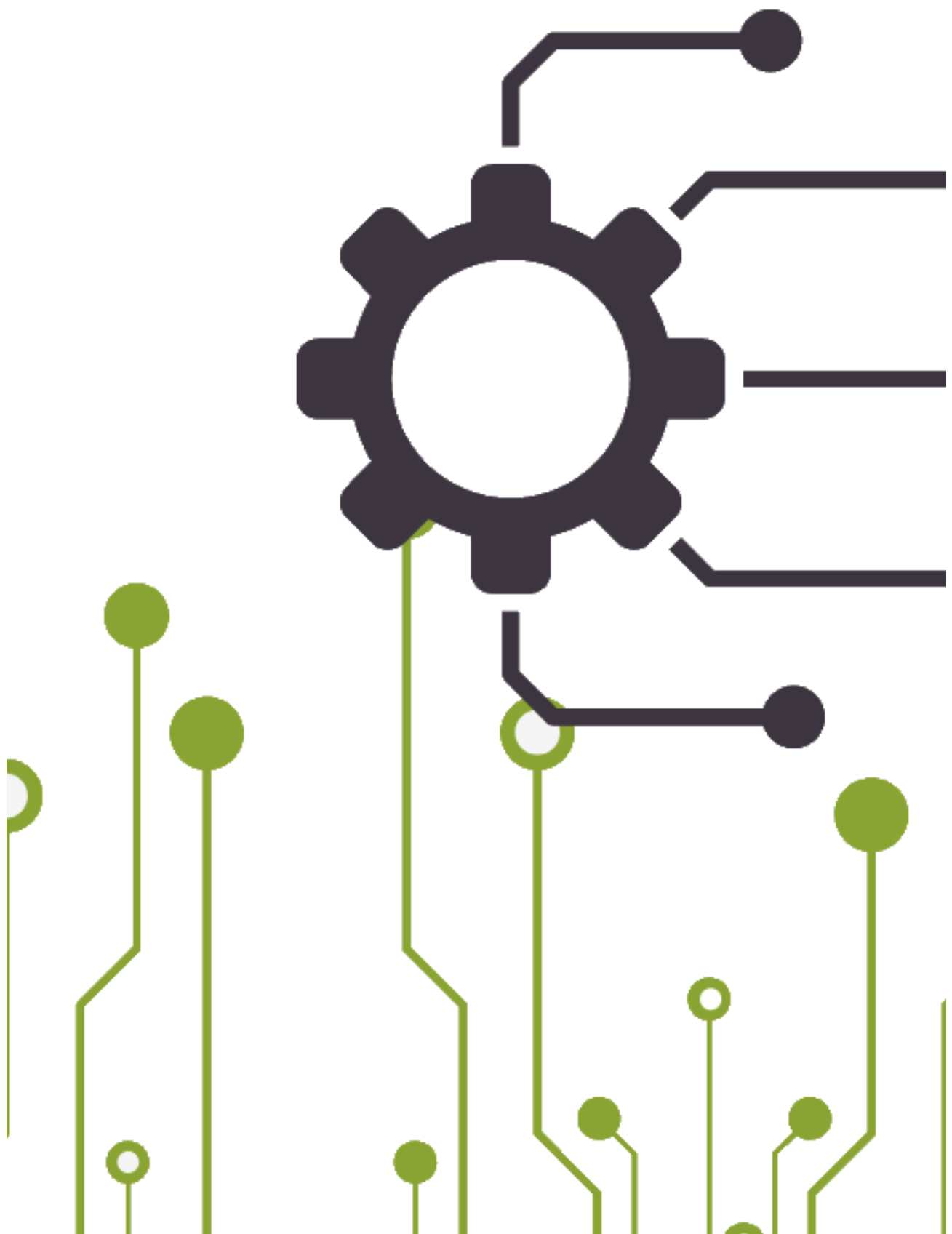
Continuous Support: Post-integration, we will offer ongoing support to address any issues that may arise and ensure the smooth operation of the new systems.

