



AGENDA

Shire of West Arthur Ordinary Council Meeting Thursday 27 March 2025

NOTICE OF MEETING

Dear Elected Member

The next Ordinary meeting of the Shire of West Arthur will be held on Thursday 27 March 2025 in the Council Chambers commencing at 7.30pm.

Vin Fordham Lamont
Chief Executive Officer

DISCLAIMER

No responsibility whatsoever is implied or accepted by the Shire of West Arthur for any act, omission or statement or intimation occurring during Council or Committee meetings or during formal/informal conversations with staff. The Shire of West Arthur disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission or statement or intimation occurring during Council or Committee meetings or discussions. Any person or legal entity that act or fails to act in reliance upon any statement does so at the person's or legal entity's own risk.

In particular and without derogating in any way from the broad disclaimer above, in any discussion regarding any planning application or application for a licence, any statement or limitation of approval made by a member or officer of the Shire of West Arthur during the course of any meeting is not intended to be and is not taken as notice of approval from the Shire of West Arthur. The Shire of West Arthur warns that anyone who has an application lodged with the Shire of West Arthur must obtain and only should rely on WRITTEN CONFIRMATION of the outcome of the application, and any conditions attaching to the decision made by the Shire of West Arthur in respect of the application.



Forest to Wheatbelt



Shire of West Arthur

Notice of Ordinary Council Meeting

In accordance with the Local Government Act 1995 and *Local Government (Administration) Regulations 1996* Reg 12 (2) it, is hereby notified that as from January 2025 to December 2025, Ordinary Council meetings of the Shire of West Arthur will be held as follows:

DATE	LOCATION	TIME
27 February 2025	Council Chambers	7.00pm
27 March 2025	Council Chambers	7.30pm
24 April 2025	Council Chambers	7.30pm
22 May 2025	Council Chambers	7.30pm
26 June 2025	Council Chambers	7.30pm
24 July 2025	Council Chambers	7.30pm
28 August 2025	Council Chambers	7.30pm
25 September 2025	Council Chambers	7.30pm
23 October 2025	Council Chambers	7.30pm
27 November 2025	Council Chambers	7.30pm
18 December 2025*	Council Chambers	7.30pm

* December meeting third Thursday to avoid Christmas

DISCLAIMER

INFORMATION FOR THE PUBLIC ATTENDING COUNCIL MEETINGS

Please Note:

The recommendations contained in this agenda are officers' recommendations only and should not be acted upon until Council has resolved to adopt those recommendations.

The resolutions of Council should be confirmed by perusing the minutes of the Council meeting at which these recommendations were considered.

Members of the public should also note that they act at their own risk if they enact any resolution prior to receiving official written notification of Council's decision.

Meeting Procedures:

1. All Council meetings are open to the public, except for matter raised by Council under "confidential items".
2. Members of the public may ask a question at an ordinary Council Meeting under "public question time".
3. Members of the public who are unfamiliar with meeting procedures are invited to seek advice at the meeting. If unsure about proceeding, just raise your hand when the presiding member announces public question time.
4. All other arrangements are in accordance with the Council's standing orders, policies and decision of the Shire of West Arthur.

Council Meeting Information:

Your Council generally handles all business at Ordinary or Special Council Meetings.

From time to time Council may form a Committee to examine subjects and then report back to Council.

Generally all meetings are open to the public; however, from time to time Council will be required to deal with personal, legal and other sensitive matters under "confidential items". On those occasions Council will generally close that part of the meeting to the public. Every endeavour will be made to do this as the last item of business of the meeting.

Public Question Time. It is a requirement of the *Local Government Act 1995* to allow at least fifteen (15) minutes for public question time following the opening and announcements at the beginning of the meeting. Should there be a series of questions the period can be extended at the discretion of the presiding member.

Written notice of each question should be given to the Chief Executive Officer fifteen (15) minutes prior to the commencement of the meeting. A summary of each question and the response is included in the meeting minutes.

When a question is not able to be answered at the Council Meeting a written answer will be provided after the necessary research has been carried out. Council staff will endeavour to provide the answers prior to the next ordinary meeting of Council.

Councillors may from time to time have a financial interest in a matter before Council. Councillors must declare an interest and the extent of the interest in the matter on the Agenda. However, the Councillor can request the meeting to declare the matter trivial, insignificant or in common with a significant number of electors or ratepayers. The Councillor must leave the meeting whilst the matter is discussed and cannot vote unless those present agree as above.

Members of staff, who have delegated authority from Council to act on certain matters, may from time to time have a financial interest in a matter on the Agenda. The member of staff must declare that interest and generally the presiding member of the meeting will advise the Officer if he/she is to leave the meeting.

Agendas, including an Information Bulletin, are delivered to Councillors within the requirements of the *Local Government Act 1995*, i.e. seventy-two (72) hours prior to the advertised commencement of the meeting. Whilst late items are generally not considered there is provision on the Agenda for items of an urgent nature to be considered.

Agendas, are delivered to Councillors within the requirements of the *Local Government Act 1995*, i.e. seventy-two (72) hours prior to the advertised commencement of the meeting. Whilst late items are generally not considered there is provision on the Agenda for items of an urgent nature to be considered.

Should an elector wish to have a matter placed on the Agenda the relevant information should be forwarded to the Chief Executive Officer in time to allow the matter to be fully researched by a Shire Officer. An Agenda item, including a recommendation, will then be submitted to Council for consideration. The Agenda closes 10 days prior to the Council Meeting.

Agendas for Ordinary Meetings are available at the Shire of West Arthur Office and on the Shire website seventy-two (72) hours prior to the meeting and the public are invited to view a copy at the Shire Office.

Agenda items submitted to Council will include a recommendation for Council consideration. Electors should not interpret and/or act on the recommendations until after they have been considered by Council. Please note the Disclaimer in the Agenda (page 3).

A copy of the unconfirmed Minutes of Ordinary and Special Meetings will be available for public inspection from the Shire of West Arthur Office and the Shire of West Arthur website within ten (10) working days after the Meeting.

Questions From The Public

Shire of West Arthur
 PO Box 112
 31 Burrowes Street
 Darkan WA 6392
 T: (08) 9736 2400
 E: shire@westarthur.wa.gov.au



Name			
Name of Organisation Representing (if applicable)			
Email Address			
Residential Address			
Postal Address(if different)			
Home Telephone No		Mobile No	
Agenda Item Number (if applicable see below)		Meeting Date	

Signature _____

Date _____

QUESTION

Each member of the public is entitled to ask up to 3 questions before other members of the public will be invited to ask their question. A total of 15 Minutes is allotted to Public Question Time at Council Meetings. If submitting questions to the Council, they are to relate to the Agenda Item tabled at that meeting.

Please Note: Members of the public must be in attendance at the Council Meeting to which they have submitted a question(s) for response. If this is not the case, the questions(s) will be treated as 'normal business correspondence and the question / response will not appear in the Council Minutes.

Please see Notes on Public Question Time on Pages 4 and 5 above.

*** Council Meetings:** Questions are to relate to a matter affecting the Shire of West Arthur.

Application For Leave of Absence

(Pursuant to Section 2.25 of the Local Government Act 1995 (as amended))

Shire of West Arthur

PO Box 112

31 Burrowes Street

Darkan WA 6392

T: (08) 9736 2400

E:

shire@westarthur.wa.gov.au



- (1) A council may, by resolution, grant leave of absence to a member.
- (2) Leave is not to be granted to a member in respect to more than 6 consecutive ordinary meetings of the Council without the approval of the Minister.
- (3) The granting of the leave is to be recorded in the minutes of the meeting.
- (4) A member who is absent without first obtaining leave of the Council throughout 3 consecutive ordinary meetings of the Council is disqualified from continuing his or her membership of the Council.
- (5) The non-attendance of a member at the time and place appointed for an ordinary meeting of the Council does not constitute absence from an ordinary meeting of Council –
 - (a) if no meeting of the Council at which a quorum is present is actually held on that day; or
 - (b) if the non-attendance occurs while –
 - (i) the member has ceased to act as a member after which written notice has been given to the member under Section 2.27 (3) and before written notice has been given to the member under Section 2.27 (5);
 - (ii) while proceedings in connection with the disqualification of the member have been commenced and are pending; or
 - (iii) while the member is suspended under section 5.117(1)(a)(iv) or Part 8; or
 - (iv) while the election of the member is disputed and proceedings relating to the disputed election have been commenced and are pending.
 - (c) If the non-attendance occurs during a period for which the member is entitled to parental leave under subsection (5B).

I, _____ hereby apply for Leave of Absence from the West Arthur
Shire Council from _____ to _____ for the purpose of

Signature _____ Date _____

Request to Attend Meeting by Electronic Means

(Local Government Act 1995 – Section 5.25)

Local Government (Administration) Regulations 1996 –
14C

Shire of West Arthur

PO Box 112

31 Burrowes Street

Darkan WA 6392

T: (08) 9736 2400

E: shire@westarthur.wa.gov.au



Surname _____

Other Names _____

Date of Meeting _____

Type of Meeting
(Please tick one)

☐ Ordinary Council Meeting

☐ Committee Meeting

☐ Special Council Meeting

Consideration of Location and Equipment Available

Regulation 14C(5) – In deciding whether to authorise a member to attend a meeting by electronic means, the Shire President or Council must have regard to whether the location from which the member intends to attend the meeting, and the equipment that the member intends to use to attend the meeting, are suitable for the member to be able to effectively engage in deliberations and communications during the meeting.

Location Proposed

Equipment Available

IMPORTANT NOTE

The Shire President or Council cannot authorise a member to attend a meeting if the member's attendance at the proposed meeting would result in the member attending more than half of the meeting type in the 12 months prior to the requested meeting date by electronic means. (Regulation 14C(3)).

Signature _____

Date _____

Please send this form to the Chief Executive Officer who will complete the member's attendance section and forward to the Shire President or the Council for consideration.

OFFICE USE ONLY**MEMBERS ATTENDANCE****Number of Meetings Attended by Electronic Means in the 12 Months Prior to the Meeting Date**

Ordinary Council Meeting	
Special Council Meeting	
Committee Meeting	

Number of Meetings Scheduled in the 12 Months Prior to the Meeting Date

Ordinary Council Meeting	
Special Council Meeting	
Committee Meeting	

Would Attending the Proposed Meeting Electronically Result in the Member Exceeding The 50% Requirement?☐ Yes☐ No**Council/Shire President's Consideration**

The Shire President or Council should consider the following factors in determining whether the location and equipment is deemed suitable.

LOCATION

The location must be quiet and private. If there are other people at the location at the time of the meeting, you may require the person to be in a room that has a door that can be closed during the meeting, and request that the person wear headphones if appropriate.

EQUIPMENT AND ELECTRONIC MEANS

The equipment must support Council's preferred electronic means for remote attendance, being Microsoft Teams.

Is the Location and Equipment Deemed Suitable?☐ Yes☐ No**Is the Request to Attend the Proposed Meeting by Electronic Means Approved?**☐ Yes☐ No

Signature _____

Date _____

Written Declaration of Interest in Matter Before Council

Shire of West Arthur
PO Box 112
31 Burrowes Street
Darkan WA 6392
T: (08) 9736 2400
E: shire@westarthur.wa.gov.au



NOTE: USE ONE FORM PER DECLARATION

(1) I, _____ wish to declare an interest in the following item to be considered by council at its meeting to be held on

(2) _____

(3) Agenda item _____

(4) The type of interest I wish to declare is;

- ☐ Financial pursuant to Sections 5.60A of the Local Government Act 1995.
- ☐ Proximity pursuant to Section 5.60B of the Local Government Act 1995.
- ☐ Indirect Financial pursuant to Section 5.61 of the Local Government Act 1995.
- ☐ Impartiality pursuant to Regulation 22 of the Local Government (Model Code of Conduct) Regulations 2021

(5) The nature of my interest is

(6) The extent of my interest is

I understand that the above information will be recorded in the Minutes of the meeting and recorded by the Chief Executive Officer in an appropriate Register.

DECLARATION BY

Signature _____ Date _____

RECEIVED BY

Signature _____ Date _____

- (1) Insert your name.
- (2) Insert the date of the Council Meeting at which the item is to be considered.
- (3) Insert the Agenda Item Number and Title.
- (4) Tick the box to indicate the type of interest.
- (5) Describe the nature of your interest.
- (6) Describe the extent of your interest (if seeking to participate in the matter under the s.5.68 of the Act).

DISCLOSURE OF FINANCIAL INTEREST, PROXIMITY INTEREST AND/OR INTEREST AFFECTING IMPARTIALITY

Financial pursuant to Sections 5.60A of the Local Government Act 1995

5.60A – Financial Interest

For the purpose of this Subdivision, a person has a financial interest in a matter if it is reasonable to expect that the matter will if dealt with by the local government, or an employee or committee of the local government or member of the council of the local government, in a particular way, result in a financial gain, loss, benefit or detriment for the person.

[Section 5.60A inserted by No. 64 of 1998 s. 30; amended by No. 49 of 2004 s. 50.]

Proximity pursuant to Section 5.60B of the Local government Act 1995

5.60B – Proximity Interest

- (1) For the purposes of this Subdivision, a person has a proximity interest in a matter if the matter concerns –
 - 1) a proposed change to a planning scheme affecting land that adjoins the person's land;
 - 2) a proposed change to zoning or use of land that adjoins that person's land; or
 - 3) a proposed development (as defined in section 5.63 (5)) of land that adjoins the person's land.
- (2) In this section, land ("the proposal land") adjoins a person's land if –
 - 1) the proposal land, not being a thoroughfare, has a common boundary with the person's land;
 - 2) the proposal land, or any part of it, is directly across a thoroughfare from, the person's land; or
 - 3) the proposal land is that part of a thoroughfare that has a common boundary with the person's land.
- (3) In this section a reference to a person's land is a reference to any land owned by the person or in which the person has any estate or interest.

[Section 5.60B inserted by No 64 of 1998 s. 30.]

Indirect Financial pursuant to Section 5.61 of the Local Government Act 1995

5.61 – Indirect financial interest

A reference in this Subdivision to an indirect financial interest of a person in a matter includes a reference to a financial relationship between that person and another person who requires a local government decision in relation to the matter.

Impartiality pursuant to Regulation 11 of the Local Government (Rules of Conduct) Regulation 2007

22 – Disclosure of interest

- (1) In this clause –
Interest –
 - 1) means an interest that could, or could reasonably be perceived to; adversely affect the impartiality of the person having the interest and
 - 2) includes an interest arising from kinship friendship or membership of an association.
- (2) A council member who has an interest in any matter to be discussed at a council or committee meeting attended by the member must disclose nature of the interest –
 - (a) in a written notice given to the CEO before the meeting; or
 - (b) at the meeting immediately before the matter is discussed.
- (3) Subclause (2) does not apply to an interest referred to in section 5.60 of the Act.

- (4) Subclause (2) does not apply if a council member fails to disclose an interest because the person did not know –
 - (a) That they had an interest in the matter; or
 - (b) That the matter in which they had an interest would be discussed at the meeting and the council member disclosed the interest as soon as possible after the discussion began.
- (5) If, under sub-regulation (2)(a), a person who is a council member discloses an interest in a written notice given to the CEO before a meeting then –
 - (a) Before the meeting the CEO is to cause the notice to be given to the person who is to preside at the meeting; and
 - (b) At the meeting the person presiding is to bring the notice and its contents to the attention of the persons present immediately before a matter to which the disclosure related is discussed.
- (6) Subclause (7) applies in relation to an interest if –
 - (a) Under subclause (2)(b) or (4)(b) the interest is disclosed at a meeting; or
 - (b) Under subclause (5)(b) notice of the interest is brought to the attention of the persons present at a meeting.
- (7) The nature of the interest is to be recorded in the minutes of the meeting.

Describe the extent of your interest (If seeking to participate in the matter under the s.5.68 of the act)

5.68 – Councils and committees may allow members disclosing interests to participate etc. in meetings

- (1) If a member has disclosed, under section 5.65, an interest in a matter, the members present at the meeting who are entitled to vote on the matter –
 - (a) may allow the disclosing member to be present during any discussion or decision making procedure relating to the matter; and
 - (b) may allow, to the extent decided by those members, the disclosing member to preside at the meeting (if otherwise qualified to preside) or to participate in discussions and the decision making procedures relating to the matter if –
 - (i) the disclosing member also discloses the extent of the interest; and
 - (ii) those members decide that the interest –
 - (I) is so trivial or insignificant as to be unlikely to influence the disclosing member's conduct in relation to the matter; or
 - (II) is common to a significant number of electors or ratepayers.
- (2) A decision under this section is to be recorded in the minutes of the meeting relating to the matter together with the extent of any participation allowed by the council or committee.
- (3) This section does not prevent the disclosing member from discussing, or participating in the decision making process on, the question on whether an application should be made to the Minister under section 5.69.

Contents

1	Declaration of Opening/Announcement of Visitors.....	13
2	Attendance/Apologies/Approved Leave of Absence	13
3	Announcements of the Presiding Member	13
4	Response to Previous Public Questions taken on Notice	13
5	Public Question Time.....	13
6	Petitions, Deputations, Presentations, Submissions.....	14
7	Applications for Leave of Absence.....	14
8	Disclosures of Interest	14
9	Confirmation of Minutes of Previous Meetings Held.....	14
9.1	Ordinary Meeting of Council 27 February 2025	14
10	Reports from Councillors	14
11	Office of the Chief Executive Officer	15
11.1	Compliance Audit Return for 2024	15
11.2	Budget Amendment - Purchase of Portion of Lot 501 on Deposited Plan 55441 (Old Darkan Station Master's House)	29
11.3	Contract of Sale - Portion of Lot 501 on Deposited Plan 55441 (Old Darkan Station Master's House)	32
11.4	Local Emergency Management Committee - Amended Terms of Reference	54
12	Corporate Services.....	67
12.1	Financial Reports - February 2025	67
12.2	Accounts for Payment Listing - February 2025.....	93
12.3	Audit Regulation 17 Review and Financial Management Systems Review 2025	103
12.4	2024/2025 Half Yearly Budget Review	134
12.5	Changes to Superannuation Co-Contribution for Staff.....	147
13	Works and Services.....	152
13.1	Gravel and Sand Acquisition Policy.....	152
14	Regulatory Services	158
14.1	Proposed Local Planning Policy No. 5 - Wind Farms.....	158
14.2	Proposed Road Dedication - Johnston Drive	188
15	Motions of which Previous Notice has been Given.....	196
16	New or Urgent Business Introduced by Decision of the Meeting	196
17	Matters Behind Closed Doors.....	196
18	Closure of Meeting	196

1 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

The Presiding Member to declare the meeting open.

The Presiding Member advises all attendees that the meeting is being recorded as required by s5.23A of the Local Government Act 1995 and regulations 14F - 14I of the Local Government (Administration) Regulations 1996.

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 Adam Squires	
	Cr Russell Prowse	
STAFF:	Vin Fordham Lamont	(Chief Executive Officer)
	Rajinder Sunner	(Manager Corporate Services)
	Gary Rasmussen	(Manager Works and Services)
	Tahnee-Lee Lubcke	(Projects Officer)
APOLOGIES:	Sharon Bell	(Community Development Officer)

ON LEAVE OF ABSENCE:

ABSENT:

MEMBER OF THE PUBLIC:

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

Nil

8 DISCLOSURES OF INTEREST

Nil

9 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS HELD**9.1 ORDINARY MEETING OF COUNCIL 27 FEBRUARY 2025****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

RECOMMENDATION:

That the Minutes of the Ordinary Meeting of Council held in Council Chambers on 27 February 2025 be confirmed as true and correct.

10 REPORTS FROM COUNCILLORSCr Neil Morrell (Shire President)Cr Karen Harrington (Deputy Shire President)Cr Graeme PeirceCr Robyn LubckeCr Duncan SouthCr Adam SquiresCr Russell Prowse

11 OFFICE OF THE CHIEF EXECUTIVE OFFICER**11.1 COMPLIANCE AUDIT RETURN FOR 2024**

File Reference:	ADM044
Location:	Nil
Applicant:	Nil
Author:	Vin Fordham Lamont, Chief Executive Officer
Authorising Officer:	Vin Fordham Lamont, Chief Executive Officer
Date:	14/02/2025
Disclosure of Interest:	Nil
Attachments:	1. 2024 Compliance Audit Return ↓

SUMMARY:

Council is requested to consider adopting the attached Compliance Audit Return (CAR) for 2024, as recommended by the Audit and Risk Committee at its meeting of 18 March 2025.

BACKGROUND:

The requirement for local governments to complete a CAR was introduced in 1999 and has therefore changed and developed throughout its years of implementation.

In recent years, the CAR has served three main purposes:

- It acts as a self-assessment tool that informs a local government's Audit & Risk Committee and Council of any compliance issues so that action can be taken to rectify any issues by the local government itself.
- It informs a local government's community of their local government's ability to comply with their legislative requirements, enabling the community to hold their local government to account.
- It informs the regulator (DLGSC) of any compliance issues and provides insight into whether a local government is at risk of not providing good government for its district, through its inability to meet its legislative requirements.

COMMENT:

Each year, the local government is required to carry out a compliance audit for the period 1 January to 31 December of the previous year. The Shire's Audit & Risk Committee is required to review the compliance audit return and report the results of that review to Council.

The Audit & Risk Committee reviewed the CAR at its meeting of 18 March 2025 and recommended that Council adopt it as presented.

The Shire appears to be compliant with its legislative requirements. There are no abnormalities in the 2024 Compliance Audit Return.

CONSULTATION:

Audit and Risk Committee
Various Shire Officers

STATUTORY ENVIRONMENT:

Local Government Act 1995 – section 7.13 – Regulations as to audits

Local Government (Audit) Regulations 1996 – reg. 14 - Compliance audits by local governments

POLICY IMPLICATIONS:

Nil

FINANCIAL IMPLICATIONS:

Nil

STRATEGIC IMPLICATIONS:

West Arthur Community Strategic Plan

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	Failing to comply with legislation, resulting in financial loss, reputational damage, etc
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)	Complete the annual compliance audit return and take note of non-compliance issues to ensure mistakes are not repeated

VOTING REQUIREMENTS:

Simple Majority

OFFICER RECOMMENDATION:

That Council adopt the attached Compliance Audit Return (CAR) for 2024, as recommended by the Audit and Risk Committee at its meeting of 18 March 2025.



COMPLIANCE AUDIT RETURN 2024

Commercial Enterprises by Local Governments				
No	Reference	Question	Response	Comments
1	s3.59(2)(a) F&G Regs 7,9,10	Has the local government prepared a business plan for each major trading undertaking that was not exempt in 2024?	N/A	No major trading undertakings in 2024.
2	s3.59(2)(b) F&G Regs 7,8A, 8, 10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2024?	N/A	No major land transaction in 2024.
3	s3.59(2)(c) F&G Regs 7,8A, 8,10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2024?	N/A	No major land transaction in 2024.
4	s3.59(4)	Has the local government complied with public notice and publishing requirements for each proposal to commence a major trading undertaking or enter into a major land transaction or a land transaction that is preparatory to a major land transaction for 2024?	N/A	No major trading undertakings or major land transactions in 2024.
5	s3.59(5)	During 2024, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority?	N/A	No major trading undertakings or major land transactions in 2024.

Delegation of Power/Duty				
No	Reference	Question	Response	Comments
1	s5.16 (1)	Were all delegations to committees resolved by absolute majority?	N/A	No committees have delegated authority
2	s5.16 (2)	Were all delegations to committees in writing?	N/A	No committees have delegated authority
3	s5.17	Were all delegations to committees within the limits specified in section 5.17 of the <i>Local Government Act 1995</i> ?	N/A	No committees have delegated authority
4	s5.18	Were all delegations to committees recorded in a register of delegations?	N/A	No committees have delegated authority
5	s5.18	Has council reviewed delegations to its committees in the 2023/2024 financial year?	N/A	No committees have delegated authority
6	s5.42(1) & s5.43 Admin Reg 18G	Did the powers and duties delegated to the CEO exclude those listed in section 5.43 of the <i>Local Government Act 1995</i> ?	Yes	
7	s5.42(1)	Were all delegations to the CEO resolved by an absolute majority?	Yes	
8	s5.42(2)	Were all delegations to the CEO in writing?	Yes	



9	s5.44(2)	Were all delegations by the CEO to any employee in writing?	Yes	
10	s5.16(3)(b) & s5.45(1)(b)	Were all decisions by the Council to amend or revoke a delegation made by absolute majority?	Yes	
11	s5.46(1)	Has the CEO kept a register of all delegations made under Division 4 of the Act to the CEO and to employees?	Yes	
12	s5.46(2)	Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2023/2024 financial year?	Yes	
13	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record in accordance with <i>Local Government (Administration) Regulations 1996</i> , regulation 19?	Yes	

Disclosure of Interest				
No	Reference	Question	Response	Comments
1	s5.67	Where a council member disclosed an interest in a matter and did not have participation approval under sections 5.68 or 5.69 of the <i>Local Government Act 1995</i> , did the council member ensure that they did not remain present to participate in discussion or decision making relating to the matter?	Yes	
2	s5.68(2) & s5.69(5) Admin Reg 21A	Were all decisions regarding participation approval, including the extent of participation allowed and, where relevant, the information required by the <i>Local Government (Administration) Regulations 1996</i> regulation 21A, recorded in the minutes of the relevant council or committee meeting?	Yes	
3	s5.73	Were disclosures under sections 5.65, 5.70 or 5.71A(3) of the <i>Local Government Act 1995</i> recorded in the minutes of the meeting at which the disclosures were made?	Yes	
4	s5.75 Admin Reg 22, Form 2	Was a primary return in the prescribed form lodged by all relevant persons within three months of their start day?	Yes	
5	s5.76 Admin Reg 23, Form 3	Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2024?	Yes	
6	s5.77	On receipt of a primary or annual return, did the CEO, or the Mayor/President, give written acknowledgment of having received the return?	Yes	



7	s5.88(1) & (2)(a)	Did the CEO keep a register of financial interests which contained the returns lodged under sections 5.75 and 5.76 of the <i>Local Government Act 1995</i> ?	Yes	
8	s5.88(1) & (2)(b) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70, 5.71 and 5.71A of the <i>Local Government Act 1995</i> , in the form prescribed in the Local Government (Administration) Regulations 1996, regulation 28?	Yes	
9	s5.88(3)	When a person ceased to be a person required to lodge a return under sections 5.75 and 5.76 of the <i>Local Government Act 1995</i> , did the CEO remove from the register all returns relating to that person?	Yes	
10	s5.88(4)	Have all returns removed from the register in accordance with section 5.88(3) of the <i>Local Government Act 1995</i> been kept for a period of at least five years after the person who lodged the return(s) ceased to be a person required to lodge a return?	Yes	
11	s5.89A(1), (2) & (3) Admin Reg 28A	Did the CEO keep a register of gifts which contained a record of disclosures made under sections 5.87A and 5.87B of the <i>Local Government Act 1995</i> , in the form prescribed in the <i>Local Government (Administration) Regulations 1996</i> , regulation 28A?	Yes	
12	s5.89A(5) & (5A)	Did the CEO publish an up-to-date version of the gift register on the local government's website?	Yes	
13	s5.89A(6)	When people cease to be a person who is required to make a disclosure under section 5.87A or 5.87B of the <i>Local Government Act 1995</i> , did the CEO remove from the register all records relating to those people?	N/A	No persons to be removed.
14	s5.89A(7)	Have copies of all records removed from the register under section 5.89A(6) <i>Local Government Act 1995</i> been kept for a period of at least five years after the person ceases to be a person required to make a disclosure?	N/A	No persons to be removed.
15	s5.70(2) & (3)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to council or a committee, did that person disclose the nature and extent of that interest when giving the advice or report?	Yes	
16	s5.71A & s5.71B(5)	Where council applied to the Minister to allow the CEO to provide advice or a report to which a disclosure under section 5.71A(1) of the <i>Local Government Act 1995</i> relates, did the application include details of the nature of the	N/A	CEO did not provide any advice on matters relating to a gift in this financial period.



		interest disclosed and any other information required by the Minister for the purposes of the application?		
17	s5.71B(6) & s5.71B(7)	Was any decision made by the Minister under section 5.71B(6) of the <i>Local Government Act 1995</i> , recorded in the minutes of the council meeting at which the decision was considered?	N/A	CEO did not provide any advice on matters relating to a gift in this financial period.
18	s5.104(1)	Did the local government prepare and adopt, by absolute majority, a code of conduct to be observed by council members, committee members and candidates that incorporates the model code of conduct?	N/A	Policy was adopted on 25/5/2023 within the Policy Manual document.
19	s5.104(3) & (4)	Did the local government adopt additional requirements in addition to the model code of conduct? If yes, does it comply with section 5.104(3) and (4) of the <i>Local Government Act 1995</i> ?	No	
20	s5.104(7)	Has the CEO published an up-to-date version of the code of conduct for council members, committee members and candidates on the local government's website?	Yes	Within the Policy Manual document.
21	s5.51A(1) & (3)	Has the CEO prepared and implemented a code of conduct to be observed by employee of the local government? If yes, has the CEO published an up-to-date version of the code of conduct for employees on the local government's website?	Yes	Adopted in 2021.