Additionally, the integration of a 24/7 Security Operations Center (SOC) will provide continuous monitoring and incident response capabilities, forming a critical part of the shire's Incident Response and Business Continuity Planning. This proactive approach will significantly improve the shire's ability to detect, respond to, and recover from security incidents, thereby aligning with government requirements and enhancing overall resilience.

Please note that the fees provided are estimates. Actual hours worked and materials used will be billed as incurred.

Labour and Incidentals			\$3,680.00
Product	Quantity	Price	Amount
 Project Management	3	\$160.00	\$480.00
 Network and Systems Engineering	20	\$160.00	\$3,200.00

Subtotal	\$3,680.00
Shipping	\$0.00
GST	\$368.00
Total	\$4,048.00





Australian Government
Australian Signals Directorate



Essential Eight Maturity Model FAQ

First published: July 2021
Last updated: October 2024

Introduction

This publication was developed to answer frequently asked questions on the [Essential Eight Maturity Model](#) (E8MM).

Frequently asked questions

General questions

What is the Essential Eight?

- While no set of mitigation strategies are guaranteed to protect against all cyber threats, organisations are recommended to implement eight essential mitigation strategies from the [Strategies to Mitigate Cyber Security Incidents](#) as a baseline. This baseline, known as the Essential Eight, makes it much harder for malicious actors to compromise systems.
- The mitigation strategies that constitute the Essential Eight are: patch applications, patch operating systems, multi-factor authentication, restrict administrative privileges, application control, restrict Microsoft Office macros, user application hardening and regular backups.

Why should I implement the Essential Eight?

- Implementing the Essential Eight proactively can be more cost-effective in terms of time, money and effort than having to respond to a large-scale cyber security incident.

What is the *Essential Eight Maturity Model*?

- The E8MM is designed to assist organisations to implement the Essential Eight in a graduated manner based upon different levels of malicious actors' tradecraft (i.e. tools, tactics, techniques and procedures) and targeting.
- The different maturity levels can also be used to provide a high-level indication of an organisation's cyber security maturity.

Why update the *Essential Eight Maturity Model*?

- The Australian Signals Directorate (ASD) is committed to providing cyber security advice that is contemporary, fit for purpose and practical. This includes regular updates to the E8MM.
- Malicious actors continually evolve their tradecraft to defeat preventative measures that organisations put in place.



- ASD continually learns of advances in malicious actors' tradecraft through its cyber threat intelligence and cyber security incident response functions.
- ASD also learns of how our cyber security advice is implemented within organisations as part of Essential Eight implementation assessments and uplift activities.
- Updates to the E8MM follow a thorough review by ASD, which includes consultation with government and industry partners.

Which version of the *Essential Eight Maturity Model* should be used?

- Organisations are strongly encouraged to use the latest version of the E8MM to protect themselves against contemporary tradecraft used by malicious actors. Note, legacy versions of the E8MM will often no longer be fit for purpose due to the continual evolution of tradecraft used by malicious actors.

How do the *Essential Eight Maturity Model* and *Information Security Manual* relate to each other?

- The applicability of controls within the [Information Security Manual](#) (ISM) is based on the classification of data that a system will store, process or communicate whereas the E8MM is based on prioritising the implementation of controls to mitigate different levels of malicious actors' tradecraft and targeting.
- A mapping between the E8MM and ISM is provided within the [Essential Eight Maturity Model and ISM Mapping](#) publication.
- The ISM also provides [OSCAL baselines for the E8MM](#) which can be used by organisations to track their implementation of the E8MM within their governance, reporting and compliance tools.
- Organisations should consider their E8MM and ISM requirements independently. For example, an organisation contractually required to implement Maturity Level Two from the E8MM should not assume that controls within the ISM that are mapped to Maturity Level Three are out of scope when building and deploying a system. For non-corporate Commonwealth entities subject to the Department of Home Affairs' [Protective Security Policy Framework](#), this means that while Maturity Level Two is considered a mandatory baseline, controls mapped to Maturity Level Three within the ISM are still applicable for their systems, however, their implementation may be risk managed.