Disposal of Property				
No	Reference	Question	Response	Comments
1	s3.58(3)	Where the local government disposed of property other than by public auction or tender, did it dispose of the property in accordance with section 3.58(3) of the <i>Local Government Act 1995</i> (unless section 3.58(5) applies)?	Yes	
2	s3.58(4)	Where the local government disposed of property under section 3.58(3) of the <i>Local Government Act 1995</i> , did it provide details, as prescribed by section 3.58(4) of the Act, in the required local public notice for each disposal of property?	Yes	



Elections				
No	Reference	Question	Response	Comments
1	Elect Regs 30G(1) & (2)	Did the CEO establish and maintain an electoral gift register and ensure that all disclosure of gifts forms completed by candidates and donors and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the forms relating to each candidate in accordance with regulations 30G(1) and 30G(2) of the <i>Local Government (Elections) Regulations 1997</i> ?	N/A	No electoral gifts were declared for the 2024 Extraordinary Election.
2	Elect Regs 30G(3) & (4)	Did the CEO remove any disclosure of gifts forms relating to an unsuccessful candidate, or a successful candidate that completed their term of office, from the electoral gift register, and retain those forms separately for a period of at least two years in accordance with regulation 30G(4) of the <i>Local Government (Elections) Regulations 1997</i> ?	N/A	The outgoing elected member did not have any declared electoral gifts.
3	Elect Regs 30G(5) & (6)	Did the CEO publish an up-to-date version of the electoral gift register on the local government's official website in accordance with regulation 30G(5) of the <i>Local Government (Elections) Regulations 1997</i> ?	N/A	No electoral gifts were declared for the 2024 Extraordinary Election.

Finance				
No	Reference	Question	Response	Comments
1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the <i>Local Government Act 1995</i> ?	Yes	
2	s7.1B	Where the council delegated to its audit committee any powers or duties under Part 7 of the <i>Local Government Act 1995</i> , did it do so by absolute majority?	N/A	Council has not delegated any of its powers to the Audit and Risk Committee.
3	s7.9(1)	Was the auditor's report for the financial year ended 30 June 2024 received by the local government by 31 December 2024?	Yes	



4	s7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under section 7.9(1) of the <i>Local Government Act 1995</i> required action to be taken, did the local government ensure that appropriate action was undertaken in respect of those matters?	Yes	
5	s7.12A(4)(a) & (4)(b)	Where matters identified as significant were reported in the auditor's report, did the local government prepare a report that stated what action the local government had taken or intended to take with respect to each of those matters? Was a copy of the report given to the Minister within three months of the audit report being received by the local government?	N/A	No significant matters were raised in the auditor's report.
6	s7.12A(5)	Within 14 days after the local government gave a report to the Minister under section 7.12A(4)(b) of the <i>Local Government Act 1995</i> , did the CEO publish a copy of the report on the local government's official website?	Yes	Adopted 19/12/2024, on website 20/12/2024.
7	Audit Reg 10(1)	Was the auditor's report for the financial year ending 30 June 2024 received by the local government within 30 days of completion of the audit?	Yes	

Integrated Planning and Reporting				
No	Reference	Question	Response	Comments
1	Admin Reg 19C	Has the local government adopted by absolute majority a strategic community plan? If yes, please provide the adoption date or the date of the most recent review in the Comments section?	Yes	Adopted 27/7/2021 and reviewed 21/12/2023.
2	Admin Reg 19DA(1) & (4)	Has the local government adopted by absolute majority a corporate business plan? If yes, please provide the adoption date or the date of the most recent review in the Comments section?	Yes	Reviewed and updated 21/12/2023.
3	Admin Reg 19DA(2) & (3)	Does the corporate business plan comply with the requirements of <i>Local Government (Administration) Regulations 1996</i> 19DA(2) & (3)?	Yes	



Local Government Employees				
No	Reference	Question	Response	Comments
1	s5.36(4) & s5.37(3) Admin Reg 18A	Were all CEO and/or senior employee vacancies advertised in accordance with <i>Local Government (Administration) Regulations 1996</i> , regulation 18A?	N/A	No CEO or senior employee vacancies occurred in 2024.
2	Admin Reg 18E	Was all information provided in applications for the position of CEO true and accurate?	N/A	No CEO or senior employee vacancies occurred in 2024.
3	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position under section 5.36(4) of the <i>Local Government Act 1995</i> ?	N/A	No CEO or senior employee vacancies occurred in 2024.
4	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss senior employee?	N/A	No CEO or senior employee vacancies occurred in 2024.
5	s5.37(2)	Where council rejected a CEO's recommendation to employ or dismiss a senior employee, did it inform the CEO of the reasons for doing so?	N/A	No CEO or senior employee vacancies occurred in 2024.

Official Conduct				
No	Reference	Question	Response	Comments
1	s5.120	Has the local government designated an employee to be its complaints officer?	Yes	CEO is the complaints officer.
2	s5.121(1) & (2)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that resulted in a finding under section 5.110(2)(a) of the <i>Local Government Act 1995</i> ?	Yes	
3	S5.121(2)	Does the complaints register include all information required by section 5.121(2) of the <i>Local Government Act 1995</i> ?	Yes	
4	s5.121(3)	Has the CEO published an up-to-date version of the register of the complaints on the local government's official website?	Yes	



Optional Questions				
No	Reference	Question	Response	Comments
1	Financial Management Reg 5(2)(c)	Did the CEO review the appropriateness and effectiveness of the local government's financial management systems and procedures in accordance with the <i>Local Government (Financial Management) Regulations 1996</i> regulations 5(2)(c) within the three financial years prior to 31 December 2024? If yes, please provide the date of council's resolution to accept the report.	Yes	9/3/2022
2	Audit Reg 17	Did the CEO review the appropriateness and effectiveness of the local government's systems and procedures in relation to risk management, internal control and legislative compliance in accordance with <i>Local Government (Audit) Regulations 1996</i> regulation 17 within the three financial years prior to 31 December 2024? If yes, please provide date of council's resolution to accept the report.	Yes	9/3/2022
3	s5.87C	Where a disclosure was made under sections 5.87A or 5.87B of the <i>Local Government Act 1995</i> , were the disclosures made within 10 days after receipt of the gift? Did the disclosure include the information required by section 5.87C of the Act?	Yes	
4	s5.90A(2) & (5)	Did the local government prepare, adopt by absolute majority and publish an up-to-date version on the local government's website, a policy dealing with the attendance of council members and the CEO at events?	N/A	Policy C1 - adopted 25/5/2023.
5	s5.96A(1), (2), (3) & (4)	Did the CEO publish information on the local government's website in accordance with sections 5.96A(1), (2), (3), and (4) of the <i>Local Government Act 1995</i> ?	Yes	
6	s5.128(1)	Did the local government prepare and adopt (by absolute majority) a policy in relation to the continuing professional development of council members?	N/A	Policy C25 - adopted 25/5/2023.
7	s5.127	Did the local government prepare a report on the training completed by council members in the 2022/2023 financial year and publish it on the local government's official website by 31 July 2024?	Yes	



8	s6.4(3)	By 30 September 2024, did the local government submit to its auditor the balanced accounts and annual financial report for the year ending 30 June 2024?	Yes	
9	s.6.2(3)	When adopting the annual budget, did the local government take into account all its expenditure, revenue and income?	Yes	

Tenders for Providing Goods and Services				
No	Reference	Question	Response	Comments
1	F&G Reg 11A(1) & (3)	Did the local government comply with its current purchasing policy, adopted under the <i>Local Government (Functions and General) Regulations 1996</i> , regulations 11A(1) and (3) in relation to the supply of goods or services where the consideration under the contract was, or was expected to be, \$250,000 or less or worth \$250,000 or less?	Yes	
2	s3.57 F&G Reg 11	Subject to <i>Local Government (Functions and General) Regulations 1996</i> , regulation 11(2), did the local government invite tenders for all contracts for the supply of goods or services where the consideration under the contract was, or was expected to be, worth more than the consideration stated in regulation 11(1) of the Regulations?	Yes	
3	F&G Regs 11(1), 12(2), 13, & 14(1), (3), and (4)	When regulations 11(1), 12(2) or 13 of the <i>Local Government Functions and General) Regulations 1996</i> , required tenders to be publicly invited, did the local government invite tenders via Statewide public notice in accordance with Regulation 14(3) and (4)?	Yes	
4	F&G Reg 12	Did the local government comply with <i>Local Government (Functions and General) Regulations 1996</i> , Regulation 12 when deciding to enter into multiple contracts rather than a single contract?	N/A	Did not enter into any multiple contracts rather than a single contract.
5	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents, or each acceptable tenderer notice of the variation?	Yes	
6	F&G Regs 15 & 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of <i>Local Government (Functions and General) Regulations 1996</i> , Regulation 15 and 16?	Yes	



7	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of the <i>Local Government (Functions and General) Regulations 1996</i> , Regulation 17 and did the CEO make the tenders register available for public inspection and publish it on the local government's official website?	Yes	
8	F&G Reg 18(1)	Did the local government reject any tenders that were not submitted at the place, and within the time, specified in the invitation to tender?	N/A	All tenders were submitted at the place, and within the time, specified in the invitation to tender.
9	F&G Reg 18(4)	Were all tenders that were not rejected assessed by the local government via a written evaluation of the extent to which each tender satisfies the criteria for deciding which tender to accept?	Yes	
10	F&G Reg 19	Did the CEO give each tenderer written notice containing particulars of the successful tender or advising that no tender was accepted?	Yes	
11	F&G Regs 21 & 22	Did the local government's advertising and expression of interest processes comply with the requirements of the <i>Local Government (Functions and General) Regulations 1996</i> , Regulations 21 and 22?	Yes	
12	F&G Reg 23(1) & (2)	Did the local government reject any expressions of interest that were not submitted at the place, and within the time, specified in the notice or that failed to comply with any other requirement specified in the notice?	N/A	All expressions of interest were submitted at the place, and within the time, specified in the notice and complied with any other requirement specified in the notice.
13	F&G Reg 23(3) & (4)	Were all expressions of interest that were not rejected under the <i>Local Government (Functions and General) Regulations 1996</i> , Regulation 23(1) & (2) assessed by the local government? Did the CEO list each person as an acceptable tenderer?	Yes	
14	F&G Reg 24	Did the CEO give each person who submitted an expression of interest a notice in writing of the outcome in accordance with <i>Local Government (Functions and General) Regulations 1996</i> , Regulation 24?	Yes	
15	F&G Regs 24AD(2) & (4) and 24AE	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice in accordance with <i>Local Government (Functions & General) Regulations 1996</i> regulations 24AD(4) and 24AE?	N/A	No panel of pre-qualified suppliers was established.
16	F&G Reg 24AD(6)	If the local government sought to vary the information supplied to the panel, was every reasonable step taken to give each person who sought detailed	N/A	No panel of pre-qualified suppliers was established.



		information about the proposed panel or each person who submitted an application notice of the variation?		
17	F&G Reg 24AF	Did the local government's procedure for receiving and opening applications to join a panel of pre-qualified suppliers comply with the requirements of <i>Local Government (Functions and General) Regulations 1996</i> , Regulation 16, as if the reference in that regulation to a tender were a reference to a pre-qualified supplier panel application?	N/A	No panel of pre-qualified suppliers was established.
18	F&G Reg 24AG	Did the information recorded in the local government's tender register about panels of pre-qualified suppliers comply with the requirements of <i>Local Government (Functions and General) Regulations 1996</i> , Regulation 24AG?	N/A	No panel of pre-qualified suppliers was established.
19	F&G Reg 24AH(1)	Did the local government reject any applications to join a panel of pre-qualified suppliers that were not submitted at the place, and within the time, specified in the invitation for applications?	N/A	No panel of pre-qualified suppliers was established.
20	F&G Reg 24AH(3)	Were all applications that were not rejected assessed by the local government via a written evaluation of the extent to which each application satisfies the criteria for deciding which application to accept?	N/A	No panel of pre-qualified suppliers was established.
21	F&G Reg 24AI	Did the CEO send each applicant written notice advising them of the outcome of their application?	N/A	No panel of pre-qualified suppliers was established.
22	F&G Regs 24E & 24F	Where the local government gave regional price preference, did the local government comply with the requirements of <i>Local Government (Functions and General) Regulations 1996</i> , Regulation 24E and 24F?	N/A	No regional price preference was given.

Chief Executive Officer

Date

Mayor/President

Date

11.2 BUDGET AMENDMENT - PURCHASE OF PORTION OF LOT 501 ON DEPOSITED PLAN 55441 (OLD DARKAN STATION MASTER'S HOUSE)

File Reference:	ADM130
Location:	N/A
Applicant:	N/A
Author:	Vin Fordham Lamont, Chief Executive Officer
Authorising Officer:	Vin Fordham Lamont, Chief Executive Officer
Date:	24/02/2025
Disclosure of Interest:	Nil
Attachments:	Nil

SUMMARY:

Council is requested to consider an amendment to the adopted 2024/2025 annual budget to accommodate the cost of purchasing the Old Station Master's House in Darkan.

BACKGROUND:

At its ordinary meeting held on 27 June 2024, Council resolved (Resolution CO-2024-076) to pre-approve the purchase of the Old Station Masters House in Darkan. This was approved, as part of a range of housing projects, prior to the adoption of the full 2024/2025 budget to enable the ones with grant funding timeline restrictions to proceed without delay.

The budgeted amount for this project was \$12,000 which included the purchase price of \$1,500, survey costs of \$7,500 to excise the building and land from the existing Lot 501 on Deposited Plan 55441, and document preparation and Landgate fees of \$3,000.

Officers then accepted the Department of Planning, Lands and Heritage's offer and the project was commenced.

COMMENT:

When the full 2024/2025 annual budget was adopted at the special council meeting on 29 August 2024, due to officer oversight, the Old Station Master's House project was accidentally excluded from the budget.

Survey work has since been completed and purchase documents prepared. To enable the contract to be executed, Council is being asked to approve out of budget expenditure of \$12,000, which will be funded by a transfer from the Shire's Economic Development Reserve. The budgeted closing balance at 30 June 2025 of this reserve was \$48,537.

CONSULTATION:

Manager Corporate Services
Manager Financial Reporting

STATUTORY ENVIRONMENT:

Local Government Act 1995
s6.8 Expenditure from municipal fund not included in annual budget.

POLICY IMPLICATIONS:

Nil

FINANCIAL IMPLICATIONS:

\$12,000 is proposed to be transferred from the Building Reserve.

STRATEGIC IMPLICATIONS:

Community Strategic Plan West Arthur Towards 2031

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

Outcome: Our cultural heritage is preserved and promoted

Strategy: Investigate opportunities to develop our historical assets

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		Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood		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 Old Darkan Station Masters House, an important heritage building, could fall into disrepair if left in its current state
Risk Likelihood (based on history and with existing controls)	(4) Likely
Risk Consequence	(2) Minor
Risk Rating (Prior to Treatment or Control): Likelihood x Consequence	(8) Medium
Principal Risk Theme	Inadequate asset management
Risk Action Plan (Controls or Treatment Proposed)	Endorse purchase of subject property as previously approved

VOTING REQUIREMENTS:

Absolute Majority

OFFICER RECOMMENDATION:

That Council approve the following amendment to the adopted 2024/2025 annual budget to accommodate the cost of purchasing the Old Station Master's House in Darkan (Lot 504 on Deposited Plan 428507):

- Transfer \$12,000 from the Shire's Economic Development Reserve; and
- Increase the budgeted allocation to expenditure account 1999263201 Specialised Buildings – WIP by \$12,000.

11.3 CONTRACT OF SALE - PORTION OF LOT 501 ON DEPOSITED PLAN 55441 (OLD DARKAN STATION MASTER'S HOUSE)

File Reference:	ADM811
Location:	Portion of Lot 501 on DP55441, now Lot 504 on DP428507
Applicant:	Shire of West Arthur
Author:	Renee Schinzig, Administration Officer
Authorising Officer:	Vin Fordham Lamont, Chief Executive Officer
Date:	5/03/2025
Disclosure of Interest:	Nil
Attachments:	1. Contract of Sale and Conditions - Lot 504 on DP428507 ↓

PURPOSE

The following documents have been prepared in accordance with previous resolutions of the Council and/or the provisions of the Local Government Act, 1995 and other relevant statutes.

It is now proposed that the Council authorise the signing and sealing of these documents.

OFFICER RECOMMENDATION

That the following document be executed under the Common Seal of the Council:

1. Case 2202488 - Department of Planning Lands and Heritage – Contract of Sale for a Portion of Lot 501 on DP55441 now titled Lot 504 on DP428507 being the old Station Master's house.



Department of **Planning,
Lands and Heritage**

DEPARTMENT OF PLANNING, LANDS AND HERITAGE (Department) CONTRACT OF SALE

The Purchaser offers to purchase the Land for an estate in fee simple at the Purchase Price and on the other terms set out in the particulars below and subject to the conditions set out below.

PARTICULARS

Description of Land

DISTRICT/TOWNSITE	LOT/LOC No.	CLT	VOLUME	FOLIO
Darkan	Portion of Lot 501 on Deposited Plan 55441 now described as Lot 504 on Deposited Plan 428507	QCLT	LR3147	/ 360

Street Address (If applicable)

NUMBER AND STREET	TOWN/CITY	POSTCODE
N/A	N/A	N/A

Purchaser's Details

FULL NAME (including ABN if applicable)

* Shire of West Arthur (ABN 96 912 320 795)

ADDRESS:

* 31 Burrowes Street Darkan WA 6392

If more than one purchaser: ☐ joint tenants ☐ tenants in common (in equal shares unless otherwise stated).

Vendor's Agent (If not the Department)

Purchase Price

\$ 1,500.00

GST

\$ 150.00

GST

Total

\$ 1,650.00

Deposit

\$ 150.00

payable is: (Please tick appropriate box)

- ☐ calculated under the Margin Scheme (if this box is selected the Purchaser and the Vendor agree that for the purposes of the GST Act, the supply of the Land is made under the Margin Scheme);
- ☒ calculated at 10% of the Purchase Price; or
- ☐ not applicable.

Purchaser's Conveyancer

* NAME

* ADDRESS

* TELEPHONE NO.

FACSIMILE NO.

Gordon Stephenson House, 140 William Street Perth Western Australia 6000 Locked Bag 2506 Perth Western Australia 6000
Telephone (08) 6551 8002 Facsimile (08) 6118 8116 Freecall: 1800 735 784 (Country only)
Email: info@dplh.wa.gov.au Website: www.dplh.wa.gov.au
ABN: 68 565 723 484

CONDITIONS

1. Acceptance of this offer will be sufficiently communicated to the Purchaser if verbal or written notification is given by the Department to the Purchaser that the acceptance has been signed by, or on behalf of, the Vendor.
2. The Department of Planning, Lands and Heritage Conditions for the Sale of Crown Land (the "Conditions") annexed to this Contract shall be incorporated into and form part this Contract to the extent that the Conditions are not varied by or inconsistent with the express conditions below.
3. For the purposes of clause 15.1(a)(i) of the Conditions the party to whom notices for the Vendor should be given is: Manager Goldfields Esperance Wheatbelt , and the fax number is: (08) 6118 8116.
4. At the date of this contract, the Department is the Department of Planning, Lands and Heritage of level 2, 140 William Street, Perth WA 6000.

For express conditions varying the Conditions please see Schedule 1 attached to this Contract.

.....
 THE COMMON SEAL of SHIRE OF WEST ARTHUR
 (ABN 96 912 320 795) was hereunto affixed by a
 resolution of Council and in accordance with the
 provisions of the *Local Government Act 1995* (WA)
 in the presence of

 Signature of Chief Executive Officer

 Signature of Shire President

 Name (please print)

 Name (please print)

Date ____/____/____

Date ____/____/____

The Minister for Lands acting for and on behalf of the State of Western Australia accepts the above offer in accordance with the Conditions.

SIGNED by an authorised officer for and on behalf of the Minister for Lands by delegated authority under section 9 of the *Land Administration Act 1997*.

 (Signature)

 (Witness Signature)

 Name

 Name

 Level & Position

 Level & Position

 Division

 Division

Department of Planning, Lands and Heritage

Department of Planning, Lands and Heritage

____/____/____

____/____/____

Date

Date

A copy of the Conditions has been received by the Purchaser/s.

Date ____/____/____

Date ____/____/____

Date ____/____/____

SCHEDULE 1

Sale of land is pursuant to Section 86 of the *Land Administration Act 1997*

ANNEXURE

Department of Planning, Lands and Heritage Conditions for the Sale of Crown Land are attached

Conditions for the Sale of Crown Land

Department of Planning, Lands and Heritage

Conditions for the Sale of Crown Land

(No Outgoings)

(Version 4)

(1054) Conditions for the Sale of Crown Land (No Outgoings) Version 4 - January 2022

CONDITIONS

1. DEFINITIONS, INTERPRETATION AND VENDOR'S POWERS, RIGHTS AND DUTIES

1.1. DEFINITIONS

In these Conditions and the Contract, unless the context requires otherwise, the following words have the following meaning:

Business Day means any day other than a Saturday, Sunday or State public holiday in Western Australia.

Completion Date means the date settlement under the Contract is actually effected.

Conditions mean these conditions for the sale of the Land.

Contaminated has the same meaning as that term is defined in the CSA, and **Contamination** is the state of being Contaminated.

Contract means the contract created by the offer and acceptance of which these Conditions form part.

Contract Date means the date of execution of the Contract by the last party to the Contract whose execution is necessary to make the Contract binding on all parties.

Crown means the Crown in right of the State of Western Australia.

CSA means the *Contaminated Sites Act 2003*.

Deposit means the deposit as specified in the Particulars, being an amount not less than 10% of the Purchase Price.

Department means the department assisting the Minister in the administration of the LAA, being at the date of the Contract the department named in the Contract.

Encumbrance means a mortgage, charge, bill of sale, lien, pledge, easement, reservation, condition, positive covenant, restrictive covenant, memorial (and any conditions or statements contained in the memorial), Notification, building condition, writ, warrant, caveat (and the claims stated in the caveat) or other right or interest of any third party affecting the Land or any part of the Land.

Environmental Laws means all planning, environmental or contamination or pollution laws and any regulations, orders, directions, ordinances or requirements, permissions, permits or licences issued thereunder.

GST has the meaning given in section 195-1 of the GST Act.

GST Act means *A New Tax System (Goods and Services Tax) Act 1999 (Cth)* and any legislation substituted for or amending that Act.

GST law has the meaning given in section 195-1 of the GST Act.

Improvements means any building, facility or structure on the Land.

LAA means the *Land Administration Act 1997*.

Land means the land the subject of the Contract as specified in the Particulars together with all Improvements.

Landgate means the Western Australian Land Information Authority established under the *Land Information Authority Act 2006 (WA)* and being the agency or department responsible for the registration of dealings relating to land in the register kept pursuant to the TLA.

Margin Scheme has the meaning given in section 195-1 of the GST Act.

Minister means the Minister for Lands, being a body corporate continued under section 7(1) of the LAA and being the Minister to whom the administration of the LAA is from time to time committed by the Governor.

Notification means a notification endorsed on the certificate of Crown land title for the Land under section 70A of the TLA.

Outgoings means all rates, taxes, assessments, State land tax, Metropolitan Region Improvement Tax, charges (including but not limited to charges for water consumption and fixed charges), and outgoing (periodic or otherwise) chargeable or payable in respect of the Land.

Particulars means the particulars as set out in the Contract.

Purchase Price means the purchase price of the Land as specified in the Particulars.

Purchaser means the party named and described as the Purchaser in the Particulars and includes, in the case of a natural person, the personal representatives of the natural person and in the case of a corporation, includes the successors of the corporation and in either case, includes the permitted assigns of the Purchaser.

Purchaser's Conveyancer means the person nominated by the Purchaser in the Contract, if any, to represent the Purchaser in relation to the settlement of the purchase of the Land.

Rate means the rate of 12% per annum calculated on a daily basis.

Register has the same meaning as defined in the TLA.

Registrar means the Registrar of Titles appointed under section 7 of the TLA.

Settlement means the settlement of the sale and purchase of the Land in accordance with clause 5.

Settlement Date is the date being the later of:

- (a) 60 days after the Contract Date; and
- (b) the date as otherwise determined under these Conditions to be the Settlement Date; or
- (c) any other date as agreed in writing between the Vendor and the Purchaser from time to time.

Taxable Supply has the meaning given in section 195-1 of the GST Act.

Tax Invoice has the meaning given in section 195-1 of the GST Act.

TLA means the *Transfer of Land Act 1893*.

Transfer means a transfer of the Land in a form approved by the Registrar under the TLA from the Vendor to the Purchaser which in substance and form is acceptable to Landgate for the purposes of registration under the TLA.

Vendor means the State of Western Australia acting through the Minister or the Minister's duly authorised delegate.

Vendor's Agent means the Vendor's agent as specified in the Particulars who is validly authorised by the Vendor to offer the Land for sale.

1.2. INTERPRETATION

In these Conditions and the Contract, unless the context otherwise requires:

- (a) headings, underlining and numbering are for convenience only and do not affect the interpretation of these Conditions;
- (b) words importing the singular include the plural and vice versa;
- (c) words importing a gender include every gender;
- (d) an expression importing a natural person includes a company, partnership, joint venture, association, corporation or other body corporate;
- (e) a reference to a thing includes a part of that thing;
- (f) references to parts, clauses and parties are references to parts and clauses of, and parties to, these Conditions;
- (g) a reference to a party to the Contract includes that party's successors and permitted assigns and in the case of a natural person also includes that person's personal representatives and administrators;
- (h) where the day on or by which a thing is required to be done is not a Business Day that thing must be done on or by the succeeding Business Day;
- (i) a covenant or agreement by more than one person binds, and is enforceable against, those persons jointly and each of them severally;
- (j) no rules of construction apply to the disadvantage of a party because that party was responsible for the drafting of these Conditions or the Contract or of any part of these Conditions or of the Contract;
- (k) a reference to a statute, regulation, proclamation, order, ordinance or by-law includes every statute, regulation, proclamation, order, ordinance or by-law varying, consolidating or replacing it, and a reference to a statute includes every regulation, proclamation, ordinance and by-law issued under that statute;
- (l) a reference in these Conditions to a sub-clause, paragraph or sub-paragraph is a reference to a sub-clause, paragraph or sub-paragraph in the clause or definition in which the reference appears; and
- (m) words used in these Conditions which are not expressly defined in these Conditions but which are defined in the LAA or the TLA have the meaning given to them under the LAA or the TLA, as the case may be.

1.3. EXERCISE AND PERFORMANCE OF THE VENDOR'S POWERS AND DUTIES

The Purchaser acknowledges that under the provisions of the LAA:

- (a) any right, duty or power conferred or imposed on the Vendor under the Contract may be exercised or performed by the Minister; and
- (b) the Minister may, under an instrument of delegation, delegate to a person any right, duty or power which this condition or the Contract authorises or requires the Minister to exercise or perform.

1.4. CONDITIONS NOT TO AFFECT VENDOR'S OR MINISTER'S RIGHTS OR POWERS UNDER THE LAA

The Purchaser agrees that these Conditions do not in any way affect, alter or derogate from the Vendor's or the Minister's rights or powers under the LAA.

2. LAND AND ENCUMBRANCES

The Land is offered for sale and will be sold in accordance with these Conditions free of all Encumbrances except:

- (a) as specified in the Contract; and
- (b) any easement, positive covenant, restrictive covenant, memorial (and any condition or statement contained in the memorial), reservation, condition, building condition or Notification recorded or registered or to be recorded or registered on the certificate of Crown land title for the Land.

3. PURCHASE PRICE

The Purchase Price is to be paid to the Vendor and satisfied as follows:

- (a) by payment of the Deposit by cheque made payable to the Department contemporaneously with the execution of this Contract by the Purchaser (receipt of which is acknowledged by the Vendor by the execution of the Contract for and on behalf of the Vendor); and
- (b) by payment of the balance of the Purchase Price (being the Purchase Price less the Deposit) by unendorsed bank cheque made payable to the Department (or as otherwise directed in writing by an authorised officer of the Department) on the Settlement Date.

4. DEPOSIT**4.1. PAYMENT OF DEPOSIT**

The Deposit is to be paid to the Department and held by the Department as agent for the Vendor.

4.2. FAILURE TO PAY DEPOSIT

If the Deposit is paid by cheque and the cheque is dishonoured on presentation to the drawer's bank, then:

- (a) the Purchaser is immediately in default under the Contract; and
- (b) the Vendor may, without prejudice to any other rights or remedies available to the Vendor, immediately terminate the Contract by notice in writing to the Purchaser.

5. SETTLEMENT**5.1. SETTLEMENT**

Settlement is to take place on the Settlement Date at the offices of the Department in Perth or at any other place in Perth as the Vendor appoints.

5.2. PURCHASER TO TENDER TRANSFER

A reasonable time before the Settlement Date, and in any event not less than ten (10) Business Days before the Settlement Date, the Purchaser must at the Purchaser's expense tender to the Department the Transfer which has been stamped and duly executed by the Purchaser as transferee.

5.3. PROCEDURE ON SETTLEMENT

At Settlement, the Purchaser will deliver to the Vendor in accordance with clause 3(b) an unendorsed bank cheque or bank cheques for the balance of the Purchase Price and against receipt of the balance of the Purchase Price, the Vendor will provide to the Purchaser, subject to the Purchaser's compliance with clause 5.2, the Transfer duly executed for and on behalf of the Vendor.

5.4. PURCHASER TO REMAIN LIABLE

If for any reason a bank cheque tendered as or towards the money payable by the Purchaser on Settlement is not honoured on first presentation, the Purchaser will

remain liable to pay the amount of that money, without prejudice to any other rights, remedies or powers of the Vendor under the Contract.

5.5. ACKNOWLEDGEMENTS BY PURCHASER

The Purchaser acknowledges that:

- (a) a duplicate certificate of Crown land title for the Land does not exist and will not be delivered by the Vendor to the Purchaser at Settlement;
- (b) on the Completion Date, a Certificate of Title for the Land will not exist and the Vendor is not obliged to produce to the Purchaser a duplicate Certificate of Title for the Land at Settlement;
- (c) a Certificate of Title for the Land will be created by the Registrar once the Transfer has been registered in accordance with the provisions of the TLA where the Registrar will endorse on the Certificate of Title the particulars of all dealings and matters affecting the Land as specified in, or effected by, the Contract and the Transfer; and
- (d) unless the Purchaser has on the Transfer requested the duplicate Certificate of Title for the Land not to be issued, a duplicate Certificate of Title for the Land will be issued by the Registrar and forwarded to the issuing party as requested on the Transfer.

6. DELAY IN SETTLEMENT

- (a) If for any reason attributable to the Purchaser, Settlement is not effected on or within three (3) Business Days after the Settlement Date, the Purchaser is to pay to the Vendor on Settlement interest at the Rate on the balance of the Purchase Price and all other money which is payable on Settlement, calculated from and including the Settlement Date to but excluding the Completion Date.
- (b) The Vendor's right to a payment under sub-clause (a) is conditional on the Vendor being ready, willing and able to complete the sale on the Settlement Date and if the Vendor is not, the Vendor's right to the payment commences from the day on which the Vendor is ready, willing and able to complete the sale and has given notice to the Purchaser of that fact.
- (c) Except as provided in sub-clause (b), it is not necessary for the Vendor to give to the Purchaser a notice requiring the payment of interest under this clause.
- (d) The rights of the Vendor under this clause are without prejudice to the rights of the Vendor under these Conditions or the Contract.

7. POSSESSION AND RISK

7.1. POSSESSION

Subject to:

- (a) payment in full of the Purchase Price as is due and payable on the Settlement Date; and
- (b) the Purchaser having performed all of the Purchaser's obligations under these Conditions,

the Purchaser will be entitled to, and the Vendor will deliver to the Purchaser, possession of the Land on the Completion Date.

7.2. RISK

Despite any rule of law or equity to the contrary, the Land is at the risk of the Purchaser from the time at which Settlement occurs or from the date the Purchaser is entitled to or is given possession of the Land, whichever is the earliest.

8. OUTGOINGS**8.1. NO OUTGOINGS ASSESSED ON THE LAND**

The Land is not subject to any Outgoings, as the Land is owned by the Crown in right of the State of Western Australia.

8.2. NO ADJUSTMENT OF OUTGOINGS

As a result of what is state in clause 8.1, the Purchaser agrees with the Vendor that no Outgoings will be apportioned between the Vendor and the Purchaser. The Purchaser is responsible for the payment of all Outgoings chargeable or payable in respect of the Land from the Completion Date or the date the Purchaser is entitled to or is given possession of the Land, whichever is the earliest.

9. GENERAL PROVISIONS**9.1. PURCHASER'S ACKNOWLEDGEMENTS**

The Purchaser acknowledges and agrees that, except as disclosed in these Conditions:

- (a) no warranty or representation has been given or made to the Purchaser or anyone on the Purchaser's behalf by the Vendor, the Minister, the Vendor's Agent or any agent, employee or contractor of the Department or any other person on the Vendor's or Minister's behalf as to:
 - (i) the title to the Land;
 - (ii) any Encumbrance, restriction or right in favour of any third party affecting the Land;
 - (iii) the condition or state of repair of the Land or any part of the Land;
 - (iv) the condition or state of repair of the Improvements or any part of the Improvements;
 - (v) the suitability of the Land for any use or purpose of any kind; or
 - (vi) whether or not the fences (if any) purporting to be on the boundaries of the Land are in fact on the proper boundaries of the Land;
- (b) any representation or warranty implied by virtue of any statute or otherwise will not apply to, or be implied in, these Conditions or the Contract and any such representation or warranty is excluded to the extent permitted by law;
- (c) the Land is sold as it stands with all existing faults, defects or characteristics whether they are apparent or ascertainable on inspection or not and without any obligation on the Vendor to disclose or particularise any faults, defects or characteristics known to the Vendor;
- (d) the Purchaser is purchasing and is deemed to purchase in reliance on the Purchaser's own inspection of, and enquiries in relation to, the Land;
- (e) the Vendor will not be liable under any circumstances to make any allowance or compensation to the Purchaser nor will the Purchase Price be affected by the exclusion of warranties or representations in this clause 9.1 or for any fault, defect or characteristic in the Land; and

- (f) this clause will apply despite the contents of any brochure, document, letter or publication made, prepared or published by the Department or by any other person with the express or implied authority of the Department.

9.2. ERROR OR MISDESCRIPTION

No error or misdescription of the Land will annul the sale or affect the Purchase Price.

9.3. REQUISITIONS ON TITLE

The Purchaser is not entitled to make any objection to or requisition on the title to the Land, and the Vendor will not be obliged to furnish any answer to any objection or requisition on the title to the Land delivered by or on behalf of the Purchaser, it being acknowledged by the Purchaser that:

- (a) the Land is Crown land within the meaning of the LAA;
- (b) the State of Western Australia is, or is entitled to be recorded as the registered proprietor of the Land by virtue of section 29(5) of the LAA;
- (c) the Minister is authorised by section 74 of the LAA to sell Crown land;
- (d) the Minister through its authorised officer by delegated authority under section 9 of the LAA has executed the Contract on behalf of the State of Western Australia as authorised under section 10 of the LAA; and
- (e) the Land has been sold under section 74 of the LAA and the provisions of the LAA relating to the sale of Crown land apply to the Contract.

9.4. NO COMPENSATION

The Purchaser is not entitled to make any objection, requisition or claim for compensation, or to rescind the Contract in respect of:

- (a) the provision of, or lack of, water, drainage, sewerage, gas, electricity, telephone or other services or connections to the Land, or in respect of the fact that any services or connections may be joint services to any other land, or because any facilities for services for any other land pass through the Land;
- (b) any encroachment onto the Land by any improvement which does not form part of the Land, or the encroachment onto adjoining land of any improvement which forms part of the Land;
- (c) the location of any sewerage, water or drainage pipes or services affecting the Land, or that any sewer passes through, or penetrates the Land;
- (d) the fact that the current use of the Land may not be an authorised use under any applicable zoning or use law, scheme or regulation;
- (e) the fact that any fence on the Land is not on the proper boundaries of the Land; or
- (f) the fact that the area of the Land is different from the area indicated on any plan, brochure or document issued or published by or on behalf of the Department or Landgate or as indicated on the certificate of Crown land title to the Land.

9.5. PLANNING AND OTHER MATTERS

The Purchaser acknowledges that the Land is sold subject to the following as at the Completion Date:

- (a) the provisions of any town planning scheme, zoning by-laws and other laws affecting the Land;

- (b) any order or requisition affecting the Land;
- (c) any proposal or scheme for the widening, realignment, closure, siting or alteration of the level of any road or right of way adjacent to the Land by any competent authority or person;
- (d) any resumption or proposal to resume the Land or any part of the Land; and
- (e) any easement, memorial (and any condition or statement contained in the memorial), Notification, reservation, condition, building condition, positive covenant or restrictive covenant affecting the Land,

and the Purchaser will take title subject to the above, and will not be entitled to make any objection, requisition, or claim for compensation, nor to rescind the Contract in respect of any of the above.

10. DEFAULT

10.1. TIME OF THE ESSENCE

Time is of the essence in respect of the Contract in all respects.

10.2. TERMINATION OF CONTRACT

- (a) Except as otherwise specifically provided in these Conditions:
 - (i) the Vendor is not entitled to forfeit any money paid by the Purchaser or take or recover possession of the Land on the ground of the Purchaser's default in performing or observing any obligation imposed on the Purchaser under the Contract; and
 - (ii) neither the Vendor nor the Purchaser is entitled to terminate the Contract on the ground of the other's default in performing or observing any obligation imposed on that other party under the Contract,

UNLESS:

- (iii) the party not in default has first given to the party in default a written notice specifying the default complained of, which notice shall require that the default be remedied within the period stipulated in that notice; and
- (iv) the party in default fails to remedy the default within the period stipulated in that notice.
- (b) The period stipulated in the written notice referred to in clause 10.2(a)(iii) will not be less than five (5) Business Days.
- (c) The giving of a notice under this clause does not prejudice the right of either party to give a further notice under this clause.
- (d) This clause does not apply where either party repudiates the Contract.

10.3. PURCHASER DEFAULT

- (a) If the Purchaser is in default in performing or observing any obligation imposed on the Purchaser under the Contract or if the Purchaser repudiates the Contract, then in addition to any other rights or remedies the Vendor has under the Contract or otherwise, the Vendor may:

- (i) affirm the Contract and sue the Purchaser for damages for breach;
- (ii) affirm the Contract and sue the Purchaser for specific performance of the Contract and damages for breach in addition to or in lieu of specific performance of the Contract;
- (iii) proceed to take or recover possession of the Land; or
- (iv) terminate the Contract and:
 - (A) forfeit the Deposit paid, except so much as exceeds 10% of the Purchase Price (which excess, if any, is to be regarded for the purposes of this clause as an instalment of the Purchase Price);
 - (B) sue the Purchaser for damages for breach; and
 - (C) without further notice to the Purchaser re-sell the Land in such manner as the Vendor in good faith deems fit and any deficiency arising from such re-sale and all expenses incurred by the Vendor (but after giving credit for the Deposit if it has been forfeited) arising from that re-sale is recoverable by the Vendor from the Purchaser as liquidated damages.
- (b) The Vendor is entitled to retain, pending re-sale of the Land, all instalments of Purchase Price paid to the Vendor.
- (c) If the Vendor re-sells the Land the Vendor may:
 - (i) apply any instalments of the Purchase Price paid to the Vendor in or towards satisfaction of any damages mentioned in clause 10.3(a)(iv); and
 - (ii) retain absolutely:
 - (A) any surplus arising from such re-sale in excess of the original Purchase Price and expenses arising from the re-sale and all losses and expenses incurred by the Vendor resulting from the Purchaser's default; and
 - (B) any interest paid by the Purchaser.
- (d) If the Vendor does not commence proceedings for the recovery of damages or fails to re-sell and settle the re-sale of the Land within twelve (12) months from the termination of the Contract, then after that period of twelve (12) months has expired, the Vendor shall account to the Purchaser for all instalments of Purchase Price received by the Vendor (other than the Deposit forfeited by the Vendor in accordance with the Contract) without interest.

10.4. VENDOR DEFAULT

If the Vendor defaults in performing or observing any obligation imposed on the Vendor under the Contract or if the Vendor repudiates the Contract then the Purchaser, in addition to any other rights and remedies the Purchaser has under the Contract or otherwise, is entitled to the repayment of all money paid by the Purchaser under the Contract.

11. DIVIDING FENCES**11.1. VENDOR NOT LIABLE**

The Purchaser and the Vendor agree that the Vendor will not be liable to the Purchaser or any other party claiming through the Purchaser to contribute to the cost of erecting or repairing any dividing fence whether under the *Dividing Fences Act 1961* or otherwise and that the Purchaser will assume any existing liability as from and including Settlement.

11.2. PURCHASER TO INDEMNIFY THE VENDOR

This condition will not prejudice or affect the rights of the Purchaser as between the Purchaser and adjoining owners other than the Vendor, and the Purchaser agrees to indemnify the Vendor against all claims in respect of the cost of erecting or repairing any dividing fence from any future owner, whether legal or equitable, of any adjoining land.

12. CAVEATS

If a caveat is lodged against the certificate of Crown land title for the Land before the Settlement Date (other than a caveat registered by or in relation to the Purchaser or the Purchaser's interest in the Land) and the Vendor is unable to produce to the Purchaser at Settlement a withdrawal of the caveat:

- (a) despite any other clause in the Contract, the Vendor may by written notice to the Purchaser extend the Settlement Date by such period not exceeding 60 Business Days as the Vendor shall elect in its absolute discretion to attempt to cause the caveat to be withdrawn, removed or lapsed from the Register; and
- (b) if the Vendor for whatever reason cannot cause the caveat to be withdrawn, removed or lapsed from the Register on or before the extended Settlement Date under sub-clause (a), the Contract will be deemed to have come to an end upon which so much of the Purchase Price that has been paid by the Purchaser will be refunded to the Purchaser and there will be no further claim under the Contract by either the Vendor or the Purchaser against the other at law or in equity.

13. CERTIFICATE OF CROWN LAND TITLE NOT CREATED AND REGISTERED ON THE CONTRACT DATE**13.1. APPLICATION**

If a certificate of Crown land title for the Land has not been created and registered as at the Contract Date, this clause shall apply to the Contract.

13.2. VENDOR TO APPLY FOR CERTIFICATE OF CROWN LAND TITLE

The Vendor will at the Vendor's expense as soon as practicable after the Contract Date, apply to the Registrar for the creation and registration of a separate certificate of Crown land title for the Land.

13.3. MINOR ALTERATIONS

The Purchaser must not unreasonably object to minor alterations to the area or boundaries of the Land shown on the relevant plan or the certificate of Crown land title as required by any third party whose consent or approval is required for the creation and registration of a certificate of Crown land title for the Land.

13.4. PURCHASER TO ACCEPT TITLE

The Purchaser must not refuse to accept title to the Land or make any claim for compensation for minor alterations to the area or boundaries of the Land shown on the relevant plan or the certificate of Crown land title.

13.5. VENDOR TO NOTIFY CREATION AND REGISTRATION OF CERTIFICATE OF CROWN LAND TITLE

The Vendor must send a notice notifying the Purchaser or the Purchaser's Conveyancer in writing within 5 Business Days of the creation and registration of a certificate of Crown land title for the Land.

13.6. SETTLEMENT

Settlement in terms of clause 5 is to take place on the later of:

- (a) 14 Business Days after the service of a notice under clause 13.5; or
- (b) the Settlement Date.

13.7. TERMINATION OF CONTRACT

If, prior to the Settlement Date:

- (a) a certificate of Crown land title for the Land in accordance with these Conditions has not been created and registered; or
- (b) the Vendor is unable for whatever reason to transfer title to the Land in accordance with these Conditions,

the Vendor shall repay to the Purchaser the Deposit and all other monies (if any) paid by the Purchaser to the Vendor under the Contract without deduction and on repayment, the Contract will cease to have effect and neither party will have any claim of any nature against the other.

14. CONNECTIONS TO SEWER

If, at the Contract Date:

- (a) the Land is not connected to a sewer; and
- (b) the Vendor has not received a notice from a competent authority requiring the Land to be so connected,

and on or before the Settlement Date a competent authority issues to the Vendor a notice requiring the Land to be connected to a sewer, the Purchaser will be responsible for the payment of all costs and expenses payable to the competent authority or any other body in respect of that connection.

15. MISCELLANEOUS**15.1. NOTICES**

- (a) Any notice given or required to be given under this Contract or these Conditions must be in writing addressed as shown below:

- (i) if to the Vendor:

Address: Department of Planning, Lands and Heritage
Locked Bag 2506
PERTH WA 6001

Marked for the attention of the party set out in the Contract and if by fax at the fax number set out in the Contract;

- (ii) if to the Purchaser, to the Purchaser's address shown in the Contract (or to any other address specified by the Purchaser to the Department by notice). A notice served on the Purchaser's Conveyancer in accordance with this clause will be treated for all purposes as if the notice had been served on the Purchaser;
- (iii) must be signed by the sender or an officer of, or under the common seal, of the sender or by the sender's authorised representative (as the case may be);
- (iv) is to be regarded as being given by the sender and received by the addressee:
 - (A) if by delivery in person, when delivered to the addressee;
 - (B) if by post (which posting must be by pre-paid security post), 3 Business Days from and including the date of posting to the addressee; and
 - (C) if by facsimile transmission:
 - (1) on the date the notice or communication is transmitted in its entirety by a facsimile machine; and
 - (2) that facsimile machine produces a transmission report which indicates that the facsimile was sent in its entirety to the facsimile number of the addressee,

but if the delivery or transmission by facsimile is on a day which is not a Business Day or is after 5.00 pm (addressee's time) it is to be regarded as being given at 9.00 am (addressee's time) on the next succeeding Business Day; and

- (v) can be relied upon by the addressee, and the addressee is not liable to any other person for any consequences of that reliance if the addressee believes it to be genuine, correct and authorised by the sender.
- (b) Where the Purchaser comprises 2 or more persons or corporations, or any combination of the same, notice to either 1 person or to 1 corporation is deemed notice to all persons and corporations comprising the Purchaser.

15.2. GOVERNING LAW

These Conditions and the Contract are to be governed by and construed according to the laws of Western Australia.

15.3. MORATORIUM

Unless application is mandatory by law, a statute, proclamation, order, regulation or moratorium, present or future, is not to apply to the Contract or these Conditions so as to abrogate, extinguish, impair, diminish, fetter, delay or otherwise affect prejudicially rights, powers, privileges, remedies or discretions given or accruing to a party.

15.4. SEVERABILITY

If a condition, covenant or stipulation of these Conditions or of the Contract or the application of them to a person or circumstances is, or becomes, invalid or unenforceable the remaining covenants, conditions and stipulations are not to be affected by the invalidity or enforceability, and each covenant, condition and stipulation of these Conditions and the Contract will be valid and enforceable to the fullest extent permitted by law.

15.5. ASSIGNMENT

The Purchaser may not assign its rights under the Contract without the prior written consent of the Vendor, which consent may be withheld in the absolute discretion of the Vendor.

15.6. WAIVER AND VARIATION

A provision of, or a right created under, the Contract may not be:

- (a) waived except in writing signed by the party granting the waiver; or
- (b) varied except in writing signed by all parties.

15.7. FURTHER ASSURANCES

The Vendor and the Purchaser agree to sign, execute and complete all further assurances and documents and to do all things reasonably required to complete the matters set out in, or contemplated by, these Conditions and the Contract.

15.8. OBLIGATIONS SURVIVE SETTLEMENT

Without limitation, to the extent that any obligations under the Contract and these Conditions have not been complied with on or before Settlement, those obligations survive Settlement and continue until complied with.

15.9. LEGAL COSTS

Subject always to clause 15.11, each party is to pay its own solicitor's costs in respect of the Contract and the completion of the Contract.

15.10. DUTY

The Purchaser is to pay all duties (including fines or penalties incurred as a result of the Purchaser's action or inaction) payable in relation to the Contract and the Transfer.

15.11. DEFAULT COSTS AND EXPENSES

The Purchaser shall on demand pay to the Vendor all monies, costs, charges and expenses incurred or expended by the Vendor under or in connection with or by reason of the breach or failure by the Purchaser to observe and perform any of the covenants or conditions on the part of the Purchaser in the Contract or by reason of or in relation to the exercise or attempted exercise by the Vendor of the rights, powers and authorities of the Vendor under the Contract together with interest on those monies at the Rate computed from the time of payment to but excluding the date of repayment or discharge of the liability.

16. GOODS AND SERVICES TAX**16.1. PURCHASER TO PAY GST**

The Purchaser must pay additional to the Purchase Price any GST payable by the Vendor in respect of a Taxable Supply made under this Contract. Where GST is payable, the Vendor shall provide to the Purchaser, if required by the Purchaser, a Tax Invoice in the format and form required as set out in the GST law.

16.2. TAX INVOICE

Where GST is payable, the Vendor shall provide to the Purchaser, if required by the Purchaser, a Tax Invoice in the format and form required as set out in the GST law.

16.3. NOTIFICATION IS CONCLUSIVE

A written notification given to the Purchaser by the Vendor of the amount of GST that the Vendor is liable to pay on a Taxable Supply made or to be made under this Contract is conclusive between the parties except in the case of an obvious error.

16.4. IF NO GST LIABILITY

Where the Vendor does not have a liability under the GST Act for GST for a supply under this Contract, the parties agree that the Purchase Price shall be exclusive of any amount in respect of GST.

16.5. MARGIN SCHEME

Where the Vendor has a liability for GST for a Taxable Supply under this Contract and the Vendor is entitled to use the Margin Scheme under the GST Act, if the Vendor and the Purchaser have agreed in writing that the Margin Scheme is to apply to calculate the GST liability prior to the making of the Taxable Supply then the Purchaser shall pay to the Vendor any GST on the Taxable Supply determined in accordance with the Margin Scheme in addition to the Purchase Price.

16.6. THE PURCHASER MUST PAY GST AT SAME TIME

The Purchaser must pay to the Vendor the amount of the GST that the Purchaser is liable to pay under this Contract:

- (a) at the same time; and
- (b) in the same manner,

as the Purchaser is obliged to pay for the Taxable Supply.