Is there any training available on the *Essential Eight Maturity Model*?

- ASD has developed an Essential Eight assessment course and partnered with TAFEcyber for the delivery of the course to cyber security professionals across Australia.
- The Essential Eight assessment course is a face-to-face three-day course that uses a blend of specialist expertise, knowledge and hands-on technical training. Further information on the [Essential Eight Assessment Course](#) is available from TAFEcyber.

Essential Eight Maturity Model update (November 2023)

What were the changes?

- Information on changes made as part of the November 2023 update of the E8MM can be found within the associated [Essential Eight Maturity Model Changes](#) publication.

Implementation questions – General

Is the *Essential Eight Maturity Model* applicable to all systems?

- The Essential Eight has been designed to protect organisations' internet-connected information technology networks. While the principles behind the Essential Eight may be applied to enterprise mobility and operational technology networks, it was not designed for such purposes and alternative mitigation strategies may be more appropriate to defend against unique cyber threats to these environments.

Are legacy systems out of scope?

- It is often difficult to implement the Essential Eight, either in part or in full, on legacy systems. In such cases, ASD strongly encourages organisations to upgrade their legacy systems as a priority so that the Essential Eight can be implemented in full. While a system is in the process of being upgraded, organisations should implement compensating controls where possible to do so.

What maturity level should I target?

- Generally, Maturity Level One may be suitable for small to medium enterprises, Maturity Level Two may be suitable for large enterprises, and Maturity Level Three may be suitable for critical infrastructure providers and other organisations that operate in high threat environments.
- When implementing Essential Eight requirements, organisations should identify and plan for a target maturity level suitable for their environment. Organisations should then progressively implement each maturity level until that target is achieved.
- For organisations with a target maturity level above Maturity Level One, they may choose to implement individual requirements of a higher maturity level if it is more efficient and cost-effective to do so in the long run. For example, rather than implementing physical one-time password tokens to meet Maturity Level One requirements, then later replacing them with phishing-resistant smart cards, security keys or passkeys to meet Maturity Level Two requirements, organisations may choose to implement smart cards, security keys or passkeys when implementing Maturity Level One.
- Organisations should not be penalised for implementing more robust security measures than specified for the given maturity level they are being assessed against.

Can I jump straight to implementing my target maturity level?

- Organisations should progressively implement, and assess their implementation of, each maturity level until their target maturity level is achieved. Using such an approach provides organisations the opportunity to validate the correctness and robustness of their implementation of a particular maturity level before moving onto the next maturity level.
- Using a staged approach also allows organisations to:
 - assess the effectiveness of any new controls within their environment
 - monitor for any unanticipated consequences and identify any edge cases
 - address any issues identified following an assessment of their implementation
 - identify any impacted business processes, including unanticipated consequences
 - allow employees time to adjust to changes within their environment and work flows.

Can I implement compensating controls instead of specific Essential Eight requirements?

- Yes. However, system owners will need to demonstrate that their compensating controls provide an equivalent level of protection to the specific Essential Eight requirements they are compensating for. This will assist in ensuring that an equivalent level of overall protection against a specified level of malicious actors' tradecraft and targeting can be achieved and maintained.
- In cases where compensating controls are implemented, a mitigation strategy will be considered to have been fully implemented when all requirements that form that mitigation strategy have been assessed as either implemented or implemented using suitable compensating controls. However, if compensating controls are assessed as not suitable, the mitigation strategy will be assessed as either the next lowest maturity level it qualifies for or Maturity Level Zero.
- Note, system owners that seek to use risk acceptance without compensating controls, or risk transference (e.g. by sourcing cyber insurance), as justification for not implementing an entire mitigation strategy, such as application control or multi-factor authentication, will be considered to have not protected themselves against a specific class of cyber threat and will subsequently be assessed as Maturity Level Zero for both that mitigation strategy and their overall Essential Eight implementation.

What is a workstation?

- A workstation is any device that uses a desktop operating system, such as Microsoft Windows or a Linux distribution. This includes traditional desktop PCs, laptops and some tablets.

What is an internet-facing server?

- An internet-facing server is any server that is directly accessible over the internet.

What is an online service?

- An online service is any service that is directly accessible over the internet, including those sitting behind a perimeter firewall. For example, a web portal, a cloud service or a network device (such as a firewall or VPN concentrator).
- An example of an online service that processes, stores or communicates an organisation's sensitive data is any cloud service that has been authorised for use with OFFICIAL: Sensitive or PROTECTED data (such as GovTeams) or any other sensitive business data.
- Examples of online services that process, store or communicate an organisation's non-sensitive data can include web hosting services (such as GovCMS) or social media platforms (such as Facebook, Instagram, LinkedIn, YouTube and X).

What is a customer?

- A customer is a person that an organisation has dealings with, typically via the consumption of goods or services. A customer does not necessarily need to purchase goods or services from the organisation.

What is an online customer service?

- An online customer service is a subset of online service that is designed specifically for interaction between organisations and their customers. For example, the Australian Government's myGov web portal.

What is sensitive customer data?

- While organisations are often best placed to determine what constitutes sensitive customer data, organisations should consider the [guidance provided by the Office of the Australian Information Commissioner](#) as it relates to the [Privacy Act 1988](#).

**What is a data repository?**

- A data repository is a location in which data is stored, managed and made available to users.

Does ASD provide a list of approved products for implementing the Essential Eight?

- No. Organisations should determine the suitability of particular products based on their own requirements.

Does ASD provide any tools to assist with assessing implementations of the Essential Eight?

- Yes. ASD provides two tools as part of a 'cyber toolbox' to assist organisations with assessing implementations of the Essential Eight. These tools are the Essential Eight Maturity Verification Tool (E8MVT) and the Application Control Verification Tool (ACVT).
- Both E8MVT and ACVT are available to download via ASD's [Partner Portal](#).

Do I require a Security Information and Event Management (SIEM), Endpoint Detection and Response (EDR) or Extended Detection and Response (XDR) solution to capture, protect and monitor event logs?

- The [Strategies to Mitigate Cyber Security Incidents](#) publication recommends the use of SIEM and EDR software to centrally log and analyse system behaviour to detect compromises, while also facilitating cyber security incident response activities.
- MITRE's research illustrates how various [EDR vendors can detect and respond to compromises of systems](#) by malicious actors.
- Recent industry advances have introduced the concept of XDR which combines SIEM and EDR functionality while adding more advanced log analysis capabilities. This often integrates cloud-based analysis of host-based sensor telemetry to link disparate alerts in order to detect compromises of systems.

Can I filter out events from event logs that are known to be legitimate in order to simplify event log analysis and reduce storage requirements?

- Yes. Organisations that are comfortable that certain events have a high probability of being legitimate may choose to filter them out of event logs in order to simplify event log analysis and reduce storage requirements.

Do I need to perform events log analysis in real time or near real time?

- Organisations should analyse event logs for signs of compromise in a timeframe that is reasonably practicable given the resources they have available to them.

Implementation questions – Patch applications and patch operating systems**My vulnerability scanning tool offers the ability to automatically detect assets on a network, can I use it as an asset discovery tool?**

- Yes. Some vulnerability scanning tools offer automatic asset discovery functionality that is equivalent to other tools developed for that sole purpose.

Can I perform automated asset discovery more frequently than fortnightly?

- Yes. While automated asset discovery should be performed at least fortnightly, system owners may elect to align the frequency of asset discovery scans to more frequent timeframes used for vulnerability scans (such as daily or weekly) in order to perform both activities at the same time for optimal effect.



How can I find out if a vulnerability has a working exploit?

- Vendors, ASD, news outlets and security researchers often cover exploitable vulnerabilities.
- The United States' Cybersecurity & Infrastructure Security Agency also maintains a [Known Exploited Vulnerabilities Catalog](#).