16.7. TAX RULING

- (a) If, at any time, the Vendor wishes to obtain a tax ruling from the Australian Taxation Office as to whether or not there is a liability for GST on the Vendor on the Taxable Supply pursuant to this Contract or as to whether or not the Vendor may adopt the Margin Scheme to calculate such GST liability, then the Vendor may (but shall not be obliged to) apply to the Australian Taxation Office for a tax ruling.
- (b) The application for the tax ruling will be made by the Vendor at its sole cost.
- (c) The Purchaser shall provide such assistance as the Vendor may reasonably require to obtain the tax ruling on the matter.
- (d) The Vendor shall not be obliged to accept the tax ruling.
- (e) If a tax ruling has not been obtained prior to the date on which the Purchaser is obliged to pay for the Taxable Supply, then the Purchaser shall pay to the Vendor the amount of GST appearing in the notification mentioned in clause 16.3, subject to a refund or a partial refund being made to the Purchaser if it is finally established that there is no liability for GST or that the Purchaser and the Vendor can validly adopt the Margin Scheme, respectively.

17. CONTAMINATION AND RELATED MATTERS**17.1. NO WARRANTY**

The Vendor makes no warranty:

- (a) as to the nature or extent to which the Land may be affected by any Contamination; and
- (b) that remediation works will not be required to be carried out by the Purchaser for any use which the Purchaser may make of the Land.

17.2. MEMORIAL

- (a) The Vendor may at its sole discretion lodge with the Registrar of Titles a memorial pursuant to section 17 of the LAA over the Land with a statement warning of any Contamination of the Land or other relevant factor as a hazard or other factor affecting, or likely to affect, the use or enjoyment of the Land.
- (b) The Purchaser's execution of this Contract evidences the Purchaser's acknowledgment and consent to any action by the Vendor in accordance with sub-clause (a) and may be relied upon as its consent for the purpose of lodging any such memorial, under section 17(1) of the LAA.

17.3. NO COMPENSATION

Without limiting anything in clause 9, the Purchaser agrees and acknowledges and accepts the Land in its present condition including without limitation the presence of any Contamination and shall not make or take any objection, requisition or claim for compensation, or rescind or terminate the Contract in relation to the presence of any Contamination in over or on the Land which is present at, or may become apparent after, Settlement.

17.4. PURCHASER TO ASSUME ALL RESPONSIBILITY

The Purchaser as owner of the Land must at its own cost and expense assume all responsibility for the presence of any Contamination found over, on or in the Land and must to the fullest extent permitted by the law assume all responsibility for:

- (a) compliance with all Environmental Laws;
- (b) the conduct and performance of any work required by any competent authority in respect of any Contamination or under any Environmental Laws; and
- (c) any legal, statutory or other liability under or in connection with or resulting from the presence of any Contamination over, on or in the Land.

17.5. RELEASE AND INDEMNITY

The Purchaser releases and indemnifies and will keep indemnified, the Minister and the Crown from and against all actions, claims, writs, proceedings, suits, demands, losses, damages, compensation, costs of remediation, legal costs, charges and expenses whatsoever which at any time may be brought, maintained or made against the Minister or the Crown arising from or relating to:

- (a) the state or condition of the Land;
- (b) any Contamination over, on or in the Land or emanating from the Land; or
- (c) both of the matters covered in sub-clauses (a) and (b).

17.6. CLAUSE CONTINUANCE

This clause and the matters binding it:

- (a) do not merge on Settlement; and
- (b) continue after Settlement.

11.4 LOCAL EMERGENCY MANAGEMENT COMMITTEE - AMENDED TERMS OF REFERENCE

File Reference:	ADM406
Location:	Shire of West Arthur
Applicant:	N/A
Author:	Renee Schinzig, Administration Officer
Authorising Officer:	Vin Fordham Lamont, Chief Executive Officer
Date:	27/02/2025
Disclosure of Interest:	Nil
Attachments:	1. Current LEMC Terms of Reference ↓ 2. Updated LEMC Terms of Reference ↓

SUMMARY:

Council is requested to consider adopting the amended Terms of Reference for the Local Emergency Management Committee (LEMC) as attached.

BACKGROUND:

The previous version of the LEMC Terms of Reference was last updated in October 2022. The Shire's Local Emergency Management Arrangements (LEMA) were reviewed and updated recently and that document included a draft Terms of Reference. The review was undertaken by an external consultant, Lewis Winter.

COMMENT:

Officers, with advice from WALGA, have reviewed the existing Local Emergency Management Committee Terms of Reference, as well as the draft new version in the LEMA, and made appropriate updates. It is recommended that Council adopts the updated Terms of Reference as presented.

CONSULTATION:

Lewis Winter – Fire & Emergency Management Consultant
Chief Executive Officer
WALGA

STATUTORY ENVIRONMENT:

Emergency Management Act 2005
s.38 Local emergency management committees

POLICY IMPLICATIONS:

Nil

FINANCIAL IMPLICATIONS:

Nil

STRATEGIC IMPLICATIONS:

West Arthur Towards 2031
Community – Safe, Friendly and Inclusive
Outcome 1.1 – A safe place to work, live and visit
- Support for the provision of emergency services and volunteers

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	Terms of reference are not current and may not accurately reflect the functions and composition of the Shire of West Arthur LEMC.
Risk Likelihood (based on history and with existing controls)	(5) Almost Certain
Risk Consequence	(2) Minor
Risk Rating (Prior to Treatment or Control): Likelihood x Consequence	(10) High
Principal Risk Theme	Ineffective facility or event management

Risk Action Plan (Controls or Treatment Proposed)	Approve the updated LEMC TOR as presented.
---	--

VOTING REQUIREMENTS:

Simple Majority

OFFICER RECOMMENDATION:

That Council adopt the amended Terms of Reference for the Local Emergency Management Committee, as presented.

Policy Title	Local Emergency Management Committee
Policy Type	Governance
Responsible Officer	Chief Executive Officer



Name

The name of the Committee shall be the “Local Emergency Management Committee”, appointed in accordance with provisions of the Emergency Management Act 2005 and Section 5.8 of the Local Government Act 1995.

Functions

The functions of the Local Emergency Management Committee are taken from Sections 36 and 39 of the Emergency Management Act 2005.

The functions of the Local Emergency Management Committee are:

- (a) to advise and assist the local government in ensuring that local emergency management arrangements are established for its district (including recovery planning);
 - (b) to liaise with public authorities and other persons in the development, review and testing of local emergency management arrangements.
 - (c) to carry out other emergency management activities as directed by the State Emergency Management Committee or prescribed by the regulations.
 - (d) to advise and assist the local government on how to manage recovery following an emergency affecting the community in the district; and
 - (e) to advise and assist the local government on other functions relevant to Emergency Management, including but not limited to the following:
 - (i) Preparation of annual reports as recommended by State Emergency Management Policy 2.6;
 - (ii) Providing comment on State Emergency Management Policies;
 - (iii) the adequacy of State government support to achieve efficient, effective and consistent emergency management responses at the local level.
-

Membership

If the State Emergency Management Committee chooses it may determine the terms and conditions of appointment of members. In the event of any inconsistency between terms of condition of appointment of members determined by the State Emergency Management Committee and these terms and conditions, the terms and conditions set by the State Emergency Management Committee prevail.

1. Council, by Absolute Majority, shall appoint a committee for a two-year term, such committee to be appointed at the first full council meeting following biennial council elections.
2. In accordance with provisions of Section 5.9 of the Local Government Act 1995, Council resolves that the Committee is to comprise of council members, employees and other persons.
3. Membership of the Local Emergency Management Committee comprises:
 - at least one council member
 - the Community Emergency Services Manager
 - the Chief Bush Fire Control Officer for the Shire of West Arhtur
 - The Chief Executive Office of the Shire of West Arthur (or nominee)
 - The Recovery Co-ordinator for the Shire if West Arthur
 - Representatives from state government agencies whose responsibility include bushfire and emergency management and should include as minimum a representative of the Department of Fire and Emergency Services, the Officer in Charge of the Williams Police, the Department of Biodiversity, Conservation and Attractions.
 - Representatives from local industry, lifeline organisations and health services.
4. The Council of the Shire of West Arthur appoints the chairman from the membership. If the Shire does not appoint a chairman, the Local Emergency Coordinator shall be the chairman.
5. The Chief Executive Officer may remove a person or organisation from the list of members appointed by Council where that person or organisation is absent without tendering an apology throughout three consecutive meetings of the Local Emergency Management Committee, or if that organisation's attendance is considered essential, the CEO should liaise with a senior representative of that organisation to seek appropriate representation.

Management/Procedures

If the State Emergency Management Committee chooses, it may determine the constitution and procedures of a Local Emergency Management Committee. In the event of any inconsistency between the constitution and procedures determined by the State Emergency Management Committee and these management/ procedures, the constitution and procedures set by the State Emergency Management Committee prevail.

1. The formation and conduct of the Committee shall be in accordance with the requirements of the Local Government Act 1995, the Emergency Management Act 2005 any other statutory requirements.
2. The State Emergency Management Committee Policy 2.5 identifies that secretariat and administrative support to the Local Emergency Management Committee "is to be provided by the local government".

Therefore, a Shire of West Arthur employee, not necessarily a committee member, shall be appointed by the Shire of West Arthur Chief Executive Officer to prepare agendas and

minutes on behalf of the Committee. Unconfirmed Minutes will be available for inspection within five (5) working days. The Agenda and the Minutes of the previous meeting shall be circulated to all Committee members not later than seven (7) days before each meeting.

3. The Committee shall meet twice each year as a minimum or as required.
4. The quorum for a meeting of the Committee shall be at least four members of the Committee.
5. Every attending member shall have one vote.
6. The Council may adopt, amend, reject or refer back to the Committee any recommendations arising from the Committee's deliberations.
7. The Committee shall not direct Shire of West Arthur employees.
8. The Committee will not have the authority or power to commit the Shire of West Arthur or any association, organisation, group or individual to expenditure without Council endorsement or, in accordance with section 6.8(1)(c) of the Local Government Act 1995, the Shire President's approval.
9. Members wishing to address the Committee may do so in writing, providing information and proposals for consideration.
10. The Committee may call upon consultants or guests with specific expertise or as the need arises and invite them to attend meetings. Such persons shall not be entitled to vote on any decision arising from such meetings.
11. Members shall act in accordance with Council's Code of Conduct.
12. As specified by State Emergency Management Committee Policy 2.5 each meeting of the Local Emergency Management Committee should consider, but not be restricted to, the following matters, as appropriate:
 - a. Every meeting:
 - i. Confirmation of the Local Emergency Management Arrangements contact list currency;
 - ii. Review any of post-incident reports and post exercise reports generated since last meeting;
 - iii. Progress of emergency risk management process;
 - iv. Progress of treatment strategies arising from emergency risk management process;
 - v. Progress of development or review of local emergency management arrangements; and
 - vi Other matters determined by the local government.

Delegation

1. The Committee shall be free to plan to achieve the aforementioned functions' aims as best as it sees fit in the context of the terms of reference.
 2. The Council, in accordance with the Local Government Act, delegates the powers and privileges outlined within these Terms of Reference to the Advisory Committee.
-

History	25/05/2023 Adopted 22/02/2024 Amended
Delegation	Refer to Policy
Relevant Legislation	Local Government Act 1995 Emergency Management Act 2005
Related Documentation	Policy – Code of Conduct Complaint Handling

Title	Local Emergency Management Committee – Terms of Reference
Type	Law Order & Public Safety
Responsible Officer	Chief Executive Officer



Name

The name of the Committee shall be the “West Arthur Local Emergency Management Committee”, appointed in accordance with provisions of the Emergency Management Act 2005 and Section 5.8 of the Local Government Act 1995.

Aim

To promote a safe, sustainable and resilient community, through practical planning, hazard mitigation and partnership development, on behalf of the West Arthur community and stakeholder groups.

Objectives

- a) To develop emergency management arrangements, that have a practical application to all stakeholders within the community. These arrangements will be posted to the Shire Website, as updated. They will be made available to the Public and member agencies;
- b) To ensure that the Local Emergency Management Arrangements remain contemporary and relevant to the community, reflecting current community risks;
- c) To monitor committee membership, ensuring that it is representative of the community and the identified risks that are presented to the community;
- d) To comply with requirements of the [Emergency Management Act 2005](#) (specifically [State Emergency Management Policy](#) 2.5 – Local Arrangements) for Local Governments and Local Emergency Management Committees, as a minimum;
- e) To actively participate in formal inter-local government and agency relations, so as to further emergency management objectives and cooperation, within the Wheatbelt region;
- f) To take an active role in the continuous improvement of local community resilience, through community safety and awareness campaigns and activities;
- g) To take an active role in disaster recovery planning, through the promotion of an informed and engaged committee;
- h) To advocate and encourage inter-agency exercises that test and improve the capabilities of responsible HMAs, including inter-operability;
- i) To exercise the West Arthur LEMA, to test effectiveness in practical applications, actively seeking continuous improvement (in concert with [State Emergency Management Policy](#) 4.8.8 - State Emergency Management Framework);
- j) To comply with other emergency management activities, as directed by the State and District Emergency Management Committees, as described in the [Emergency Management Act 2005](#)

and SEMP 2.5;

- k) To prepare and submit to the District Emergency Management Committee on an annual basis the LEMC Business Plan;
- l) To prepare and submit to the DEMC, an annual report of LEMC activities each financial year ([State Emergency Management Policy 4.2](#)); and
- m) To provide a community emergency management interface to Hazard Management Agency/Controlling Agency in response to an incident. This may mean ensuring public information processes are effective and Risk Evaluation Criteria is communicated to the Hazard Management Agency/Controlling Agency for their decision-making appreciations.

Membership

Membership of the West Arthur LEMC is open to Hazard Management Agencies, Controlling Agencies, support agencies and community members who may include but is not limited to:

Agency	Position	Voting
Shire of West Arthur	Chair (Shire President)	Y
	Deputy Chair	Y
	Local Recovery Coordinator	Y
	Local Government Liaison Officer	Y
	Executive Officer (CEO)	Y
	Chief Bush Fire Control Officer (CBFCO)	Y
	Community Emergency Services Manager (CESM)	Y
	Administrative Support Officer	Y
	Other Councillors	Y
WA Police	Local Emergency Coordinator (Williams OIC)	Y
Department of Communities	Emergency Relief and Support Officer	Y
Department of Fire & Emergency Services (DFES)	District Emergency Management Advisor	Y
Department of Fire & Emergency Services (DFES)	Area Officer Emergency Management	Y
Department of Education – Darkan Primary School	Principal	Y
Department of Primary Industries & Regional Development (DPIRD)	Representative	Y
Department of Biosecurity, Conservation & Attractions (DBCA)	District Fire Coordinator	
Department of Health	Representative	Y
WA Community Health Service	Representative	Y
Department of Water &	Representative	Y

Environmental Regulation		
Main Roads WA	Representative	Y
St. John Ambulance	Representative	Y
Telstra	Representative	Y
Water Corporation	Representative	Y
Western Power	Representative	Y
Community Members	Representative	
Forest Products Commission	Representative	

Additional members may be invited as determined by the LEMC, to offer specialist advice on a range of matters pertaining to emergency management.

Each voting member is encouraged to have a proxy attend, where they are unavailable.

Management

The Committee shall consist of a Shire appointed Chair, Executive Officer, Local Recovery Coordinator, Local Government Liaison Officer, Chief Bush Fire Control Officer, Community Emergency Services Manager, Administrative Support Officer and other Councillors. The Local Emergency Coordinator (Police OIC - Williams) shall act as Deputy Chair.

The LEMC Chair shall direct and coordinate all meetings.

The Executive Officer shall research and manage information for the committee and provide information and advice when required.

The CESM or Administrative Support Officer shall record minutes and all meeting proceedings including the transfer of information between members.

Meetings

Meetings will be held twice per year as a minimum on a day, at a time and at a location as determined by the LEMC from time to time.

Minutes

In consultation with the LEMC Chair and Police OIC, the CESM and Administrative Support Officer shall be responsible for preparing the agenda for all LEMC meetings, including the agenda for any sub-committees and working groups.

The LEMC Administrative Support Officer shall be responsible for keeping detailed minutes of all

business tabled at any LEMC meetings. This officer shall then forward these minutes, to the LEMC Chair for approval, prior to distribution to LEMC members.

Minutes shall be recorded in the Council records management system.

Governance Arrangements

Meeting procedures – Standard meeting agenda.

Every Meeting	<ul style="list-style-type: none"> • Confirmation of LEMC contact list currency • Review of any incidents and analysis, since last meeting • Progress on any risk management processes • Progress on any treatment strategies from the risk management process • Progress on development or review of any LEMA • Other matters, as determined by Shire or the LEMC
As Required	<ul style="list-style-type: none"> • Development and approval of next financial year LEMC exercise schedule • Commencement of development of LEMC Annual Business Plan
	<ul style="list-style-type: none"> • Preparation of LEMC Annual Report (to be forwarded to DEMC) • Finalisation and approval of Annual Business Plan
	<ul style="list-style-type: none"> • Identify emergency management projects for possible grant funding
	<ul style="list-style-type: none"> • National and State funding nominations

Procedures

If the State Emergency Management Committee chooses, it may determine the constitution and procedures of a Local Emergency Management Committee. In the event of any inconsistency between the constitution and procedures determined by the State Emergency Management Committee and these management/procedures, the constitution and procedures set by the State Emergency Management Committee prevail.

1. The formation and conduct of the Committee shall be in accordance with the requirements of the Local Government Act 1995, the Emergency Management Act 2005 any other statutory requirements.
2. The State Emergency Management Committee Policy 2.5 identifies that secretariat and administrative support to the Local Emergency Management Committee “is to be provided by the local government”.

Therefore, a Shire of West Arthur employee, not necessarily a committee member, shall be appointed by the Shire of West Arthur Chief Executive Officer to prepare agendas and minutes on behalf of the Committee. Unconfirmed Minutes will be available for inspection within five (5) working days. The Agenda and the Minutes of the previous meeting shall be circulated to all Committee members not later than seven (7) days before each meeting.

3. The Committee shall meet twice each year as a minimum or as required.
4. The quorum for a meeting of the Committee shall be at least four members of the Committee.
5. Every attending member shall have one vote.
6. The Council may adopt, amend, reject or refer back to the Committee any recommendations arising from the Committee's deliberations.
7. The Committee shall not direct Shire of West Arthur employees.
8. The Committee will not have the authority or power to commit the Shire of West Arthur or any association, organisation, group or individual to expenditure without Council endorsement or, in accordance with section 6.8(1)(c) of the Local Government Act 1995, the Shire President's approval.
9. Members wishing to address the Committee may do so in writing, providing information and proposals for consideration.
10. The Committee may call upon consultants or guests with specific expertise or as the need arises and invite them to attend meetings. Such persons shall not be entitled to vote on any decision arising from such meetings.
11. Members shall act in accordance with Council's Code of Conduct.
12. As specified by State Emergency Management Committee Policy 2.5 each meeting of the Local Emergency Management Committee should consider, but not be restricted to, the following matters, as appropriate:
 - a. Every meeting:
 - i. Confirmation of the Local Emergency Management Arrangements contact list currency;
 - ii. Review any of post-incident reports and post exercise reports generated since last meeting;
 - iii. Progress of emergency risk management process;
 - iv. Progress of treatment strategies arising from emergency risk management process;
 - v. Progress of development or review of local emergency management arrangements; and
 - vi. Other matters determined by the local government.

If the State Emergency Management Committee chooses it may determine the terms and conditions of appointment of members. In the event of any inconsistency between terms of condition of appointment of members determined by the State Emergency Management Committee and these terms and conditions, the terms and conditions set by the State Emergency Management Committee prevail.

1. Council, by Absolute Majority, shall appoint a committee for a two-year term, such committee to be appointed at the first full council meeting following biennial council elections.
2. In accordance with provisions of Section 5.9 of the Local Government Act 1995, Council resolves that the Committee is to comprise council members, employees and other persons.
3. The Council of the Shire of West Arthur appoints the chair from the membership. If the

Shire does not appoint a chair, the Local Emergency Coordinator shall be the chair.

4. The Chief Executive Officer may remove a person or organisation from the list of members appointed by Council where that person or organisation is absent without tendering an apology throughout three consecutive meetings of the Local Emergency Management Committee, or if that organisation's attendance is considered essential, the CEO should liaise with a senior representative of that organisation to seek appropriate representation.

History	Last updated October 2022
Delegation	Nil
Relevant Legislation	<i>Local Government Act 1995</i> <i>Emergency Management Act 2005</i> <i>State Emergency Management Framework</i>
Related Documentation	

12 CORPORATE SERVICES**12.1 FINANCIAL REPORTS - FEBRUARY 2025**

File Reference:	ADM339
Location:	N/A
Applicant:	N/A
Author:	Melinda King, Manager Financial Reporting
Authorising Officer:	Rajinder Sunner, Manager Corporate Services
Date:	20/03/2025
Disclosure of Interest:	Nil
Attachments:	1. Monthly Financial Report February 2025 ↓

SUMMARY:

Council is requested to consider the financial reports for the periods ending 28 February 2025.

BACKGROUND:

The financial reports for the periods ending 28 February 2025 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

OFFICER RECOMMENDATION:

That Council accept the financial reports for the period ending 28 February 2025 as presented.

SHIRE OF WEST ARTHUR
MONTHLY FINANCIAL REPORT
(Containing the required statement of financial activity and statement of financial position)
For the period ended 28 February 2025

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

TABLE OF CONTENTS

Statements required by regulation

Statement of Financial Activity	2
Statement of Financial Position	3
Note 1 Basis of Preparation	4
Note 2 Statement of Financial Activity Information	5
Note 3 Explanation of Material Variances	6

SHIRE OF WEST ARTHUR
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2025

	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	2,114,852	(3,151)	(0.15%)	
Grants, subsidies and contributions	13	530,944	450,079	540,429	90,350	20.07%	▲
Fees and charges		353,890	245,800	268,229	22,429	9.12%	▲
Interest revenue		185,748	59,635	53,390	(6,245)	(10.47%)	▼
Other revenue		166,640	73,636	110,583	36,947	50.18%	▲
Profit on asset disposals	6	14,339	12,180	113,637	101,457	832.98%	▲
		3,369,564	2,959,333	3,201,120	241,787	8.17%	
Expenditure from operating activities							
Employee costs		(2,222,894)	(1,563,038)	(1,708,052)	(145,014)	(9.28%)	▼
Materials and contracts		(1,509,750)	(1,034,609)	(1,193,510)	(158,901)	(15.36%)	▼
Utility charges		(153,690)	(82,460)	(69,340)	13,120	15.91%	▲
Depreciation		(3,077,887)	(421,548)	(466,817)	(45,269)	(10.74%)	▼
Finance costs		(25,446)	(13,631)	(16,034)	(2,403)	(17.63%)	▼
Insurance		(134,430)	(134,430)	(133,040)	1,390	1.03%	
Other expenditure		(66,300)	(30,978)	(27,291)	3,687	11.90%	▲
Loss on asset disposals	6	(16,137)	0	0	0	0.00%	
		(7,206,534)	(3,280,694)	(3,614,084)	(333,390)	(10.16%)	
Non-cash amounts excluded from operating activities	Note 2(b)	3,079,685	409,368	353,180	(56,188)	(13.73%)	▼
Amount attributable to operating activities		(757,285)	88,007	(59,784)	(147,791)	(167.93%)	
INVESTING ACTIVITIES							
Inflows from investing activities							
Proceeds from capital grants, subsidies and contributions	14	1,750,780	486,734	489,830	3,096	0.64%	
Proceeds from disposal of assets	6	195,000	134,000	113,637	(20,363)	(15.20%)	▼
Proceeds from financial assets at amortised cost - self supporting loans		31,016	15,380	15,380	0	0.00%	
		1,976,796	636,114	618,847	(17,267)	(2.71%)	
Outflows from investing activities							
Payments for property, plant and equipment	5	(1,684,634)	(728,416)	(689,291)	39,125	5.37%	▲
Payments for construction of infrastructure	5	(1,813,571)	(722,026)	(721,580)	446	0.06%	
		(3,498,205)	(1,450,442)	(1,410,871)	39,571	2.73%	
Amount attributable to investing activities		(1,521,409)	(814,328)	(792,024)	22,304	2.74%	
FINANCING ACTIVITIES							
Inflows from financing activities							
Transfer from reserves	4	1,469,241	850,472	850,472	0	0.00%	
		1,469,241	850,472	850,472	0	0.00%	
Outflows from financing activities							
Repayment of borrowings	11	(137,156)	(74,429)	(74,429)	0	0.00%	
Transfer to reserves	4	(479,506)	(6,650)	(23,647)	(16,997)	(255.59%)	▼
		(616,662)	(81,079)	(98,076)	(16,997)	(20.96%)	
Amount attributable to financing activities		852,579	769,393	752,396	(16,997)	(2.21%)	
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)	88,007	(59,784)	(147,791)	(167.93%)	▼
Amount attributable to investing activities		(1,521,409)	(814,328)	(792,024)	22,304	2.74%	▲
Amount attributable to financing activities		852,579	769,393	752,396	(16,997)	(2.21%)	▼
Surplus or deficit after imposition of general rates		(0)	1,469,187	1,312,911	(156,276)	(10.64%)	▼

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 28 FEBRUARY 2025**

	Supplementary Information	30 June 2025	28 February 2025
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	4,451,619	3,305,858
Trade and other receivables		314,921	328,495
Other financial assets		31,016	15,636
Inventories	8	91,855	91,855
TOTAL CURRENT ASSETS		4,889,411	3,741,844
NON-CURRENT ASSETS			
Other financial assets		310,730	310,730
Property, plant and equipment		19,787,583	19,992,271
Infrastructure		113,491,708	114,231,074
TOTAL NON-CURRENT ASSETS		133,590,021	134,534,075
TOTAL ASSETS		138,479,432	138,275,919
CURRENT LIABILITIES			
Trade and other payables	9	402,794	242,342
Other liabilities	12	208,199	163,737
Borrowings	11	137,156	62,727
Employee related provisions	12	365,491	364,455
TOTAL CURRENT LIABILITIES		1,113,640	833,261
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	1,453,293
NET ASSETS		136,745,760	136,822,626
EQUITY			
Retained surplus		8,317,250	9,220,941
Reserve accounts	4	2,828,645	2,001,820
Revaluation surplus		125,599,865	125,599,865
TOTAL EQUITY		136,745,760	136,822,626

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

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD ENDED 28 FEBRUARY 2025

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 20 March 2025

SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2025

2 STATEMENT OF FINANCIAL ACTIVITY INFORMATION

		Adopted Budget Opening 30 June 2024	Last Year Closing 30 June 2024	Year to Date 28 February 2025
(a) Net current assets used in the Statement of Financial Activity	Supplementary Information	\$	\$	\$
Current assets				
Cash and cash equivalents	3	4,375,428	4,451,619	3,305,858
Trade and other receivables		214,081	314,921	328,495
Other financial assets		31,016	31,016	15,636
Inventories	8	21,855	91,855	91,855
Other assets	8	91,157	0	0
		<u>4,733,537</u>	<u>4,889,411</u>	<u>3,741,844</u>
Less: current liabilities				
Trade and other payables	9	(303,130)	(402,794)	(242,342)
Other liabilities	12	(208,199)	(208,199)	(163,737)
Borrowings	11	(137,156)	(137,156)	(62,727)
Employee related provisions	12	(309,447)	(365,491)	(364,455)
		<u>(957,932)</u>	<u>(1,113,640)</u>	<u>(833,261)</u>
Net current assets		3,775,605	3,775,771	2,908,583
Less: Total adjustments to net current assets	Note 2(c)	(2,349,490)	(2,363,448)	(1,595,672)
Closing funding surplus / (deficit)		1,426,115	1,412,323	1,312,911

(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)	(113,637)
Add: Loss on asset disposals	6	16,137	0	0
Add: Depreciation		3,077,887	421,548	466,817
Total non-cash amounts excluded from operating activities		3,079,685	409,368	353,180

(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 28 February 2025
		\$	\$	\$
Adjustments to net current assets				
Less: Reserve accounts	4	(2,828,645)	(2,828,645)	(2,001,820)
Less: Financial assets at amortised cost - self supporting loans	8	(31,016)	(31,016)	(15,636)
- Current financial assets at amortised cost - self supporting loans				0
- Land held for resale		0	(70,000)	(70,000)
Add: Current liabilities not expected to be cleared at the end of the year:				
- Current portion of borrowings	11	137,156	137,156	62,727
- Employee Benefit Provision		373,015	429,057	429,057
Total adjustments to net current assets	Note 2(a)	(2,349,490)	(2,363,448)	(1,595,672)

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 28 FEBRUARY 2025**

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			
Grants, subsidies and contributions	90,350	20.07%	▲
Aware disaster recovery grant received			
Bushfire mitigation grant received \$64,800			
Australia Day funding received. \$10,000			
Fees and charges	22,429	9.12%	▲
Private works fees above budget \$12,534			
Caravan park income greater than budget. \$14,785			
Interest revenue	(6,245)	(10.47%)	▼
No reportable variance			
Other revenue	36,947	50.18%	▲
Reimbursement of contracted staff received - timing \$5,719		Timing	
Legal cost reimbursement below budget - \$19,582		Timing	
Staff expenses reimbursed \$16,921. Externally funded leave.		Timing	
Water supply contribution greater than budget \$2,610		Permanent	
Insurance claim received		Permanent	
Station Shop FRRR income greater than budget \$19,926		Permanent	
Profit on asset disposals	101,457	832.98%	▲
Proceeds on sale of assets to be processed.			
Expenditure from operating activities			
Employee costs	(145,014)	(9.28%)	▼
Wages funded by grant funding were budgeted as materials and externally funded wages \$63,306.			
Admin wages are greater than budget year to date.			
LSL payments are greater than budget.			
Materials and contracts	(158,901)	(15.36%)	▼
Compliance/legal costs greater than budget year to date \$25,967		Permanent	
Public relations greater due to Australia Day grant funding.		Permanent	
Fire brigades - ESL \$25,175 greater than budget.		Permanent	
Aware costs - greater than budget. Grant funded \$13,080		Permanent	
Bushfire mitigation \$70,256 greater than budget - grant funded		Permanent	
Medical expense below budget. \$14,232		Permanent	
Tree pruning below budget \$11,778 - timing setup of budget		Timing	
Depot maintenance below budget \$15,074 - timing		Timing	
Caravan park greater than budget \$9,999		Timing	
Admin exp greater due to telephone exp \$12,685		Permanent	
Plant maintenance above budget \$25,813		Permanent	
There are several non reportable variances which offset the above variances.			
Utility charges	13,120	15.91%	▲
Below budget - telephone costs reported as materials.		Permanent	
Depreciation	(45,269)	(10.74%)	▼
Depreciation is greater than budget year to date.		Permanent	
Finance costs	(2,403)	(17.63%)	▼
Minor variance - setup of budget.			

Other expenditure	3,687	11.90%	▲
Minor variances			
Non-cash amounts excluded from operating activities	(56,188)	(13.73%)	▼
Due to depreciation variance.		Permanent	
Inflows from investing activities			
Proceeds from disposal of assets	(20,363)	(15.20%)	▼
Proceeds from sale of vehicles were below budget. Offset by lower vehicle cost.			
Outflows from investing activities			
Payments for property, plant and equipment	39,125	5.37%	▲
Vehicle purchases below budget. Offset by lower trade.			
Outflows from financing activities			
Transfer to reserves	(16,997)	(255.59%)	▼
Surplus or deficit at the start of the financial year	(13,792)	(0.97%)	▼
Variance is due to entries post budget completion.			
Surplus or deficit after imposition of general rates	(156,276)	(10.64%)	▼
Due to variances described above			

**SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 28 FEBRUARY 2025**

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)	\$1.47 M	\$1.31 M	(\$0.16 M)
Refer to Statement of Financial Activity				

Cash and cash equivalents			Payables			Receivables		
	\$3.31 M	% of total		\$0.24 M	% Outstanding		\$0.03 M	% Collected
Unrestricted Cash	\$1.30 M	39.4%	Trade Payables	\$0.08 M		Rates Receivable	\$0.30 M	84.7%
Restricted Cash	\$2.00 M	60.6%	0 to 30 Days		61.5%	Trade Receivable	\$0.03 M	% Outstanding
			Over 30 Days		38.5%	Over 30 Days		59.6%
			Over 90 Days		38.5%	Over 90 Days		40.6%
Refer to 3 - Cash and Financial Assets			Refer to 9 - Payables			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)	\$0.09 M	(\$0.06 M)	(\$0.15 M)
Refer to Statement of Financial Activity			

Rates Revenue			Grants and Contributions			Fees and Charges		
YTD Actual	\$2.11 M	% Variance	YTD Actual	\$0.54 M	% Variance	YTD Actual	\$0.27 M	% Variance
YTD Budget	\$2.12 M	(0.1%)	YTD Budget	\$0.45 M	20.1%	YTD Budget	\$0.25 M	9.1%
Refer to 10 - Rate Revenue			Refer to 13 - Grants and Contributions			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)	(\$0.81 M)	(\$0.79 M)	\$0.02 M
Refer to Statement of Financial Activity			

Proceeds on sale			Asset Acquisition			Capital Grants		
YTD Actual	\$0.11 M	%	YTD Actual	\$0.72 M	% Spent	YTD Actual	\$0.49 M	% Received
Adopted Budget	\$0.20 M	58.3%	Adopted Budget	\$1.81 M	39.8%	Adopted Budget	\$1.75 M	28.0%
Refer to 6 - Disposal of Assets			Refer to 5 - Capital Acquisitions			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	\$0.77 M	\$0.75 M	(\$0.02 M)
Refer to Statement of Financial Activity			

Borrowings			Reserves		
Principal repayments	(\$0.07 M)		Reserves balance	\$2.00 M	
Interest expense	(\$0.02 M)		Interest earned	\$0.02 M	
Principal due	\$0.64 M				
Refer to 11 - Borrowings			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 28 FEBRUARY 2025**

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 28 FEBRUARY 2025**

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	299,243	0	299,243	0	NAB	0.01%	N/A
Municipal cash at bank - CM	Cash and cash equivalents	4,595	0	4,595	0	NAB	2.55%	N/A
Municipal cash at bank - at call	Cash and cash equivalents	1,000,000	0	1,000,000	0	WA Treasury	4.30%	N/A
Reserve - CM	Cash and cash equivalents	0	1,820	1,820	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
Cash on hand	Cash and cash equivalents	200	0	200	0	CASH	0.00%	N/A
Total		1,304,038	2,001,820	3,305,858	0			
Comprising								
Cash and cash equivalents		1,304,038	2,001,820	3,305,858	0			
		1,304,038	2,001,820	3,305,858	0			

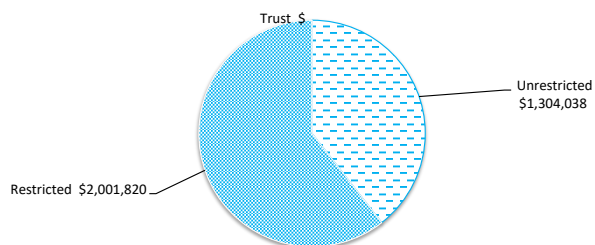
KEY INFORMATION

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 28 FEBRUARY 2025**

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	1,099	0	0	132,559
Plant Reserve	1,037,504	44,878	300,000	(1,007,116)	375,266	1,037,504	8,675	0	(739,472)	306,707
Building Reserve	176,231	7,623	0	(179,106)	4,748	176,231	1,473	0	(76,000)	101,704
Town Development Reserve	1,658	72	0	0	1,730	1,658	14	0	0	1,672
Recreation Reserve	177,182	7,664	0	(143,019)	41,827	177,182	1,481	0	0	178,663
Heritage Reserve	7,047	305	150	0	7,502	7,047	59	0	0	7,106
Community Housing Reserve	200,920	8,691	1,000	(50,000)	160,611	200,920	1,680	0	(35,000)	167,600
Waste Management Reserve	122,945	5,318	0	0	128,263	122,945	1,028	0	0	123,973
Darkan Swimming Pool Reserve	63,662	2,754	5,000	(30,000)	41,415	63,662	532	0	0	64,194
Information Technology Reserve	35,654	1,542	0	0	37,196	35,654	298	0	0	35,952
Darkan Sport and Community Centre Reserve	240,632	10,409	40,000	0	291,041	240,632	2,012	0	0	242,644
Arthur River Country Club Reserve	55,871	2,417	6,000	0	64,288	55,871	467	0	0	56,338
Museum Reserve	134,654	5,825	0	(5,000)	135,479	134,654	1,126	0	0	135,780
Moodiarrup Sports Club Reserve	28,281	1,223	5,000	0	34,504	28,281	236	0	0	28,517
Landcare Reserve	25,543	1,105	0	(5,000)	21,647	25,543	213	0	0	25,756
Corporate Planning and Valuation Reserve	4,829	209	0	0	5,038	4,829	40	0	0	4,869
Kids Central Reserve	7,866	340	0	0	8,206	7,866	66	0	0	7,932
The Shed Reserve	14,130	611	0	0	14,741	14,130	118	0	0	14,248
Recreation Trails Reserve	2,713	117	0	0	2,830	2,712	22	0	0	2,734
Community Gym Reserve	11,336	490	0	0	11,827	11,336	95	0	0	11,431
Economic Development Reserve	94,451	4,086	0	(50,000)	48,536	94,451	790	0	0	95,241
Road Reserve	254,077	10,990	0	0	265,068	254,077	2,123	0	0	256,200
	-	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	23,647	0	(850,472)	2,001,820

**SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 28 FEBRUARY 2025**

INVESTING ACTIVITIES

5 CAPITAL ACQUISITIONS

	Adopted		YTD Actual	YTD Actual Variance
	Budget	YTD Budget		
	\$	\$	\$	\$
Capital acquisitions				
Land - freehold land	203,765	25,300	26,945	1,645
Buildings - non-specialised	241,106	82,000	85,432	3,432
Furniture and equipment	78,647	0	0	0
Plant and equipment	1,161,116	621,116	576,914	(44,202)
Acquisition of property, plant and equipment	1,684,634	728,416	689,291	(39,125)
Infrastructure - roads	1,577,057	563,000	563,567	567
Infrastructure - Other	236,514	159,026	158,013	(1,013)
Acquisition of infrastructure	1,813,571	722,026	721,580	(78,696)
Total capital acquisitions	3,498,205	1,450,442	1,410,871	(117,821)
Capital Acquisitions Funded By:				
Capital grants and contributions	1,750,780	486,734	489,830	3,096
Other (disposals & C/Fwd)	195,000	134,000	113,637	(20,363)
Reserve accounts				
Plant Reserve	1,007,116	0	739,472	739,472
Building Reserve	179,106	0	76,000	76,000
Recreation Reserve	143,019	0	0	0
Community Housing Reserve	50,000	0	35,000	35,000
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	829,708	(43,068)	(872,776)
Capital funding total	3,498,205	1,450,442	1,410,871	(39,571)

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

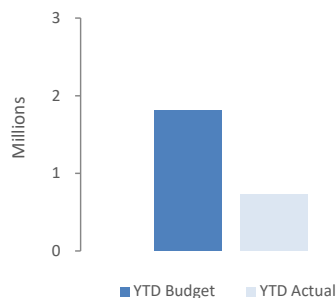
Plant and equipment including furniture and equipment is recognised at cost on acquisition in accordance with *Financial Management Regulation 17A*. Where acquired at no cost the asset is initially recognise at fair value. Assets held at cost are depreciated and assessed for impairment annually.

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



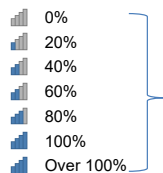
SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 28 FEBRUARY 2025

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.

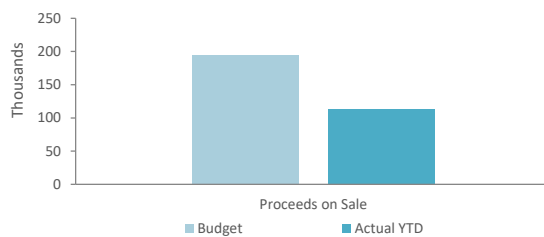
	Account Description	Adopted		Variance (Under)/Over
		Budget	YTD Budget	
		\$	\$	\$
	Furniture			0
	CCTV System - Darkan	(78,647)	0	0
		0	0	0
	Land & Buildings			
	10 Gibbs Street renovations	(50,000)	(7,000)	(6,445)
	Staff house - King Street completion	(191,106)	(75,000)	(72,436)
	Housing project head works	(176,765)	(25,000)	(26,667)
	Industrial Land Growden Place headworks, elec, survey	(27,000)	(300)	(278)
	Swimming Pool Upgrade (move to operating)	0	0	(6,551)
	Infrastructure			
	Water Supply Program	(50,000)	(15,000)	(12,752)
	New Playground equipment for Kids	(106,460)	(106,460)	(112,631)
	Shade over little kids playground and landscaping	(16,288)	0	0
	Upgrade water infrastructure at town dam.	(28,000)	(1,800)	(1,819)
	Heritage Trail - Darkan Townsite	(35,766)	(35,766)	(30,811)
	Plant & Equipment			
	Excavator and attachment 22 ton	(380,000)	(270,000)	(268,300)
	3T Tipper for Parks	(90,000)	0	0
	6 Wheeler 3 way Tip	(300,000)	0	0
	3T Flatbed for Mechanic	(90,000)	(90,000)	(83,850)
	2021 Ford Everest White Auto - Sport	(68,000)	(68,000)	(57,775)
	2022 Ford Everest White Auto - Trend	(68,000)	(68,000)	(60,440)
	2023 Mitsubishi Triton	(58,200)	(58,200)	(48,216)
	2021 Kubota Petrol Mower	(30,000)	0	0
	8000L Spray Tank	(10,000)	0	0
	Depot Workshop Compressor	(12,916)	(12,916)	(10,972)
	Fuel Trailer	(20,000)	(20,000)	(17,870)
	Fast Fill Trailer fro VBFB	(9,000)	(9,000)	(9,000)
	Traffic Light Portable Trailer	(25,000)	(25,000)	(20,491)
	Roads			
	Bowelling Duranillin Road	(366,940)	(25,000)	(23,167)
	Boyup Brook Road (Arthur River-Dinninup Road)	(361,160)	(275,000)	(275,670)
	Darkan Williams Road	(117,924)	0	0
	Bowelling McAlinden Road	(129,474)	(103,000)	(100,560)
	Cordering North Road	(390,573)	(120,000)	(119,243)
	Boyup Brook White line (Arthur River-Dinninup Road)	(35,488)	(4,000)	(4,330)
	Bridge works Bunce King	(25,000)	0	(176)
	Asphalt overlay - Coalfields Road	(70,000)	0	0
	Main Road truck/car park design	(10,000)	(7,000)	(5,598)
	Footpaths Railway Reserve	(54,700)	(24,000)	(28,282)
	Footpaths - connect Burrowes and Coalfields Road	(15,800)	(5,000)	(6,541)
		(3,498,207)	(1,450,442)	(1,410,871)
				(39,571)

**SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 28 FEBRUARY 2025**

OPERATING ACTIVITIES

6 DISPOSAL OF ASSETS

Asset Ref.	Asset description	Budget				YTD Actual			
		Net Book	Proceeds	Profit	(Loss)	Net Book	Proceeds	Profit	(Loss)
		Value				Value			
		\$	\$	\$	\$	\$	\$	\$	\$
	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	31,819	31,819	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	113,637	113,637	0



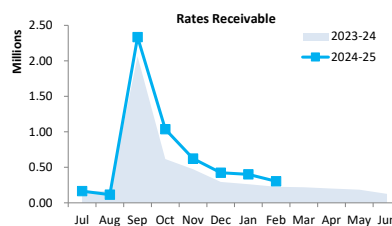
SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 28 FEBRUARY 2025

OPERATING ACTIVITIES

7 RECEIVABLES

Rates receivable

	30 June 2024	28 Feb 2025
Opening arrears previous years	\$ 171,494	\$ 280,916
Levied this year	1,997,367	2,114,852
Less - collections to date	(1,887,945)	(2,028,367)
Gross rates collectable	280,916	367,401
Allowance for impairment of rates receivable	(147,211)	(64,327)
Net rates collectable	133,705	303,074
% Collected	87.0%	84.7%



Receivables - general

	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	0	10,269	1,038	3,799	10,315	25,421
Percentage	0.0%	40.4%	4.1%	14.9%	40.6%	
Balance per trial balance						25,421
Trade receivables						25,421
Total receivables general outstanding						25,421

Amounts shown above include GST (where applicable)

KEY INFORMATION

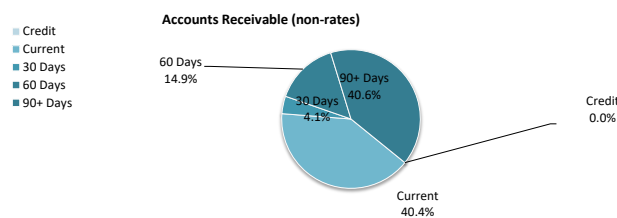
Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

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 28 FEBRUARY 2025**

OPERATING ACTIVITIES

8 OTHER CURRENT ASSETS

	Opening Balance 1 July 2024	Asset Increase	Asset Reduction	Closing Balance 28 February 2025
	\$	\$	\$	\$
Other current assets				
Other financial assets at amortised cost				
Financial assets at amortised cost - self supporting loans	31,016		(15,380)	15,636
Inventory				
Fuel and materials	21,855	0	0	21,855
Land held for resale	70,000		0	70,000
Total other current assets	122,871	0	(15,380)	107,491

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 28 FEBRUARY 2025**

OPERATING ACTIVITIES

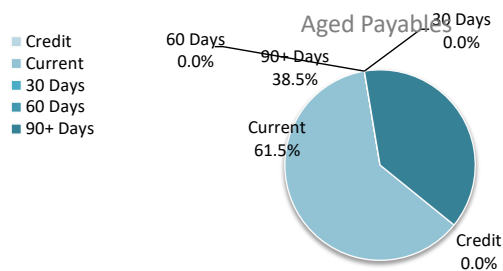
9 PAYABLES

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	149,121	0	0	93,221	242,342
Percentage	0.0%	61.5%	0.0%	0.0%	38.5%	
Balance per trial balance						
Sundry creditors						76,011
Accrued salaries and wages						63,568
ATO liabilities						(33,376)
Other payables						93,221
Payroll deductions						34,416
Collections						8,502
Total payables general outstanding						242,342

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 28 FEBRUARY 2025

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	(3,180)	54,332
Sub-total		169	10,242,608	103,198	0	103,198	103,198	(3,180)	100,018
Amount from general rates						2,113,866			2,110,686
Ex-gratia rates						4,137			4,166
Total general rates						2,118,003			2,114,852

SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 28 FEBRUARY 2025

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	(28,115)	(42,521)	14,406	0	(1,434)	(1,402)
Industrial Land	72	17,107	0	0	(5,611)	(11,312)	11,496	5,795	(312)	(421)
ERP	75	143,575	0	0	(13,052)	(27,518)	130,523	116,057	(3,425)	(5,940)
Loader	74	228,923	0	0	(12,271)	(24,789)	216,652	204,134	(5,316)	(8,791)
		432,126	0	0	(59,049)	(106,140)	373,077	325,986	(10,487)	(16,554)
Self supporting loans										
WA Cottage Homes		279,367	0	0	(15,380)	(31,016)	263,987	248,351	(5,546)	(8,892)
		279,367	0	0	(15,380)	(31,016)	263,987	248,351	(5,546)	(8,892)
Total		711,493	0	0	(74,429)	(137,156)	637,064	574,337	(16,033)	(25,446)
Current borrowings		137,156					62,727			
Non-current borrowings		574,337					574,337			
		711,493					637,064			

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 28 FEBRUARY 2025**

OPERATING ACTIVITIES

12 OTHER CURRENT LIABILITIES

	Note	Opening Balance 1 July 2024	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 28 February 2025
		\$	\$	\$	\$	\$
Other current liabilities						
Other liabilities						
Contract liabilities		52,939		107,945	(145,700)	148,553
Capital grant/contributions liabilities		155,260	0	471,913	(478,620)	15,184
Total other liabilities		208,199	0	579,858	(624,320)	163,737
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	0	(1,403)	(1,403)
Total Provisions		365,491	0	367	(1,403)	364,455
Total other current liabilities		573,690	0	580,225	(625,723)	528,192
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 28 FEBRUARY 2025

OPERATING ACTIVITIES

13 GRANTS, SUBSIDIES AND CONTRIBUTIONS

Provider	Unspent grant, subsidies and contributions liability					Grants, subsidies and contributions revenue					
	Liability 1 July 2024	Increase in Liability	Decrease in Liability (As revenue)	Liability 28 Feb 2025	Current Liability 28 Feb 2025	Adopted Budget Revenue	YTD Budget	Annual Budget	Budget Variations	Expected	YTD Revenue Actual
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Grants and subsidies											
Grants Commission - General (WALGGC)	0	0	0	0	0	126,845	95,133	126,845	0	126,845	95,134
Grants Commission - Roads (WALGGC)	0	0	0	0	0	64,673	48,504	64,673	0	64,673	48,504
Governance											
National Australia Day Grant	0	10,000	(10,000)	0	0	0	0	0	10,000	10,000	10,000
DFES Grant - Operating	0	0	0	0	0	56,600	46,450	56,600	0	56,600	46,450
Mitigation funding	0	64,800	(64,800)	0	0	0	0	0	129,600	129,600	64,800
AWARE Disaster Recovery Funding	0	15,050	(13,800)	1,250	1,250	0	0	0	15,050	15,050	13,800
Education & Welfare											
Council on the Ageing	0	0	0	0	0	0	0	0	0	0	0
Health											
Disability Grant	0	0	0	0	0	0	0	0	0	0	0
Community Amenities											
Protection of the Environment	8,121	0	(8,121)	0	0	15,443	7,722	15,443	0	15,443	8,121
Direct Road Grant	0	0	0	0	0	204,270	204,270	204,270	0	204,270	204,270
FRRR Grant Income	44,818	18,095	(48,979)	13,934	13,934	62,913	48,000	62,913	0	62,913	48,979
	52,939	107,945	(145,700)	15,184	15,184	530,744	450,079	530,744	154,650	685,394	540,058
Contributions											
Contributions Minor	0	0	0	0	0	200	0	200	0	200	371
	0	0	0	0	0	200	0	200	0	200	371
TOTALS	52,939	107,945	(145,700)	15,184	15,184	530,944	450,079	530,944	154,650	685,594	540,429

SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 28 FEBRUARY 2025

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	Annual	Budget	YTD Revenue	
	1 July 2024		(As revenue)	28 Feb 2025	28 Feb 2025	Revenue	Budget	Budget	Variations	Expected	Actual
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Capital grants and subsidies											
FPC Grant	9,000	0	(9,000)	0	0	9,000	9,000			0	9,000
LRCIP Phase 4 - CCTV	0	0	0	0	0	78,647	0			0	0
Heritage Grant - Darkan townsite		0	0	0	0	0	0		0	0	0
LRCIP Phase 4 Playground	106,460	0	(106,460)	0	0	106,460	106,460	0	3,360	3,360	106,460
LRCI shade over playground	0	0	0	0	0	16,288	0		(16,288)	(16,288)	0
Heritage Grant - Darkan townsite	7,649	0	(7,649)	0	0	19,123	19,123			0	18,859
Pool Kiosk	0	0	0	0	0				30,000	30,000	0
Roads to Recovery	0	139,580	(139,580)	0	0	580,535	140,000			0	139,580
Regional Road Group	0	288,308	(183,780)	104,528	104,528	485,400	180,000			0	183,780
WSFN	0	44,025	0	44,025	44,025	110,062	0			0	0
Footpaths LRCI	32,151		(32,151)	0	0	70,500	32,151		51,928		32,151
Ashphalt overlay						70,000			(70,000)		
Water infrastructure LRCI	0	0	0	0	0	28,000	0		1,000	1,000	0
Housing Support Program Stream 1	0	0	0	0	0	176,765	0			0	0
	155,260	471,913	(478,620)	148,553.00	148,553.00	1,750,780	486,734	0	0	18,072	489,830

SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 28 FEBRUARY 2025

15 BUDGET AMENDMENTS

Amendments to original budget since budget adoption. Surplus/(Deficit)

Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
			\$	\$	\$	\$
Budget adoption						(0)
LRCI reallocation from Asphalt overlay	CO-2024-133	Capital expenses		70,000	0	70,000
LRCI reallocation to Kiosk	CO-2024-133	Capital expenses		0	(30,000)	40,000
Railway Reserve footpaths - OC009 railway reserve	CO-2024-133	Capital expenses		14,712	0	54,712
Railway Reserve footpaths - OC010 connect Burrowes Street to Coalfields Road	CO-2024-133	Capital expenses		0	(66,640)	(11,928)
Playground	CO-2024-133	Capital expenses		0	(3,360)	(15,288)
Town dam infrastructure	CO-2024-133	Capital expenses		0	(1,000)	(16,288)
Playground Shade reallocated	CO-2024-133	Capital expenses		16,288	0	(0)
Increase expenditure due to revised IT agreement	CO-2024-138	Operating expenses		0	(15,000)	(15,000)
Transfer from IT Reserve to fund change in IT agreement	CO-2024-138	Capital revenue		15,000	0	(0)
Darkan and District Sports Club - Lighting upgrade - pending grant outcome (August 24)	CO-2024-083					(0)
Additional water tank to be supplied - to be reimbursed	CO-2024-110	Operating expenses		2,610	(2,610)	(0)
Movement to Waste Management Admin from refuse site maintenance	CO-2024-117	Operating expenses		6,500	(6,500)	(0)
Australia Day funding - successful grant application	CO-2024-118	Operating expenses		10,000	(10,000)	(0)
AWARE funding - successful grant application	CO-2024-119	Operating expenses		15,050	(15,050)	(0)
Moodiarup Sports Club - painting of building - transfer from Reserve	CO-2024-122			8,582	(8,582)	(0)
Bushfire mitigation funding - successful grant application	CO-2024-123	Operating revenue		129,600	(129,600)	(0)
				288,342	(288,342)	0

12.2 ACCOUNTS FOR PAYMENT LISTING - FEBRUARY 2025

File Reference:	ADM338
Location:	N/A
Applicant:	N/A
Author:	Kylie Whitaker, Finance Officer
Authorising Officer:	Rajinder Sunner, Manager Corporate Services
Date:	20/03/2025
Disclosure of Interest:	Nil
Attachments:	1. Accounts for Payment Listing - February 2025 ↓ 2. Corporate Card Summary - 25 January 2025 to 25 February 2025 ↓

SUMMARY:

Council is requested to endorse payments of accounts for February 2025 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

OFFICER RECOMMENDATION:

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 February 2025 Municipal Fund vouchers 06022025.1-06022025.45, 12022025.1, 21022025.1-21022025.55, 26022025.1, Licensing, Salaries and Wages, EFT Transfers and Direct Debits totalling \$985,298.13 listed (attached) as approved for payment.
2. note the attached Corporate Credit Card facility transaction summary from 25 January 2025 to 24 January 2025.