One of my vendors does not rate the criticality of vulnerabilities, what should I do?

- ASD, news outlets and security researchers often cover critical vulnerabilities.
- Organisations may also consider the type of vulnerability, including factors such as its Common Vulnerability Scoring System score (if available), to determine if it would have likely represented a critical vulnerability.

Do I have 48 hours to patch from when working exploits are announced or when exploitation starts occurring?

- The requirement to patch within 48 hours when a working exploit exists relates to the announcement of a working exploit or that exploitation is already occurring, whichever occurs first.

I am unable to perform rapid scanning and patching of online services, what can I do?

- ASD encourages all organisations to consider moving their online services to mature and trustworthy cloud service providers. Depending on the type of cloud service used, this can result in significant security benefits such as the rapid identification and patching of vulnerabilities.

How can I remove Adobe Flash Player?

- Information on [removing Adobe Flash Player](#), if installed automatically by Microsoft Windows, is available from Microsoft.
- Information on [removing Adobe Flash Player](#), if installed manually, is available from Adobe.

What constitutes the previous release of an operating system?

- This depends on the servicing branch being used for the operating system (i.e. Semi-Annual Channel or Long-Term Servicing Channel).
- Information on [Microsoft Windows 10](#), [Microsoft Windows 11](#) and [Microsoft Windows Server](#) operating system releases is available from Microsoft.

Implementation questions – Multi-factor authentication

Following multi-factor authentication to a system or online service, can I use a single factor for re-authentication?

- No. Multi-factor authentication is required for both authentication and re-authentication activities.

Can I use biometrics as a primary authentication factor?

- No. Biometrics can only be used as a secondary authenticator factor to unlock something you have.

Can I use Trusted Signals as a primary authentication factor?

- No. Trusted Signals cannot be used as a primary authentication factor. However, organisations may use Trusted Signals in addition to two other suitable authentication factors for added security.
- Information on [Trusted Signals](#) is available from Microsoft.

**Can I use Windows Hello for Business for multi-factor authentication?**

- Yes. Windows Hello for Business uses biometrics (something users are) or a PIN (something users know) to unlock access to cryptographic material that is tied to a device (something users have).
- Information on the use of [Windows Hello for Business](#) is available from Microsoft.

Can I use Microsoft Authenticator for multi-factor authentication?

- Yes. Microsoft Authenticator uses biometrics (something users are) or a PIN (something users know) to unlock access to cryptographic material that is tied to a device (something users have).
- Information on the use of [Microsoft Authenticator](#) is available from Microsoft.

Can I use passkeys for multi-factor authentication?

- Yes. Passkeys use biometrics (something users are) or a PIN (something users know) to unlock access to cryptographic material that is tied to a device (something users have).
- Information on the use of [passkeys](#) is available from Microsoft.

Can I go 'passwordless' for multi-factor authentication?

- Yes. However, multi-factor authentication implementations will require biometrics (something users are) or a PIN (something users know) to unlock access to cryptographic material that is tied to a device (something users have). Depending upon the specific implementation, this is often referred to as either multi-factor cryptographic software or multi-factor cryptographic devices.
- Information on [planning a passwordless authentication deployment](#) is available from Microsoft.

What authentication types can be used for something users know?

- The following authentication types can be used for something users know: memorised secrets.
- The use of knowledge-based authentication techniques (i.e. security questions) is not recognised as a valid form of memorised secret.
- Further information can be found in Section 5.1.1 of National Institute of Standards and Technology (NIST) Special Publication (SP) 800-63B, [Digital Identity Guidelines: Authentication and Lifecycle Management](#).

What authentication types can be used for something users have?

- The following authentication types can be used for something users have: look-up secrets, out-of-band devices, single-factor OTP devices, single-factor cryptographic software and single-factor cryptographic devices.
- Further information can be found in Section 5.1.2, Section 5.1.3, Section 5.1.4, Section 5.1.6 and Section 5.1.7 respectively of NIST SP 800-63B, [Digital Identity Guidelines: Authentication and Lifecycle Management](#).