**Shire of West Arthur
Creditor Payments
February 2025**

Date	Reference		Amount
3/02/2025	Direct Debit	Synergy	153.41
		Moodiarrup Hall Supply Charge and Consumption	
7/02/2025	Direct Debit	Synergy	1475.28
		Streetlights	
10/02/2025	Direct Debit	Tyro	36.50
		Station Stop Tyro Fees	
14/02/2025	Direct Debit	Aware Super Clearing House	12493.92
		Fortnightly Superannuation Contributions	
14/02/2025	Direct Debit	Rentfind Technologies Pty Ltd	22.00
		Housing Software Subscription Jan 2025	
21/02/2025	Direct Debit	Water Corporation	2034.01
		Various shire properties supply charge and consumption	
21/02/2025	Direct Debit	Water Corporation	234.31
		Various shire properties supply charge and consumption	
21/02/2025	Direct Debit	Telstra	186.31
		Administration phone lines and data	
24/02/2025	Direct Debit	Telstra	2516.48
		Administration phone lines and data	
25/02/2025	Direct Debit	Synergy	375.68
		CRC Supply charge and consumption	
25/02/2025	Direct Debit	Water Corporation	573.11
		Caravan Park Supply Charge and Consumption	
26/02/2025	Direct Debit	Synergy	103.40
		Duranillin Hall Supply Charge and Consumption	
26/02/2025	Direct Debit	Water Corporation	8366.29
		Various shire properties supply charge and consumption	
27/02/2025	Direct Debit	NAB Credit Card	870.09
		See attached statement	
28/02/2025	Direct Debit	National Australia Bank	49.23
		NAB Connect Fee Access and Usage	
28/02/2025	Direct Debit	National Australia Bank	134.42
		Merchant Fee	
28/02/2025	Direct Debit	National Australia Bank	10.00
		Account Fees	
28/02/2025	Direct Debit	National Australia Bank	52.00
		Account Fees	
28/02/2025	Direct Debit	Aware Super Clearing House	12412.25
		Fortnightly Superannuation Contributions	
28/02/2025	Direct Debit	Synergy	287.95
		Town Dam x 2 meters Supply Charge and Consumption	
13/02/2025	EFT	Salaries and Wages	68015.81
		Payroll PMT 000281067571 042	
27/02/2025	EFT	Salaries and Wages	67459.47
		Payroll PMT 000282194718 042	
6/02/2025	06022025.1	A C Chapman and Sons	8800.00
		Supply of Gravel	

**Shire of West Arthur
Creditor Payments
February 2025**

6/02/2025	06022025.2	ABCO Products	643.17
		Hand dispenser refills, plastic white hand towel dispenser, Interleaved toilet tissue, dispenser and jumbo toilet roll dispenser	
6/02/2025	06022025.3	Afgri Equipment Australia Pty Limited	12817.93
		G12 Parts and Repairs	
6/02/2025	06022025.4	AMPAC Debt Recovery (WA)	1516.05
		Rates Recovery Costs - A985	
6/02/2025	06022025.5	Andrade Miguel	25.00
		Caravan Park Refund	
6/02/2025	06022025.6	Arthur River Country Club	350.00
		Fire Shed Power Usage at ARCC	
6/02/2025	06022025.7	Australia Post	65.86
		Rates second instalment notices	
6/02/2025	06022025.8	Bell Sharon	879.43
		Reimbursement for Australia Day event - catering	
6/02/2025	06022025.9	BMG Resources	469.24
		Mining death - Rates refund	
6/02/2025	06022025.10	Bookeasy Australia Pty Ltd	220.00
		Booking System Caravan Park - Jan 2025	
6/02/2025	06022025.11	Bullivants	4011.35
		Recovery strap, grab type shorting hook, shackle, swivel with bearing.	
6/02/2025	06022025.12	Bunnings Warehouse	9.51
		Padlocks x 4	
6/02/2025	06022025.13	Claas Harvest Centre - Northam	112.50
		Caravan Park Refund	
6/02/2025	06022025.14	Coates Hire Operations Pty Ltd	813.68
		Plate Compactor Reversible 340kg Diesel	
6/02/2025	06022025.15	Coffeerock Contracting	4966.00
		Front Entry, laundry sliding, living sliding doors keyed alike to existing doors at 10 King, supply and install window screens at 2/10 Hillman, front and rear entry barrier door, hinged flyscreens at 7 Hillman and travel.	
6/02/2025	06022025.16	Contract Aquatic	22110.00
		Pool Management Fee	
6/02/2025	06022025.17	Country Road Contracting Limited	10619.40
		Mob Machinery to Dunleath Fire	
6/02/2025	06022025.18	Darkan Earthmoving	35059.75
		Gravel stockpile, hire bulldozer and operator	
6/02/2025	06022025.19	DKM Workplace Solutions	206.80
		Workplace Support Services Subscription	
6/02/2025	06022025.20	Fleays Store	237.40
		Milk and Tea/Coffee supplies for The Station Stop and Office	
6/02/2025	06022025.21	Fuel Distributors of WA	26856.31
		Fuel for Depot and Shire vehicles	

**Shire of West Arthur
Creditor Payments
February 2025**

6/02/2025	06022025.22	Hersey's Safety Pty Ltd	3586.00
		Guide Posts and delineators.	
6/02/2025	06022025.23	Hindle, Kate	550.00
		Entertainment for Australia Day event	
6/02/2025	06022025.24	Hitachi Construction Machinery Pty Limited	1678.07
		Parts and Repairs	
6/02/2025	06022025.25	Infinitum Technologies Pty Ltd	6511.79
		Managed Service Agreement - January 2025	
6/02/2025	06022025.26	Jones Lee Benjamin	442.05
		Caravan Park Refund	
6/02/2025	06022025.27	Kaliyamoorthy Guhanesan	169.50
		Caravan Park Refund	
6/02/2025	06022025.28	Magiq Software Limited	10092.37
		Visits Charges-Angela, Debbie, Kara, Sara	
6/02/2025	06022025.29	McIntosh & Son, Perth	295130.00
		Case CX210C Excavator	
6/02/2025	06022025.30	Mcleods Lawyers Pty Ltd	1031.14
		Legal Fees- Lease Preparation for DDSC	
6/02/2025	06022025.31	Michael Spadaccini	75.00
		Caravan Park refund	
6/02/2025	06022025.32	Narrogin Betta	779.00
		Chef Freestanding Gas Cooker for 8 Hillman Street	
6/02/2025	06022025.33	Preplan Pty Ltd t/a Absolute Mitigation	22319.00
		Bushfire Mitigation	
6/02/2025	06022025.34	Punshon Raelene	73.11
		Caravan Park Refund	
6/02/2025	06022025.35	QHSE Integrated Solutions Pty Ltd T/AS	218.90
		SkyTrust Intelligence System -Monthly Subscription	
6/02/2025	06022025.36	Quill Robyn	525.00
		Reimbursement for refreshments for Fire Brigade Volunteers	
6/02/2025	06022025.37	Roslyn King (Cleaning Contractor)	17206.61
		Monthly cleaning contract x 2 months	
6/02/2025	06022025.38	SOS Office Equipment	251.65
		Paper tray not closing properly	
6/02/2025	06022025.39	South West Isuzu	92235.00
		Service Truck GVM 4500KG	
6/02/2025	06022025.40	Sprys Meat Market	1129.44
		Australia Day event - catering , seniors meals meat	
6/02/2025	06022025.41	Team Global Express	1447.80
		Water samples, Bunbury Machinery, Frontline Fire, Abco Products, Jason Signs freight	
6/02/2025	06022025.42	Tudor House Pty Ltd	172.00
		Flags	
6/02/2025	06022025.43	WA Contract Ranger Services Pty Limited	1192.13
		Ranger Services 9, 16, 21 and 31 January	
6/02/2025	06022025.44	Westrac Bunbury	1517.90
		Socket Group, Freight, Tube Assy	

**Shire of West Arthur
Creditor Payments
February 2025**

6/02/2025	06022025.45	Zone 50 Engineering Surveys Pty Limited	13489.30
		Spotting and barrier marking Bowelling Duranillin Road, Survey Crew Peg (already designed), fence droppers, accommodation and meals, process feature survey.	
12/02/2025	12022025.1	Darkan Agri Services	8413.85
		Various items for shire facilities - Nov and Dec 24	
21/02/2025	21022025.1	Acorn Trees and Stumps	20775.01
		280 trees. Tag all trees with asset number, travel and accommodation, tree inspection report.	
21/02/2025	21022025.2	Afgri Equipment Australia Pty Limited	2836.88
		Parts and Repairs - G12	
21/02/2025	21022025.3	Air Liquide	57.28
		Cylinder Large Fee	
21/02/2025	21022025.3	AMPAC Debt Recovery (WA)	1020.00
		Rate Recovery Costs - A718 and A727	
21/02/2025	21022025.4	Ashantra Pty Ltd atf The Nicholas Family Trus	75.00
		Seniors meals - fish	
21/02/2025	21022025.5	Bell Sharon	131.97
		Reimbursement for wall mounted TV bracket	
21/02/2025	21022025.6	Bunbury Machinery	455.84
		Cartridge oil filter	
21/02/2025	21022025.6	Bunbury Mitsubishi	422.16
		Mirror Assy door LH and freight for PC0010AW	
21/02/2025	21022025.7	Bunnings Warehouse	39.66
		Irrigation nozzle k-rain 12ft female	
21/02/2025	21022025.8	Burgess Rawson	847.02
		Water use 28/11/24-4/2/25	
21/02/2025	21022025.9	Collie Mowers & More	70.00
		Water pump recoil broken	
21/02/2025	21022026.0	Contract Aquatic	22110.00
		Pool Management Fee	
21/02/2025	21022026.0	Cook Tyler	31.16
		Reimbursement for catering for LEMC Workshop	
21/02/2025	21022026.1	Cooper Gary Stuart	163.84
		Reimbursement for cistern Inlet fluid master valve	
21/02/2025	21022026.2	Darkan Agri Services	762.85
		Various items for shire facilities - Jan 25	
21/02/2025	21022026.3	Deale Tobie	62.61
		Caravan Park Refund	
21/02/2025	21022026.4	Exurban Rural and Regional Planning	3909.53
		General town planning consultancy services for January 25	
21/02/2025	21022026.4	Fire & Safety Supplies WA	500.18
		Oliver 66460 Wildland fire Boot Size 11 and 13	
21/02/2025	21022026.5	Fleays Store	247.75
		Seniors meals - groceries	
21/02/2025	21022026.6	Fuel Distributors of WA	757.11
		Fuel for management vehicles	

**Shire of West Arthur
Creditor Payments
February 2025**

21/02/2025	21022026.7	G & M Detergents	2441.60
		Bin Liners, Toilet paper, hand towels, hand soap	
21/02/2025	21022026.8	Great Southern Fuel Supplies	434.95
		Fuel for Darkan Truck 22 and 25.01.2025	
21/02/2025	21022026.8	Impact Minerals	61.43
		Mining death - Rate Refund	
21/02/2025	21022026.9	Henderson Hardware	125.40
		Inlet Valve	
21/02/2025	21022027.0	Infinitum Technologies Pty Ltd	10301.34
		Managed Service Agreement - Gold, MSA ticket, presentation pointer and wired microphone installation	
21/02/2025	21022027.1	King Melinda	19.99
		Reimbursement for 2025 Diary	
21/02/2025	21022027.1	Landgate	64.50
		GRV Interim Vals Country Full Value	
21/02/2025	21022027.2	Lewis Winter	13800.00
		LEMA and LRP	
21/02/2025	21022027.3	Little Blue Door	40.00
		Sales The Station Stop 03/12/2024 - 16/1	
21/02/2025	21022027.4	Local Government Professionals Aus WA	1490.00
		Finance Professionals Conference 2025	
21/02/2025	21022027.5	Middleton Road Roasters Pty Ltd	160.00
		Coffee for Station Stop 5kg	
21/02/2025	21022027.5	MJB Industries Pty Ltd	1328.93
		600mm Single pipe Headwall	
21/02/2025	21022027.6	Narrogin Toyota	40.00
		12" c/loop 1/4" picco micro 7	
21/02/2025	21022027.7	Officeworks	428.27
		Various items for administration	
21/02/2025	21022027.8	Pederick Engineering	498.08
		Hydraulic line new and shorten hydraulic hose, crimp new JIC fittings, 1 x complete new hydraulic hose as spare	
21/02/2025	21022027.9	Putland Motors	9427.66
		Parts and Repairs for plant	
21/02/2025	21022027.9	RF & O Liddelow	13200.00
		6000m3 gravel	
21/02/2025	21022028.0	Roslyn King (Cleaning Contractor)	8651.76
		Monthly cleaning contract	
21/02/2025	21022028.1	Schinzig Renee	34.95
		Reimbursement for Image Restoration of Old Roads Board	
21/02/2025	21022028.2	Scholz Sheila L	100.00
		Caravan Park Refund	
21/02/2025	21022028.3	Shire of Collie	12199.87
		Amended Reimbursement of CESM Salary, Q1-Q3 2023-2024, and Q4 of 23-24	
21/02/2025	21022028.3	Solar Power Solutions Southwest	901.60
		Generator fault finding	

**Shire of West Arthur
Creditor Payments
February 2025**

21/02/2025	21022028.4	South West Isuzu	3276.05
		Parts and Repairs	
21/02/2025	21022028.5	Sprys Meat Market	121.83
		Seniors meals - meat	
21/02/2025	21022028.6	Startrack Express	291.71
		Hitachi service freight	
21/02/2025	21022028.6	Stewart & Heaton Clothing Co Pty Ltd	191.58
		PPE Jackets and trousers	
21/02/2025	21022028.7	Sundara Mosaics	50.00
		Sales The Station Stop 17/12/2024 - 23/1	
21/02/2025	21022028.8	SwanWest Blinds and Window Treatments	2416.00
		Eyelet curtain for 37 Hillman and 7 Hillman	
21/02/2025	21022028.9	Team Global Express	267.81
		Water samples and state library freight	
21/02/2025	21022029.0	TOTAL TOOLS BUNBURY	12069.00
		SE DSV15-8 Air Compressor	
21/02/2025	21022029.0	Trans Tank International	19657.00
		Diesel Patrol 15tm 12000L Diesel refueling trailer, single axle braked and road registered	
21/02/2025	21022029.1	Truckline	117.70
		Service kit and air filter	
21/02/2025	21022029.2	Turner Dan	6300.00
		Extension of retaining walls	
21/02/2025	21022029.3	WA Contract Ranger Services Pty Limited	607.75
		Ranger Services - 7, 11 Feb	
21/02/2025	21022029.4	Warren Blackwood Waste	3455.78
		Recycling. Commercial and Domestic Waste Services - January	
21/02/2025	21022029.4	West Arthur Community Resource Centre	520.88
		Doctors Hours 10/1, 24/1. 31/1	
21/02/2025	21022029.5	Western Australian Electoral Commission	4657.40
		Extraordinary Election 12 July 2024	
26/02/2025	26022025.1	Ecotones	6600.00
		Biodiversity Strategy Mapping	
		VOUCHERS	
MUNICIPAL FUND			
		DIRECT DEBIT	42386.64
		EFT - SALARIES & WAGES	135475.28
		06022025.1-06022025.45	602612.14
		12012025.1	8413.85
		21022025.1-21022025.55	185026.67
		26022025.1	6600.00
		LICENSING FEBRUARY 2025 TRANSFERS	4783.55
		TOTAL	985298.13



SHIRE OF WEST ARTHUR
PAYMENTS OF ACCOUNTS BY NAB VISA CARD
FOR THE STATEMENT PERIOD: 25 January 2025 - 25 February 2025

DATE	PAYEE	PO NUMBER	DESCRIPTION	SOWA EXPENSE CODE	EXPENSE DESCRIPTION	TOTAL
03-Feb-25	Reckon Limited	101704	Reckon January Subscription	E142020	OTHER PROPERTY & SERVICES:Administration Overheads:Computer Maintenance	\$170.00
06-Feb-25	Starlink internet	100945	Depot Wifi	E142020	OTHER PROPERTY & SERVICES:Administration Overheads:Computer Maintenance	\$129.00
07-Feb-25	Spotlight	101517	Items for playgroup	E064014	EDUCATION & WELFARE:Care of Families & Children:Kids Central - Member Actives	\$57.00
CARD 1 PAYMENTS						\$356.99
RAINDER SUNNER Cardholder Name						
VINCENT FORDHAM LAMONT Authorised By CEO						
24-Feb-25	Knightline Computers	101656	Recover video footage from DVR	E122085	TRANSPORT:;Maintenance Rural/Depot Maintenance	\$22.00
CARD 2 PAYMENTS						\$22.00
GARY BASMUSSEN Cardholder Name						
VINCENT FORDHAM LAMONT Authorised By CEO						
28-Jan-25	WANNEWS ADV	101469	Public Notice in Narrogin Observer	E106020	COMMUNITY AMENITIES:;Town Planning;Town Planning Services	\$289.24
10-Feb-25	City Of Swan	101725	Parking W/belt Secondary Freight Network Technical Committee Mtg	E129065	TRANSPORT:;Transport Administration;Funding Applications	\$16.86
14-Feb-25	Darken Agri Services	101725	Gas Delivery 10 King Street	E143015	OTHER PROPERTY & SERVICES:;WORK Overheads:Housing	\$175.00
CARD 3 PAYMENTS						\$481.10
VINCENT FORDHAM LAMONT Cardholder Name						
PRESIDENT NEIL MORRELL Authorised By Shire President						
TOTAL NAB VISA CARD PAYMENTS 4336-XXXX-XXXX-7507						\$970.09
Direct Debit Date						27-Feb-25

I, 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 cards is evident.

Kylie Whitaker:

DATE: 6.3.25



12.3 AUDIT REGULATION 17 REVIEW AND FINANCIAL MANAGEMENT SYSTEMS REVIEW 2025

File Reference:	ADM133
Location:	N/A
Applicant:	N/A
Author:	Rajinder Sunner, Manager Corporate Services
Authorising Officer:	Vin Fordham Lamont, Chief Executive Officer
Date:	14/03/2025
Disclosure of Interest:	Nil
Attachments:	<ol style="list-style-type: none"> 1. Audit Reg 17 Review Final 2025 ↓ 2. Financial Management Systems Review Final 2025 ↓

SUMMARY:

Council is requested to receive reports on the appropriateness and effectiveness of the Risk Management Framework, Internal Controls, and Legislative Compliance as per Audit Regulation 17 and the appropriateness and effectiveness of the financial management systems and procedures as per Financial Management Regulation 5, as presented.

BACKGROUND:

Since 27 June 2018, local governments have been required to review their audit systems, procedures, and financial management systems at least every three years. Previously, these reviews were conducted at least every two and four years, respectively.

Management engaged Australian Audit to conduct both reviews simultaneously in November 2024, which was completed in March 2025.

Council should note that the Audit and Risk Committee reviewed these reports on 18 March 2025 and recommended that they be noted and received by the Council.

COMMENT:

Australian Audit was provided with all required documents through an online portal. They conducted the review by examining the documents and holding regular online meetings with staff. The attached reports include recommendations. No instances of non-compliance with legislative requirements were identified in either report.

The Financial Management Review identified the findings under three separate sections:

1. Medium risk rated issues (management action recommended) – 1 findings relating to:
 - a. Contract management guidelines/protocols over the contract management process.
2. Low-risk rated issues (management consideration recommended) – 2 findings relating to:
 - a. Formal Guidelines/ Procedures – Shire should consider developing clear written procedures for its key functions, including accounts payable, procurement, invoice processing and approval, asset management, debt management, general ledger reconciliation and processing, and investment management; and
 - b. Magiq Staff System Access—Assess the impact of too many staff having full access to functions that they are not directly responsible for to determine if there are any possible control implications associated with granting such levels of access.
3. Observation issues (no Formal Recommendations made) – 2 findings relating to:

- a. Council rates – Regular review of Exempt ratepayers;
- b. Cash handling and End of Day processing – suggests installation of CCTV in the reception area and installation of a duress alarm;

The Regulation 17 Review identified low-risk issues in Risk Management and Internal Controls. Suggestions are:

- Risk Register - Review, update and further improve the shires Operational and Strategic Risk Register
- Audit and Risk Committee—The Audit and Risk Committee terms of reference document should be updated to reflect their responsibilities for monitoring the Shire’s risk register.
- Internal Control - Develop an Internal Controls Policy that outlines staff's responsibilities regarding internal control compliance and incorporates these responsibilities into staff job descriptions and induction programs.
- Induction Program - Formalise an Induction policy and program for new staff and councillors.
- Business Continuity Plan – Formal process of testing the plan.
- IT Access Controls – Develop a formal process for a single log-in for staff.
- Legislative Compliance Procedure - consider developing written procedures for the legislative compliance process to ensure the Shire remains consistent in meeting its legislative requirements.

Action has already occurred to address some of these findings. The CEO, in conjunction with management and staff, will consider each finding and implement action as deemed necessary and appropriate.

CONSULTATION:

Australian Audit
Senior Staff

STATUTORY ENVIRONMENT:

Local Government (Audit) Regulations 1996 – Regulation 17

“17. CEO to review certain systems and procedures

(1) The CEO is to review the appropriateness and effectiveness of a local government’s systems and procedures in relation to —

- (a) risk management; and*
- (b) internal control; and*
- (c) legislative compliance.*

(2) The review may relate to any or all of the matters referred to in subregulation (1)(a), (b) and (c), but each of those matters is to be the subject of a review not less than once in every 3 financial years.

(3) The CEO is to report to the audit committee the results of that review.

[Regulation 17 inserted: Gazette 8 Feb 2013 p. 868; amended: Gazette 26 Jun 2018 p. 2387.]”

Local Government (Financial Management) Regulations 1996 – Regulation 5 2 (c)

“5. CEO’s duties as to financial management

(2) The CEO is to —

- (c) undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the local government regularly (and not less than once in every 3 financial years) and report to the local government the results of those reviews.*

[Regulation 5 amended: Gazette 31 Mar 2005 p. 1047 and 1053; 26 Jun 2018 p. 2388.]”

POLICY IMPLICATIONS:

Policy G1.9 Audit Committee Terms of Reference

Policy G1.11 Risk Management

FINANCIAL IMPLICATIONS:

An allocation was included in the 2024-2025 Adopted Budget to engage a consultant/auditor to undertake the reviews.

STRATEGIC IMPLICATIONS:

Community Strategic Plan – 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	Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood	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	Lack of compliance with legislative requirements and industry standards may result in financial loss and affect the Shire's future sustainability.
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)	Action all recommendations in review reports.

VOTING REQUIREMENTS:

Simple Majority

OFFICER RECOMMENDATION:

The Council:

1. receive the Audit Reg 17 and Financial Management Systems reviews as presented; and
2. note that a report will be presented to the Council by December 2025 confirming that the 'matters' identified for improvement in these reviews have been appropriately managed to comply with legislation.

DIRECTORS:

ROBERT CAMPBELL RCA, CA
VIRAL PATEL RCA, CA
ALASTAIR ABBOTT RCA, CA
CHASSEY DAVIDS RCA, CA

ASSOCIATE DIRECTOR:

SANTO CASILLI FCPA PFIIA

**AUSTRALIAN
AUDIT** 

4 March 2025

Vincent Fordham Lamont
CEO
Shire of West Arthur
31 Burrows Street
Darkan WA 6392

REGULATION 17 REVIEW

Dear Vincent

Please find attached our FINAL Regulation 17 review report for the Shire of West Arthur which includes management comments.

We would like to thank you and your staff for the positive cooperation provided to us during the review process and for promptly providing information requested during the conduct of this review.

Yours sincerely


Santo Casilli FCPA PFIIA
Associate Director, Internal Audit, Probity and Risk

Australian Audit

PO Box 3336, EAST PERTH, WA 6892 | 17 WITTENOOM STREET, EAST PERTH, WA 6004
(08) 9218 9922 | INFO@AUSAUDIT.COM.AU | WWW.AUSTRALIANAUDIT.COM.AU | ABN: 63 166 712 698

Liability limited by a scheme approved under Professional Standards Legislation



Trade mark of Chartered Accountants Australia
and New Zealand and used with permission



Shire of West Arthur

Regulation 17 Review

5 March 2025

FINAL Review Report

(Review in Confidence)

Australian Audit



Table of Contents

Regulation 17 Review Summary and Conclusion	4
INTRODUCTION	4
SCOPE AND METHODOLOGY	4
REVIEW CONCLUSION.....	7
FINDINGS AND RECOMENDATIONS	10



Regulation 17 Review Summary and Conclusion

Regulation 17 Review

INTRODUCTION

Australian Audit was engaged to review the Shire of West Arthur's risk management, internal control, and legislative compliance as required by Regulation 17 of the *Local Government (Audit) Regulations 1996*.

As per Regulation 17(1), (2) and (3) of the *Local Government (Audit) Regulations 1996*, the Chief Executive Officer (**CEO**) is required to undertake a review, at least once every 3 financial years of the following processes:

- Risk Management.
- Internal Control; and
- Legislative Compliance.