What authentication types can be used for something users have that is unlocked by something users know or are?

- The following authentication types can be used for something users have that is unlocked by something users know or are: multi-factor OTP devices, multi-factor cryptographic software and multi-factor cryptographic devices.
- Further information can be found in Section 5.1.5, Section 5.1.8 and Section 5.1.9 respectively of NIST SP 800-63B, [Digital Identity Guidelines: Authentication and Lifecycle Management](#).



Where can I find information on certified multi-factor authentication solutions?

- The FIDO Alliance [certifies multi-factor authentication solutions](#) against its UAF, U2F and FIDO2 standards.
- Organisations are encouraged to use multi-factor authentication solutions that have been [certified against the FIDO2 standard](#) (preferably Level 2 over Level 1).

Some of my customers cannot use multi-factor authentication due to personal circumstances, what compensating controls can I implement for such customers?

- For customers that are unable to use multi-factor authentication due to personal circumstances, such as being in a vulnerable cohort, organisations should consider compensating controls that achieve the same security objective (i.e. not relying on a single authentication factor when authenticating customers to online customer services that contain sensitive personal data).
- Possible compensating controls, subject to acceptance of risk by an appropriate authority, could include the use of security questions (in addition to a passphrase) along with enhanced monitoring for potential signs of compromise of such user accounts.

Implementation questions – Restrict administrative privileges

What are unprivileged operating environments?

- Unprivileged operating environments are those used for activities that do not require privileged access, such as reading emails and browsing the web.

What are privileged operating environments?

- Privileged operating environments are those used for activities that require a degree of privileged access, such as system administration activities.

What are privileged user accounts?

- A user account that has the capability to modify system configurations, account privileges, event logs or security configurations for applications. This also applies to user accounts that may only have limited privileges but still have the ability to bypass some of a system's controls. A privileged user account may belong to a person or a service.

What are unprivileged user accounts?

- A user account that does not have the capability to modify system configurations, account privileges, event logs or security configurations for applications. An unprivileged user account may belong to a person or a service.

How do Secure Admin Workstations differ from Privileged Access Workstations?

- Secure Admin Workstations (SAWs) and Privileged Access Workstations (PAWs) are different names for the same concept.

Where can I find information on Secure Admin Workstations?

- Microsoft provides a number of resources on [securing privileged access](#), including the use of SAWs.

Do I need dedicated physical workstations for Secure Admin Workstations?

- No. Dedicated physical workstations are not strictly required when implementing SAWs.



- Implementing SAWs generally represents a security philosophy of minimising the attack surface of privileged operating environments used by privileged users as much as possible rather than necessarily implementing a specific set of IT equipment requirements.

Where can I find information on privileged access management?

- Microsoft provides an [overview of privileged access management \(PAM\)](#), including the concepts of just enough administration (JEA) and just-in-time (JIT) access.

What constitutes long credentials for break glass accounts, local administrator accounts and service accounts?

- Long credentials are a minimum of 30 characters.

Where can I find information on memory integrity functionality?

- Information on [memory integrity functionality](#) is available from Microsoft.
- Microsoft Windows' memory integrity functionality may also be referred to as Hypervisor-protected Code Integrity (HVCI).

Where can I find information on Local System Authority protection functionality?

- Information on [Local System Authority \(LSA\) protection functionality](#) is available from Microsoft.
- Microsoft Windows' LSA protection functionality may also be referred to as Process Protection Light for LSASS.

Where can I find information on Credential Guard and Remote Credential Guard?

- Information on [Credential Guard functionality](#) and [Remote Credential Guard functionality](#) is available from Microsoft.

Implementation questions – Application control

What file types do I need to control with my application control solution?

- The following is a non-exhaustive list of common file types that can be controlled by application control solutions:
 - **executables:** .exe and .com files
 - **software libraries:** .dll and .ocx files
 - **scripts:** .ps1, .bat, .cmd, .vbs and .js files
 - **installers:** .msi, .msp and .mst files
 - **compiled HTML:** .chm files
 - **HTML applications:** .hta files
 - **control panel applets:** .cpl files.

Where can I find Microsoft's recommended application blocklist?

- Information on Microsoft's [recommended application blocklist](#) is available from Microsoft.

Where can I find Microsoft's vulnerable driver blocklist?

- Information on Microsoft's [vulnerable driver blocklist](#) is available from Microsoft.

Can Microsoft's vulnerable driver blocklist be implemented using core isolation's memory integrity functionality?

- Yes. Enabling core isolation's memory integrity functionality will automatically enforce Microsoft's vulnerable driver blocklist. This approach is preferred by Microsoft over the use of Windows Defender Application Control (WDAC) to block vulnerable or malicious drivers.
- Microsoft reviews their vulnerable driver blocklist every 6-12 months and updates it automatically for organisations that have implemented core isolation's memory integrity functionality. In contrast, organisations using WDAC will need to manually update their application control rulesets when Microsoft releases an updated vulnerable driver blocklist.
- From Windows 11 version 22H2 onwards, the vulnerable driver blocklist is enabled by default.

Implementation questions – Restrict Microsoft Office macros

Can I use Application Guard for Office to execute macros in a sandboxed environment?

- Unfortunately, no. Application Guard for Office disables the execution of macros in Microsoft Office documents.

Can I use Application Guard for Office to block the execution of macros?

- Unfortunately, Application Guard for Office is limited in its ability to provide a comprehensive solution to blocking the execution of macros within organisations. Specifically, Microsoft Office documents will only be opened in Application Guard for Office when identified as originating from an untrusted source, such as the internet.
- As Application Guard for Office cannot be configured to always activate when opening Microsoft Office documents, this will not prevent the execution of macros that were developed internally to organisations (e.g. by malicious insiders) or from Microsoft Office documents that have had the Mark of the Web removed from them (e.g. due to users being convinced by malicious actors to do so as part of social engineering efforts).

Implementation questions – User application hardening

Does this mitigation strategy apply to servers?

- Yes. Although some user applications, such as Microsoft Office and PDF software, may not be present on servers.

Does preventing web browsers from processing Java from the internet include JavaScript?

- No. The requirement to prevent web browsers from processing Java from the internet does not include JavaScript.

Where can I find information on using attack surface reduction rules?

- Information on [using attack surface reduction rules](#) is available from Microsoft.
- Information on using attack surface reduction rules is also available in the [Hardening Microsoft 365, Office 2021, Office 2019 and Office 2016](#) publication.

Where can I find information on preventing the activation of OLE packages?

- Information on preventing the activation of OLE packages is available in the [Hardening Microsoft 365, Office 2021, Office 2019 and Office 2016](#) publication.



Where can I find ASD hardening guidance?

- Further [system hardening guidance](#) is available from ASD.

When ASD and vendor hardening guidance differ, which do I follow?

- In situations where ASD and vendor hardening guidance differs, each difference should be assessed on a case-by-case basis; however, preference should be given to implementing the most restrictive requirements.

Implementation questions – Regular backups

Can I delete backup contents to satisfy privacy or legal requirements?

- Yes. Depending on the maturity level, this may be done with either a privileged user account, a backup administrator account or a break glass account.
- For Maturity Level Three, break glass accounts should only be used for this purpose.

Contact details

If you have any questions regarding this guidance you can [write to us](#) or call us on 1300 CYBER1 (1300 292 371).

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For more information, or to report a cyber security incident, contact us:

cyber.gov.au | 1300 CYBER1 (1300 292 371)



Australian Government
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13 WORKS AND SERVICES

Nil

14 REGULATORY SERVICES

Nil

15 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

16 NEW OR URGENT BUSINESS INTRODUCED BY DECISION OF THE MEETING

Nil

17 MATTERS BEHIND CLOSED DOORS

Nil

18 CLOSURE OF MEETING

The Presiding Member declared the Meeting closed at 7.42pm.