The Shire of West Arthur previously used Reckon as its accounting system but implemented MAGIQ Software as its accounting system on 1 July 2024.

The Shire of West Arthur does not currently have an Internal Audit Function nor an in-house Information Technology business unit. The Shire's Chief Executive Officer is responsible for overseeing the Governance function and the Shire has engaged an external IT Provider (Infinitum Technologies Pty Ltd) to oversee the Shire's Information Technology processes.

SCOPE AND METHODOLOGY

The review undertook the following approach:

- Information relating to risk management, internal control and legislative compliance was requested from the Manager Corporate Services prior to commencement of the review to assess adequacy of policies, procedures and overall control processes that are currently in place within the Shire.
- An Information Technology questionnaire was also sent to the Manager Corporate Services which was forwarded to Infinitum Technologies Pty Ltd to assess the Shire's Information Systems General Control Environment.

The matters raised in this Final review report are only those which came to our attention during performing our review and may not necessarily be a comprehensive statement of all the possible process improvement options that may exist in relation to the Risk Management, Internal Control and Legislative Compliance matters.

Our review was conducted in accordance with ASAE 3500 – Assurance Engagement Other Than Audits or Reviews of Historical Financial Information.



Our review report is provided to the Shire to enable the Shire to meet their statutory obligations under Regulation 17 and as such we do not encourage this Final review report to be used for any other purpose.

WORK PROGRAM

Our work incorporated the following areas for review as required under Regulation 17:

1. RISK MANAGEMENT

To establish that:

- A Governance Framework is in place and endorsed by the Audit and Risk Committee.
- A formal governance unit exists responsible for proper governance compliance.
- Satisfactory risk management and governance policies are in place and have been endorsed by the Audit and Risk Committee/Council.
- Operational and Strategic Risk Registers are in place and are being constantly reviewed and updated to mitigate risk.
- Regular development of risk reports and actions to address risks are identified and actioned and such actions are regularly communicated to and endorsed by the Audit and Risk Committee.
- Fraud Risk Identification and Prevention policies are in place including the establishment of a Whistle Blower policy.
- An effective Audit and Risk Committee exists, and proper Committee processes are in place and being complied with.

2. INTERNAL CONTROL

To establish that:

- A Delegation of Authority is in place, up to date and reviewed regularly.
- Proper and formal documented Management policies (guidelines and procedures) are in place and are kept up to date.
- Internal assessment of control processes exists e.g., via an internal audit function or by the Shire's own Governance area.
- An Internal Control policy targeted for all employees, council and committee members on the importance of management controls.
- Reliance can be placed on the work undertaken by the Shire's external internal auditors re the review of the Shire's control environment and legislative compliance including general controls over the Shire's Information Technology systems.
- Proper segregation of duties and management controls exist in relation to the following key accounting processes:
 - Accounts payable.
 - Cash collection, receipting and reconciliations.
 - General Ledger amendments and reconciliations.



- Payroll.
- Procurement.

3. LEGISLATIVE COMPLIANCE

To establish that:

- The Compliance Audit Return (CAR) is properly completed each year and any non-compliance matters are investigated promptly and adequate action is taken to ensure similar non-compliance no longer occurs.
- The Shire has an appropriate system and/or processes to identify and comply with the various local government legislations and Regulations.
- The establishment of proper complaints policies and registers including gift policies and registers.
- Legislative compliance regarding all Local Government Act and Regulation requirements are continually monitored and regularly reviewed to ensure continual compliance.



REVIEW CONCLUSION

Based on our assessment of the management controls and processes that exist at the Shire regarding the above three key areas of the Regulation 17 review, we wish to conclude as follows:

Risk Management

Positive Outcomes

- A Risk Management Framework document is currently in place and is in line with AS/NZS ISO 31000 2018 requirements.
- The Shire has an effective Fraud Prevention policy in place.
- The Shire's Governance function is in place and coordinated by the Chief Executive Officer.
- A proper and up-to-date Business Continuity Plan is in place and appears reasonable for the size of the Shire of West Arthur.

Issues

- There does not appear to be an appropriate strategic and operational risk register in place to enable Shire to identify, monitor and manage its risks.
- The Audit and Risk Committee terms of reference do not clearly state that the Committee is responsible for overseeing the Shire's risks.
- The Audit and Risk Committee terms of reference is silent on the need for the Shire's strategic and operational risks to be monitored and reported at each Audit and Risk Committee meeting.
- The Audit and Risk Committee's terms of reference state that an external independent member is to be appointed, but no external member has been appointed as yet.
- There is no induction program and processes in place for new staff and new Audit and Risk Committee members and Councilors.
- Although a Business Continuity Plan and an IT Disaster Recovery plan is in place there is no process in place to regularly test the plan to ensure that the plan is effective and workable should there be a disastrous event.



Internal Control

Positive Outcomes

- The Shire has in place formal policies to cater for Council and financial related matters.
- A delegation of Authority is in place and is appropriate.
- Adequate management controls are in place over key financial operations, including accounts payable, payroll, cash collection and handling, the general ledger, and procurement.
- Shire has appointed an external IT provider that oversees all of Shire's IT requirements and provides oversight regarding IT-related controls and cyber threats.

Issues

- There is no internal control policy to enable Shire staff to identify the need to continually assess control processes and to empower all Shire staff to be responsible for the Shire's control environment.
- Although Shire has adequate and up-to-date policies, there are no written financial and administration procedures/guidelines for key processes such as accounts payable processing and authorisation, invoicing control and authorisation, debt management, general ledger control and end-of-month reconciliations, cash collection, reconciliation and banking.
- Currently, Shire staff are provided with logon access through Shire's outsourced IT provider to login to their computer and are required to have a further logon (obtained via MAGIQ) to access the MAGIQ software accounting system. Separate logins are not considered appropriate for security purposes, as all login access should be controlled and monitored via Shire's outsourced IT provider.
- A few Shire staff have been given various MAGIQ access levels to enable them to perform their responsibilities. These access levels range from view-only access to full access.

We understand that granting full access allows designated staff to handle all aspects of their assigned functions. However, we have observed that some employees responsible for the accounts payable function have also been given full access to payroll, the general ledger, debtors, and the ability to approve invoices. While it can be beneficial to provide full access to multiple staff members for continuity in case of absences, Shire must ensure that such access is limited to a select few individuals whenever possible. It has come to our attention that several staff members currently have full access to various functions.



Legislative Compliance

Positive Outcomes

- The Shire uses Skefto to monitor legislative compliance requirements. Relevant staff are allocated various legislative requirements which are loaded into Skefto requiring compliance.
- An annual Compliance Audit Return (CAR) is completed and monitored by the CEO.

Issues

- Although Shire has implemented Skefto to assist them with legislative compliance, there are no formal procedures developed to document the process that should be followed to ensure compliance is managed and reviewed.



FINDINGS AND RECOMMENDATIONS

The following matters were identified which have been reported below for consideration by Shire management:

MEDIUM RISK ISSUES

1. Risk Registers

Finding

The Shire does not have a formal strategic risk register or an operational risk register to identify risks to Shire. We noted that a risk register has been placed on Skefto, but only 2 risks have been recorded, and there is no indication when these risks were identified or last reviewed.

We also noted that Shire's risks are not tabled or discussed at Audit and Risk Committee meetings.

Recommendation

Shire should develop both a strategic risk register and an operational risk register as a matter of priority and ensure that it implements a process for subjecting identified risks to ongoing review to ensure that they are being adequately managed.

It is also recommended that the operational and strategic risk registers be discussed regularly at the Audit and Risk Committee meetings. The registers should detail any new risks that have been identified and outline the progress of action taken by Shire to mitigate the identified risks.

Management Comments

Manager Corporate Services has been working on developing a risk framework for some time and will prioritise strategic and operational risk registers.

The admin officer is reviewing the standard agenda for the Audit and Risk Committee meeting, which will include regular discussions of the risk registers.

2. Audit and Risk Committee responsibilities

Finding

The Audit and Risk Committee's terms of reference do not clearly state that the Committee is responsible for overseeing Shire's risks.

The Audit and Risk Committee terms of reference are also silent on the need to monitor and report on the Shire's strategic and operational risks at each meeting.



The Audit and Risk Committee as part of their terms of reference states that an external independent member is to be appointed to the Committee, but as yet no external member has been appointed.

Recommendation

We recommend that the Committee's Terms of Reference document should be updated to reflect their responsibility for monitoring the Shire's risks and that a copy of the Shire's risk register, including evidence of the Shire's progress of actions taken to minimise the Shire's risks be tabled at each Audit and Risk Committee meeting to enable the Committee to be satisfied that the Shire identified risks are being managed. This should be a standing agenda item for each Audit and Risk Committee.

The terms of reference and best practice suggest that an external member should be appointed, so the Committee should appoint an external independent member as soon as possible.

Management Comments

The admin officer is already in the process of reviewing the Audit and Risk Committee's terms of reference and will be included in the responsibilities for monitoring the Shire's risks.

The Admin Officer will also advertise for an external independent Chair and deputy chair of the Audit and Risk Committee.

3. Internal Controls

Finding

As the Shire does not have a formal Internal Audit function to periodically assess compliance with the Shire management controls, the Shire should consider developing an **Internal Control policy** that outlines the following:

- The promotion of a risk-based approach to the development and maintenance of documented internal controls and procedures. This is to support a continual assessment of appropriate controls throughout the organisation by identifying the need for new controls (based on risk) and ensuring existing outdated and unnecessary controls are discontinued. This can be accomplished via staff awareness of the importance of compliance with key management controls and by incorporating and identifying management controls within written procedures and guidelines. I understand the Corporate Services Staff are currently in the process of developing formal written procedures for their functions.
- Documenting the Shire's key internal controls, including making staff aware of the importance of maintaining proper segregation of duties controls, especially within the finance and procurement functions.
- Outlining a set of measures that should be implemented, such as continual training, etc., to ensure staff are fully aware of and understand the relevant importance of key internal controls within their workplace and the impact this may have on the Shire operations should staff not comply with management controls.



The Shire could also consider including the requirement for all staff to be responsible for control awareness and also to contribute to the identification of control related risk areas within their workplace and their areas of responsibility by adding these responsibilities to their respective job descriptions and incorporating them as part of their **staff induction program**.

Recommendation

The shire should consider developing an Internal Controls Policy that outlines staff's responsibilities regarding internal control compliance and incorporates these responsibilities into staff job descriptions and induction programs. This policy should highlight the importance of proper segregation of duties, system access controls, and the approval processes that need to be complied with.

Management Comments

The Shire's current Internal Control Policy (C9) is not suitable for its intended purpose. The Manager of Corporate Services will create a new policy, which will be presented to the Council by the end of June 2025 after reviewing existing policies from other local governments in Western Australia.



LOW RISK ISSUES

4. Induction Program

Finding

There is no induction program and processes in place for new staff and new Audit and Risk Committee members and Councilors

Recommendation

We recommend that the Shire develop a formal induction program.

We also recommend that the Shire develop a sign-off process for new staff and elected members to formally sign off on their induction as evidence that an induction was undertaken.

Management Comments

The Manager of Corporate Services will work with the Payroll/Human Resources Officer to review and create a new checklist for new Staff and for our Councilors.

5. Business Continuity Plan

Finding

Although a Business Continuity Plan and an IT Disaster Recovery Plan are in place, there is no formal process for regularly testing the plan to ensure that it is effective and workable should a disastrous event occur.

Recommendation

The Shire is considering developing a formal process to test the plans.

Management Comments

The Manager of Corporate Services will work with our IT Provider to establish a formal process for testing the effectiveness of our Business Continuity and IT Disaster Recovery plans.



6. IT Access Controls

Finding

- At present, Shire staff access their computers using login credentials provided by Shire's outsourced IT provider. Additionally, they need a separate login obtained through MAGIQ to access the MAGIQ software accounting system. Having two separate logons is not ideal for security reasons; all access should be controlled and monitored through the Shire's outsourced IT provider.
- Further several Shire staff have been given various MAGIQ access levels to enable them to perform their responsibilities. These access levels range from view-only access to full access. We understand that full access allows the applicable staff to undertake all aspects of the function for which full access has been granted. We noted some staff who are responsible for, say, accounts payable function have also been granted full access to payroll, general ledger, and debtors, and to approve invoices. We understand that, at times, more than one member of staff may be given full access to other functions they may not be directly responsible for just in case relevant staff are absent. Although this may be considered appropriate Shire would need to ensure that access to other functions is limited as much as possible to only a few selected staff. We noted that several staff have been provided with full access to various functions.

Recommendation

The Shire should discuss the need for single logons with the outsourced IT provider, INFINITUM TECHNOLOGIES PTY LTD, in order to ensure all logon access is monitored and controlled by the IT provider.

Additionally, the Shire should reassess the MAGIQ access levels that have been provided to various staff to ensure that they are needed in line with their direct responsibility requirements and that such access is not provided freely to too many staff, which may have compromised segregation of duties control.

Management Comments

The Manager of Corporate Services will work closely with our IT provider, Infnitum, and our ERF provider, Magiq, to evaluate access and control of the Shire's platform. Since Magiq was implemented less than 12 months ago, we will review user access in consultation with Magiq during August and September 2025.

Restricting access can be impractical in a small local government, as one staff member often handles multiple roles within the Shire.



7. Legislative Compliance Procedures

Finding

Although the Shire has implemented Skefto to assist with the legislative compliance process, we noted that there are no formal procedures in place outlining the process that should be followed by all relevant Shire staff to ensure that all legislative compliance matters are managed, monitored, and reviewed on a timely basis.

Recommendation

The Shire should consider developing written procedures for the legislative compliance process to ensure the Shire remains consistent in meeting its legislative requirements.

Management Comments

The Chief Executive Officer will work with Skefto to draft or obtain appropriate operating procedures for Skefto.

DIRECTORS:

ROBERT CAMPBELL RCA, CA
VIRAL PATEL RCA, CA
ALASTAIR ABBOTT RCA, CA
CHASSEY DAVIDS RCA, CA

ASSOCIATE DIRECTOR:

SANTO CASILLI FCPA PFIIA

**AUSTRALIAN
AUDIT** 

4 March 2025

Vincent Fordham Lamont
CEO
Shire of West Arthur
31 Burrows Street
Darkan WA 6392

FINANCIAL MANAGEMENT REVIEW

Dear Vincent

Please find attached our FINAL Financial Management Review report for the Shire of West Arthur which incorporates your management comments.

We would like to thank you and your staff for the positive cooperation extended to us throughout the review process and for promptly providing the requested information.

Yours sincerely



Santo Casilli FCPA PFIIA
Associate Director, Internal Audit, Probity and Risk

Australian Audit

PO Box 3336, EAST PERTH, WA 6892 | 17 WITTENOOM STREET, EAST PERTH, WA 6004
(08) 9218 9922 | INFO@AUSAUDIT.COM.AU | WWW.AUSTRALIANAUDIT.COM.AU | ABN: 63 166 712 698

Liability limited by a scheme approved under Professional Standards Legislation



Trade mark of Chartered Accountants Australia
and New Zealand and used with permission



Shire of West Arthur

Financial Management Review

4 March 2025

FINAL Review Report

(Review in Confidence)

Australian Audit



Table of Contents

Financial Management Review Summary and Conclusion	4
INTRODUCTION	4
CEO's RESPONSIBILITY FOR THE REVIEW REPORT	4
RESPONSIBILITY FOR THE REVIEW	4
REVIEW LIMITATIONS	5
SCOPE AND METHODOLOGY	5
WORK PROGRAM	5
REVIEW CONCLUSION	6
 Executive Management Detailed Observations	7
Medium Risk Rated Issues	7
Low Risk Rated Issues	8
Observations (No Formal Recommendations Made)	10
 Appendix A – Risk Criteria	11



Financial Management Review Summary and Conclusion

INTRODUCTION

Australian Audit was engaged to undertake a financial management review of the Shire of West Arthur's financial management systems and procedures as required to be undertaken at least once every 3 years as per Regulation (5)(2)(c) of the *Local Government (Financial Management) Regulations 1996*.

We conducted the review in accordance with Australian Auditing Standard *ASAE 3000—Assurance Engagement other than Audits or Reviews of Historical Financial Information*, which provides limited assurance regarding the appropriateness and effectiveness of the Shire's management controls over its financial management systems and processes.

This Final review report outlines the work undertaken as part of our review and includes our findings and proposed recommendations as identified because of the review and management comments.

The Shire of West Arthur used Reckon as its accounting system and then changed to MAGIQ from 1 July 2024.

CEO's RESPONSIBILITY FOR THE REVIEW REPORT

As per Regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996*, the Chief Executive Officer (CEO) is required to undertake a financial management review, at least once every 3 financial years.

This Final review is to be presented at the next Audit and Risk Committee.

RESPONSIBILITY FOR THE REVIEW

Our responsibility was to conduct the Financial Management Review in accordance with the Australian Auditing Standard *ASAE 3000 – Assurance Engagement other than Audits or Reviews of Historical Financial Information* and to report to the CEO the review findings and proposed recommendations for management control and process improvement.

We wish to confirm that we are fully independent of the Shire of West Arthur and of its operations regarding this review.



REVIEW LIMITATIONS

The matters raised in this Final review report are only those which came to our attention during the course of performing the financial management review and may not necessarily be a comprehensive statement of all the possible control weaknesses and / or process improvement options that may be made in relation to the Shire of West Arthur financial management systems and procedures.

As part of our review, we have not assessed and examined every financial process and procedure and as such have limited our assessment and evaluations only to those areas where we considered may be of higher risk to the Shire of West Arthur regarding its Financial Management process. As such we did not examine every activity and procedure that may exist at the Shire and therefore only provide limited assurance to the Shire.

Our review, which was conducted in accordance with Australian Auditing Standard *ASAE 3000 – Assurance Engagement other than Audits or Reviews of Historical Financial Information* was not an audit, and as per ASAE 3000 we can only provide assurance based solely on our assessment of the information which was provided to us by the Shire of West Arthur during the conduct of this review.

This Final review report is to be used solely for the purpose of reporting to satisfy the requirements of *Regulation 5(2)(c) of the Local Government (Financial Management) Regulations 1996* and should not be used for any other purpose or be distributed, other than to the Shire of West Arthur.

SCOPE AND METHODOLOGY

The review undertook the following approach:

- Information was sought from the Shire of West Arthur and was assessed.
- Discussions were held with the Shire of West Arthur management and relevant staff to understand the financial processes and the management controls currently in place.
- We assessed the adequacy of key management controls currently in place over key financial management systems and procedures in line with the following work program provided to the Shire of West Arthur and based on information that was provided to us during the review period.

WORK PROGRAM

Our review incorporated the following key financial management areas as required under Regulation 5(1) of the *Local Government (Financial Management) Regulations 1996*:

- Procurement (formal quotations and tender process)
- Contract Management
- Accounts Payable
- Cash Collection and Handling
- Revenue and Debt Collection



- Council Rates Fees and Charges
- Payroll
- General Ledger Application Controls (financial year end reconciliations and approvals)
- Investment Management
- Asset and Inventory Management and Control
- Budget Approval Process
- IT General Controls Environment

The IT General Controls Environment work was also undertaken as part of our Regulation 17 Review work for the Shire.

No other financial management systems and procedures were subject to review.

REVIEW CONCLUSION

Based on our review (which was not an audit) of the management controls and processes that exist at the Shire of West Arthur, regarding the above key financial management system areas, nothing came to our attention that would indicate any high-risk management control matters that would require immediate attention by the Shire.

Based on the matters raised in the body of this Final review report under Executive Management Detailed Findings, we can conclude that the financial management systems and processes in place within the Shire are satisfactory.

We did however note areas that can be further improved and several recommendations have been included in this review report for management consideration.

As part of this Final review report, we have reported the findings under 3 separate sections:

- Medium risk rated issues (management action recommended)
- Low risk rated issues (management consideration recommended)
- Observation issues (no management action required but should be considered)

The matters raised in this Final review report were assessed as Medium to Low risk to the Shire.

For these identified matters we have recommended that the Shire should consider exploring the recommended process improvement options which have been incorporated within the body of this report.

Each finding has a recommended action except for those issues reported as "Observations".

We believe that the Shire's implementation of the suggested and recommended process improvements will strengthen the existing financial management controls and processes that are currently in place and will provide greater overall governance within the Shire's financial management operations.



Executive Management Detailed Observations

Medium Risk Rated Issues

1. Contract Management

Findings

The Shire currently has a formal policy on contract management and a formal process for recording service-related contracts within a contract register. However, the Shire does not have adequate written procedures for managing existing contracts.

Written procedures should incorporate step-by-step processes for:

- Contract formation requirements (when a formal contract should be formulated).
- Contractor performance management process (how each contract should be managed during the contract period)
- Contract variations process and approvals (how contract variations should be negotiated and the various approval levels required).
- Contract renewal/extension process and approvals (monitoring of contract expirations and the process of contract renewal approval)
- Post-contract assessments (the need to conduct supplier performance appraisals once a contract has expired)

In the absence of formal written procedures, Shire staff responsible for managing contracts may not have a clear understanding of the contractual requirements and required approval processes resulting in possible inconsistent and unacceptable practices.

Recommendation

We recommend that the Shire establish formal contract management procedures/protocols/guidelines over the contract management process.

Management Comments

The manager of Corporate Services will develop a contract management procedure/guideline by the end of June 2025.



Low-Risk Rated Issues

2. Formal Guidelines/Procedures

Although the Shire has satisfactory policies in place, it lacks adequate written procedures, especially for key areas such as payroll, procurement, accounts payable, invoice processing, debt management, budgeting, asset management, and investment management.

Written instructions should not only provide clarity on the input and processing of information within the Shire's systems but also include approval levels, reconciliation processes (if any), and actions to be taken by staff should variances or errors be noted during processing.

In the absence of formal, clear, written procedures, the Shire cannot guarantee that consistent processes are being followed or that key processes are being adequately managed and controlled in accordance with Shire-established controls.

Recommendation

We recommend that the Shire consider developing clear written procedures for all of its key functions, such as accounts payable, procurement, invoice processing and approval, asset management, debt management, general ledger reconciliation and processing, and investment management.

Management Comments

The manager of Corporate Services will collaborate with staff to create written procedures for all departmental roles by the end of December 2025.

3. MAGIQ Staff System Access

As part of our Regulation 17 review and this financial management review, we assessed the adequacy of staff access controls.

We noted several Shire staff have been given various MAGIQ access levels to enable them to perform their responsibilities. These access levels range from view-only access to full access. We understand that full access allows the applicable staff to undertake all aspects of the function for which full access has been granted. We noted some staff who are responsible for a specific key function, for example, accounts payable, have also been provided full access to other key functions such as payroll, general ledger, debtors, and invoices.

We understand that, at times, more than one staff may be given full access to other functions they may not be directly responsible for just in case relevant staff are absent. Although this may be considered appropriate, the Shire would need to ensure that such access to other functions is limited as much as possible to only a few selected staff.



Where too many staff have full access abilities to key functions that they are not directly responsible for, it may pose segregation of duties control issues being compromised which may lead to possible undetected fraudulent action.

Recommendation

We recommend that the Shire, with the assistance of the MAGIQ software system provider, assess the impact of too many staff having full access to functions that they are not directly responsible for to determine if there are any possible control implications associated with granting such levels of access to such staff.

Management Comments

The management acknowledges the recommendation but notes that the implementation of our new Magiq ERP is still a work in progress. Some user access has already been granted to allow for full customisation and effective operation of the system. The Manager of Corporate Services, in collaboration with Magiq, will review all user access in August and September of 2025.



Observations (No Formal Recommendations Made)

Council Rates

There were two issues here:

1. Firstly, we were unable to determine who has the delegation to approve rate exemptions. This needs to be clearly determined.
2. Secondly, we understand that Shire does not regularly (say annually or every two years) review the existing exempt ratepayers to ensure that the ratepayers who are currently receiving a rate exemption because they meet religious or charitable status are still validly eligible to receive one.

Cash Receipting Process

We noted the following:

- No CCTV or Duress alarm exists within the Shire Administration office over the cash receipting facility.
 - No CCTV or Duress alarm was installed at the Caravan Park cash receipting facility.
 - No Duress alarm is installed at the Swimming Pool for the cash receipting facility.
 - No CCTV and duress alarm installed in the Station Shop over the cash receipting facility.
3. Further to the above, as cash is received at facilities outside of the Shire's Administration office, the Shire may want to reassess and strengthen the cash receipting, end-of-day reconciliation, and security processes that currently exist at these facilities to ensure all cash collections are adequately secured and reconciled to prevent possible theft without detection.

Although the amount of cash collected at these facilities is considered minor, proper control and security over any cash receipting facility are essential.



Appendix A – Risk Criteria

The following risk criteria were used to assess level of risk on review findings included in the Review Report.

Risk Assessment Matrix

Likelihood of Risk:

Rating	Description	Frequency
1	Rare – May occur, only in exceptional circumstances	< once in 15 years
2	Unlikely – Could occur at some time	At least once in 10 years
3	Possible – Should occur at some time	At least once in 3 years
4	Likely – Will probably occur in most circumstances	At least once per year
5	Almost Certain – Expected to occur in most circumstances	> once per year

Consequence of Risk:

Description	Health	Financial Loss	Operation	Compliance	Reputation	Project
1. Insignificant	No injuries or illness	<\$50,000	Little Impact	Minor breach of policy, or process requiring approval or variance	Unsubstantiated, low impact, low profile or no news item.	Small variation to cost, timeliness, scope or quality of objectives and required outcomes.
2. Low	First Aid treatment	\$50,000 to \$250,000	Inconvenient Delays	Breach of policy, process or legislation requiring attention of minimal damage control	Substantiated, low impact, low news profile.	5-10% increase in time or cost or variation to scope objective requiring approval
3. Medium	Medical treatment required	\$250,000 to \$1 million	Significant delays to major deliverables	Breach requiring internal investigation, treatment or moderate damage control	Substantiated, public embarrassment, moderate impact, moderate news profile.	10-20% increase in time or cost or variation to scope objective requiring Senior Management approval
4. Significant	Death or extensive injuries	\$1 million to \$3 million	Non achievement of major deliverables	Breach resulting in external investigation or third party actions resulting in tangible loss and damage to reputation	Substantiated, public embarrassment, moderate impact, high news profile and 3 rd party actions.	20-50% increase in time or cost or significant variation to scope objective requiring restructure of project and Senior Management or Council approval
5. Severe	Multiple deaths or sever permanent disabilities	>\$3 million	Non achievement of major deliverables	Breach resulting in external investigation or third party actions resulting in significant tangible loss and damage to reputation	Substantiated, public embarrassment, very high multiple impacts, high widespread multiple news profile, 3 rd party actions.	>50% increase in time or cost or inability to meet project objectives requiring the project to be abandoned or redeveloped



Risk Exposure:

Risk = Likelihood x Consequence

Score	Level of Risk	Score	Level of Risk	Score	Level of Risk
1 - 8	Low	9 - 19	Medium	20 - 25	High

12.4 2024/2025 HALF YEARLY BUDGET REVIEW

File Reference:	ADM131
Location:	N/A
Applicant:	N/A
Author:	Melinda King, Manager Financial Reporting
Authorising Officer:	Rajinder Sunner, Manager Corporate Services
Date:	20/03/2025
Disclosure of Interest:	Nil
Attachments:	1. Budget Review 2024/2025 ↓

SUMMARY:

The budget review has been prepared to consider the Shire's financial position as of 28 February 2025 and performance from 1 July 2024 to 28 February 2025 about the adopted annual budget and estimated revenue and expenditure for the remainder of the financial year.

BACKGROUND:

The budget review has been prepared to include information required by the *Local Government Act 1995*, *Local Government (Financial Management) Regulations 1996* and Australian Accounting Standards. The report for 1 July 2024 to 28 February 2025, shown in the attachment, has been prepared incorporating year-to-date budget variations and forecasts to 30 June 2025 and is presented for the Council's consideration.

The status of various projects and programs was considered to ensure anticipated variances were captured within the review document where possible.

The material variance levels reported for the budget review have used the same materiality levels as monthly reporting to determine the extent of explanation.

COMMENT:

The budget review report includes a summary of predicted variances contained within the Statement of Financial Activity in Note 4.

The following variations are identified within the review:

Reduction in Department of Education contribution to pool costs.	(\$20,000)
Increase in fees and charges revenue received due to additional caravan park fees, sale of water and private works.	\$45,540
Other revenue is greater than budget due to Station Shop project income, reimbursement of staff leave, and insurance claims.	\$49,006
Profit on sale is expected to be below budget.	(\$14,000)
Wages greater due to externally funded wages.	(\$46,080)
Employee costs are expected to increase due to relief staff and leave payments.	(\$114,000)
Increase in expenditure on materials for ESL, plant repairs, admin materials, FRRR expenditure, CESM cost, and town planning.	(\$59,926)
Utility charges are below budget as moved to materials.	\$13,000
Depreciation will be greater than the budget due to the calculation of revalued bridge assets and additional assets added.	(\$488,051)
Non-cash items to be excluded from above (depreciation and profit on sale of assets)	\$502,051
Proceeds on sale of assets below budget.	(\$20,363)

Land and building expenditure is expected to be below budget, as well as renovation of existing homes and CEO house expenditure.	\$80,000
Plant purchases are expected to be below budget.	\$105,000
Material component of infrastructure below budget.	\$10,000
Transfers from reserves are expected to be less than budget.	(\$28,385)
A decrease in net current assets was brought forward upon receipt of audited annual financial statements.	(\$13,792)

Following the completion of the budget review and to properly consider the impact of estimated projections on 30 June 2025, some items have been identified as requiring a budget amendment to properly account for these variances where appropriate. Required budget amendments have been included as a separate recommendation for the Council Consideration budget review.

CONSULTATION:

Chief Executive Officer
 Manager Corporate Services
 Manager Works and Services
 Audit and Risk Committee

STATUTORY ENVIRONMENT:

Regulation 33A of the Local Government (financial management) Regulations 1996 requires:

- (1) Between 1 January and the last day of February in each financial year a local government is to carry out a review of its annual budget for that year.
- (2) The review of an annual budget for a financial year must –
 - (a) Consider the local government’s financial performance in the period beginning on 1 July and ending no earlier than 31 December in that financial year; and
 - (b) Consider the local government’s financial position as at the date of the review; and
 - (c) Review the outcomes for the end of that financial year that are forecast in the budget; and
 - (d) Include the following –
 - (i) The annual budget adopted by the local government;
 - (ii) An update of each of the estimates included in the annual budget;
 - (iii) The actual amounts of expenditure, revenue and income as at the date of the review;
 - (iv) Adjacent to each item in the annual budget adopted by the local government that states an amount, the estimated end of year amount for the item.
- (3) The review of an annual budget for a financial year must be submitted to the Council on or before 31 March in that financial year.
- (4) A Council is to consider a review submitted to it and is to determine whether or not to adopt the review, any parts of the review or any recommendation made in the review.
- (5) Within 14 days after a Council has made a determination, a copy of the review and determination is to be provided to the department.

Section 6.8(1) (b) of the *Local Government Act 1995* provides that expenditure can be incurred when not included in the annual budget provided it is authorised in advance by resolution (absolute majority required).

The *Local Government Act 1995* Part 6, Division 4, s6.8 requires any expenditure for an additional purpose that is not included in the annual budget to be authorised in advance by resolution (absolute majority required).

POLICY IMPLICATIONS:

Nil

FINANCIAL IMPLICATIONS:

Authorisation of expenditure through budget amendments recommended. Other specific financial implications are outlined in the body of this report.

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	Failing to undertake a legislated requirement to review the annual budget
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)	Ensure the budget review is included in the Compliance Calendar

VOTING REQUIREMENTS:

Absolute Majority

OFFICER RECOMMENDATION:

- That Council adopt the budget review for the 2024/2025 financial year, as presented, which includes the following variations;

<i>Operating Revenue</i>	<i>Operating Reimbursements</i>	<i>Decrease provision by \$20,000</i>
<i>Operating Revenue</i>	<i>Fees and Charges</i>	<i>Increase provision by \$45,540</i>
<i>Operating revenue</i>	<i>Operating Reimbursements</i>	<i>Increase provision by \$49,006</i>
<i>Operating revenue</i>	<i>Profit on Sale</i>	<i>decreased provision by \$14,000</i>
<i>Operating expenditure</i>	<i>Employee costs</i>	<i>Increase provision by \$160,080</i>
<i>Operating expenditure</i>	<i>Materials</i>	<i>Increase provision by \$59,926</i>
<i>Operating expenditure</i>	<i>Utilities</i>	<i>Decrease provision by \$13,000</i>
<i>Operating expenditure</i>	<i>Depreciation</i>	<i>Increase provision by \$488,051</i>
<i>Proceeds disposal of asset</i>	<i>Plant</i>	<i>decreased provision by \$20,363</i>
<i>Capital Expenditure</i>	<i>Land and buildings</i>	<i>Decrease provision by \$80,000</i>
<i>Capital Expenditure</i>	<i>Plant</i>	<i>Decrease provision by \$105,000</i>
<i>Capital Expenditure</i>	<i>Infrastructure</i>	<i>Decrease provision by \$10,000</i>
<i>Reserve Transfer</i>	<i>Plant Reserve</i>	<i>Decrease transfer by \$84,637</i>
<i>Reserve Transfer</i>	<i>Building Reserve</i>	<i>Decrease transfer by \$30,000</i>
<i>Reserve transfer</i>	<i>Leave Reserve</i>	<i>Increase transfer by \$86,252</i>
<i>Surplus Carried Forward</i>		<i>Decrease provision by \$13,792</i>

- as included in the above variations, the Council transfers an additional \$86,252 from the Leave Reserve to fund additional employee costs.

SHIRE OF WEST ARTHUR**BUDGET REVIEW REPORT****FOR THE PERIOD ENDED 28 FEBRUARY 2025***LOCAL GOVERNMENT ACT 1995**LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996***TABLE OF CONTENTS**

Statement of Budget Review	2
Note 1 Basis of Preparation	3
Note 2 Summary Graphs - Budget Review	4
Note 3 Net Current Funding Position	5
Note 4 Predicted Variances / Future Budget Amendments	7

SHIRE OF WEST ARTHUR
STATEMENT OF BUDGET REVIEW
FOR THE PERIOD ENDED 28 FEBRUARY 2025

Budget v Actual					
Note	Adopted Budget	Updated Budget Estimates (a)	Year to Date Actual	Estimated Year at End Amount (b)	Predicted Variance (a) - (b)
	\$	\$	\$	\$	\$
OPERATING ACTIVITIES					
Revenue from operating activities					
General rates	2,118,003	2,118,003	2,114,852	2,118,003	0
Grants, subsidies and contributions	4.1 530,944	685,594	540,429	665,594	(20,000) ▼
Fees and charges	4.2 353,890	353,890	268,229	399,430	45,540 ▲
Interest revenue	185,748	185,748	53,390	185,748	0
Other revenue	4.3 166,640	169,250	110,583	218,256	49,006 ▲
Profit on asset disposals	4.4 14,339	14,339	113,637	339	(14,000) ▼
	3,369,564	3,526,824	3,201,120	3,587,370	60,546
Expenditure from operating activities					
Employee costs	4.5 (2,222,894)	(2,222,894)	(1,708,052)	(2,382,974)	(160,080) ▼
Materials and contracts	4.6 (1,509,750)	(1,690,592)	(1,193,510)	(1,750,518)	(59,926) ▼
Utility charges	4.7 (153,690)	(153,690)	(69,340)	(140,690)	13,000 ▲
Depreciation	4.8 (3,077,887)	(3,077,887)	(466,817)	(3,565,938)	(488,051) ▼
Finance costs	(25,446)	(25,446)	(16,034)	(25,446)	0
Insurance	(134,430)	(134,430)	(133,040)	(134,430)	0
Other expenditure	(66,300)	(66,300)	(27,291)	(66,300)	0
Loss on asset disposals	(16,137)	(16,137)	0	(16,137)	0
	(7,206,534)	(7,387,376)	(3,614,084)	(8,082,433)	(695,057)
Non-cash amounts excluded from operating activities	4.9 3,079,685	3,079,685	353,180	3,581,736	502,051 ▲
Amount attributable to operating activities	(757,285)	(780,867)	(59,784)	(913,327)	(132,460)
INVESTING ACTIVITIES					
Inflows from investing activities					
Capital grants, subsidies and contributions	1,750,780	1,750,780	489,830	1,750,780	0
Proceeds from disposal of assets	4.10 195,000	195,000	113,637	174,637	(20,363) ▼
Proceeds from self supporting loans	31,016	31,016	15,380	31,016	0
	1,976,796	1,976,796	618,847	1,956,433	(20,363)
Outflows from investing activities					
Purchase of land and buildings	4.1 (444,871)	(444,871)	(112,377)	(364,871)	80,000 ▲
Purchase of plant and equipment	4.2 (1,161,116)	(1,161,116)	(576,914)	(1,056,116)	105,000 ▲
Purchase of furniture and equipment	(78,647)	(78,647)	0	(78,647)	0
Purchase and construction of infrastructure-roads	(1,577,058)	(1,577,058)	(563,567)	(1,577,058)	0
Purchase and construction of infrastructure-other	4.3 (236,514)	(236,514)	(158,013)	(226,514)	10,000 ▲
	(3,498,206)	(3,498,206)	(1,410,871)	(3,303,206)	195,000
Amount attributable to investing activities	(1,521,410)	(1,521,410)	(792,024)	(1,346,773)	174,637
FINANCING ACTIVITIES					
Cash inflows from financing activities					
Proceeds from new borrowings	0	0	0	0	0
Transfers from reserve accounts	4.4 1,469,241	1,492,823	850,472	1,464,438	(28,385) ▼
	1,469,241	1,492,823	850,472	1,464,438	(28,385)
Cash outflows from financing activities					
Repayment of borrowings	(137,156)	(137,156)	(74,429)	(137,156)	0
Transfers to reserve accounts	(479,505)	(479,505)	(23,647)	(479,505)	0
	(616,661)	(616,661)	(98,076)	(616,661)	0
Amount attributable to financing activities	852,580	876,162	752,396	847,777	(28,385)
MOVEMENT IN SURPLUS OR DEFICIT					
Surplus or deficit at the start of the financial year	1,426,115	1,412,323	1,412,323	1,412,323	0
Amount attributable to operating activities	(757,285)	(780,867)	(59,784)	(913,327)	(132,460)
Amount attributable to investing activities	(1,521,410)	(1,521,410)	(792,024)	(1,346,773)	174,637
Amount attributable to financing activities	852,580	876,162	752,396	847,777	(28,385)
Surplus or deficit after imposition of general rates	3(a),4.5 0	(13,792)	1,312,911	0	13,792 ▲

**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET REVIEW REPORT
FOR THE PERIOD ENDED 28 FEBRUARY 2025**

1. BASIS OF PREPARATION

This budget review 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 budget review 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 Leases which would have required the Shire of West Arthur to measure any vested improvements at zero cost.

Local Government (Financial Management) Regulations 1996, regulation 33A prescribes contents of the budget review.

Accounting policies which have been adopted in the preparation of this budget review have been consistently applied unless stated otherwise. Except for cash flow and statement of financial activity, the budget review 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 of West Arthur 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:

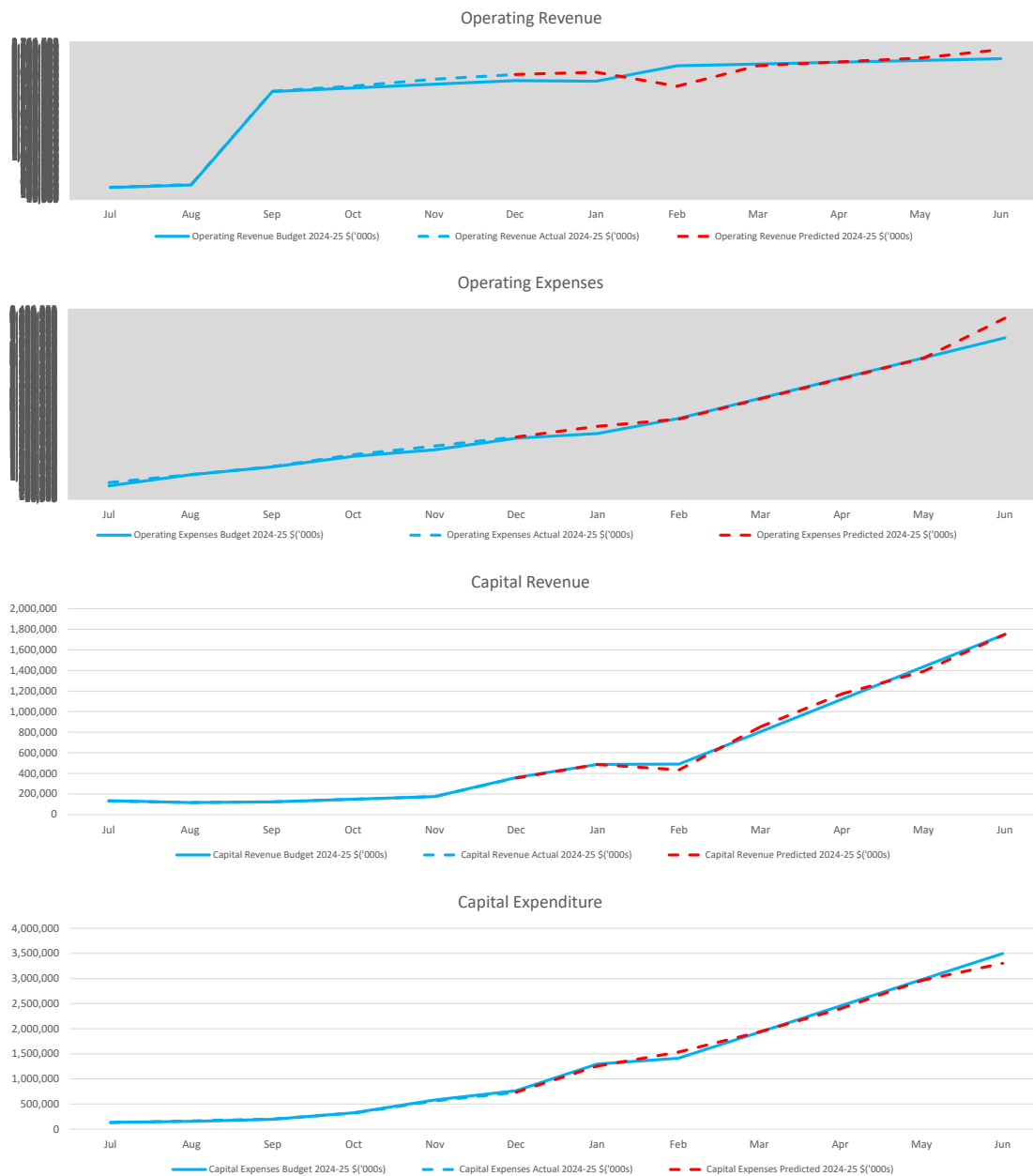
- estimated fair value of certain financial assets
- impairment of financial assets
- estimation of fair values of land and buildings, infrastructure and investment property
- estimation uncertainties made in relation to lease accounting
- estimation of fair values of provisions

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.

**SHIRE OF WEST ARTHUR
SUMMARY GRAPHS - BUDGET REVIEW
FOR THE PERIOD ENDED 28 FEBRUARY 2025**

2. SUMMARY GRAPHS - BUDGET REVIEW



This information is to be read in conjunction with the accompanying financial statements and notes.

SHIRE OF WEST ARTHUR
NOTES TO THE BUDGET REVIEW REPORT
FOR THE PERIOD ENDED 28 FEBRUARY 2025

3 NET CURRENT FUNDING POSITION
EXPLANATION OF DIFFERENCE IN NET CURRENT ASSETS AND SURPLUS/(DEFICIT)

	Audited Actual 30 June 2024	Adopted Budget 30 June 2025	Updated Budget Estimates 30 June 2025	Year to Date Actual 28 February 2025	Estimated Year at End Amount 30 June 2025
	\$	\$	\$	\$	\$
(a) Composition of estimated net current assets					
Current assets					
Cash and cash equivalents	4,451,619	1,857,956	2,099,372	3,305,858	2,042,318
Financial assets	31,016	31,016	31,016	15,636	31,016
Trade and other receivables	223,764	197,081	178,809	328,495	138,809
Inventories	100,973	18,855	13,485	91,855	13,485
Other assets	91,157	11,579			0
Contract assets					0
Assets classified as held for sale	65,107	0	0	0	0
	4,963,636	2,116,487	2,322,682	3,741,844	2,225,628
Less: current liabilities					
Trade and other payables	(402,794)	(310,130)	(310,130)	(242,342)	(390,130)
Other liabilities	(208,199)	0	0	(163,737)	0
Capital grant/contribution liability			0	0	0
Lease liabilities			0	0	0
Borrowings	(137,156)	(92,358)	(92,358)	(62,727)	(92,358)
Employee related provisions	(365,491)	(309,447)	(309,447)	(364,455)	(309,447)
Other provisions					
	(1,113,640)	(711,935)	(711,935)	(833,261)	(791,935)
Net current assets	3,849,996	1,404,552	1,610,747	2,908,583	1,433,693
Less: Total adjustments to net current assets	(2,437,673)	(1,404,552)	(1,405,308)	(1,595,672)	(1,433,693)
Closing funding surplus / (deficit)	1,412,323	0	205,439	1,312,911	0

(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*.

	Audited Actual 30 June 2024	Adopted Budget 30 June 2025	Updated Budget Estimates 30 June 2025	Year to Date Actual 28 February 2025	Estimated Year at End Amount 30 June 2025
	\$	\$	\$	\$	\$
Adjustments to operating activities					
Less: Profit on asset disposals	(222,863)	(14,339)	(14,339)	(113,637)	(339)
Add: Loss on disposal of assets	51,234	16,137	16,137	0	16,137
Add: Depreciation on assets	3,586,841	3,077,887	3,077,887	466,817	3,565,938
Non-cash movements in non-current assets and liabilities:					
Financial assets at amortised cost	(1,262)	0	0	0	0
Investment property					
Pensioner deferred rates					
Assets held for sale	(65,107)		0	0	0
Employee benefit provisions	88,818	0	0	0	0
Other provisions	0	0	0	0	0
Movement in accrued wages	8,154				
Inventory	(9,118)				
	3,436,697	3,079,685	3,079,685	353,180	3,581,736

(b) Investing activities excluded from budgeted deficiency

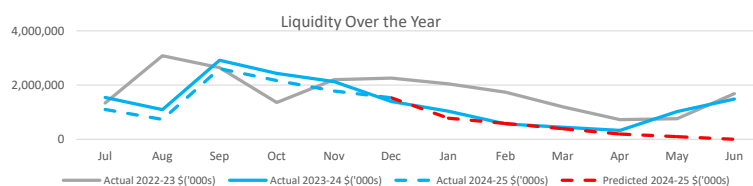
The following non-cash revenue and expenditure has been excluded from investing activities within the Statement of Financial Activity in accordance with *Financial Management Regulation 32*.

	Audited Actual 30 June 2024	Adopted Budget 30 June 2025	Updated Budget Estimates 30 June 2025	Year to Date Actual 28 February 2025	Estimated Year at End Amount 30 June 2025
	\$	\$	\$	\$	\$
Adjustments to investing activities					
Movement in non-current capital grant/contribution liability	0	0	0	0	0
Less: Grants, subsidies and contributions for assets received in-kind					
Less: Movement in current unspent capital grants associated with restricted cash				0	
Non cash amounts excluded from investing activities	0	0	0	0	0

(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.

	Audited Actual 30 June 2024	Adopted Budget 30 June 2025	Updated Budget Estimates 30 June 2025	Year to Date Actual 28 February 2025	Estimated Year at End Amount 30 June 2025
	\$	\$	\$	\$	\$
Adjustments to net current assets					
Less: Reserve accounts	(2,828,645)	(1,838,909)	(1,838,909)	(2,001,820)	(1,867,294)
Less: Financial assets at amortised cost - self supporting loans	(31,016)	(31,016)	(31,016)	(15,636)	(31,016)
Less: Land held for resale	(79,118)	0	0	(70,000)	0
Less: Assets held for resale	(65,107)				
Add: Current liabilities not expected to be cleared at end of year					
- Current portion of borrowings	137,156	92,358	92,358	62,727	92,358
- Employee benefit provisions	429,057	373,015	372,259	429,057	372,259
Total adjustments to net current assets	(2,437,673)	(1,404,552)	(1,405,308)	(1,595,672)	(1,433,693)



**SHIRE OF WEST ARTHUR
NOTES TO THE BUDGET REVIEW REPORT
FOR THE PERIOD ENDED 28 FEBRUARY 2025**

3 COMMENTS/NOTES - NET CURRENT FUNDING POSITION (CONTINUED)

SIGNIFICANT ACCOUNTING POLICIES

CASH AND CASH EQUIVALENTS

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

Bank overdrafts are shown as short term borrowings in current liabilities.

FINANCIAL ASSETS AT AMORTISED COST

The Shire of West Arthur 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.

TRADE AND OTHER RECEIVABLES

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

Trade and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value.

Trade receivables are held with the objective to collect the contractual cashflows and therefore 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.

The Shire of West Arthur applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

INVENTORIES

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.

CONTRACT ASSETS

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

CONTRACT LIABILITIES

Contract liabilities represent the Shire of West Arthur's obligation to transfer goods or services to a customer for which the Shire of West Arthur 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.

PROVISIONS

Provisions are recognised when the Shire of West Arthur 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.

CURRENT AND NON-CURRENT CLASSIFICATION

An asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Shire of West Arthur's operational cycle. In the case of liabilities where the Shire of West Arthur 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 of West Arthur's intentions to release for sale.

TRADE AND OTHER PAYABLES

Trade and other payables represent liabilities for goods and services provided to the Shire of West Arthur prior to the end of the financial year that are unpaid and arise when the Shire of West Arthur 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.

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 of West Arthur recognises revenue for the prepaid rates that have not been refunded.

EMPLOYEE BENEFITS

Short-Term Employee Benefits

Provision is made for the Shire of West Arthur'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 of West Arthur'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 net current funding position. Shire of West Arthur's current obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the net current funding 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 of West Arthur's obligations for long-term employee benefits where the Shire of West Arthur does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, are presented as current provisions in the net current funding position.

**SHIRE OF WEST ARTHUR
NOTES TO THE REVIEW OF THE ANNUAL BUDGET
FOR THE PERIOD ENDED 28 FEBRUARY 2025**

4 PREDICTED VARIANCES

	Variance
	\$
Revenue from operating activities	
4.1 Grants, subsidies and contributions Department of Education contribution to pool costs \$20,000 will not be received.	(20,000) ▼
4.2 Fees and charges Caravan park fees expected to be greater than budget. \$15,000. Private works greater than budget \$12,540. Sale of water greater than budget by \$7,000	45,540 ▲
4.2 Interest revenue No reportable variance	0
4.3 Other revenue Station Shop income unbudgeted - offset by project expenditure \$19,926 Staff cost reimbursement greater than budget \$18,080 Insurance claim, \$11,000	49,006 ▲
4.4 Profit on asset disposals Profit on sale will be below budget. \$14,000	(14,000) ▼
Expenditure from operating activities	
4.5 Employee costs Greater wages FRRR expenditure budgeted as materials. \$28,000. Externally funded wages of \$18,080. Wages greater than budget - relief staff for staff on leave, Isl payments on termination. Associated superannuation on additional wages greater than budget.	(160,080) ▼
4.6 Materials and contracts Compliance/legal cost greater than budget. \$25,000 ESL expenditure will be greater than budget (partly offset by ESL grant) \$25,000 Plant repairs greater than budget by \$20,000 Other admin materials greater than budget \$13,000. Telstra budgeted as utilities. FRRR expenditure part wages, budgeted as materials \$28,000 FRRR expenditure greater - offset by sales income. CESM cost greater than budget \$10,000 Medical costs below budget Town planning greater than budget \$8,000 Landcare materials will be below budget. Transport materials will be below budget. \$15,000	(59,926) ▼
4.7 Utility charges Admin utilities below budget by \$13,000	13,000 ▲
4.8 Depreciation Increase in depreciation post increase in valuation of bridge assets. \$331,858 Increase in depreciation post addition of road assets. \$94306 Increase in depreciation post addition of other infrastructure assets. \$25,225 Increase in depreciation post addition of plant assets. \$36,662	(488,051) ▼
4.8 Loss on asset disposals No reportable variance	0
Non-cash amounts excluded from operating activities Increase in depreciation post revaluation of assets. Minor variations in profit/loss on sale of assets.	502,051 ▲
Inflows from investing activities	
4.10 Proceeds from disposal of assets Proceeds on sale of vehicle below budget \$20,363	(20,363) ▼
Outflows from investing activities	
4.1 Purchase of land and buildings Renovation to existing home will less than budget this year CEO house expenditure will be below budget this year. Rebudget for 2025/26 Item to be considered at March 25 meeting regarding reserve funded purchase of Station Masters House	80,000 ▲

| 7

SHIRE OF WEST ARTHUR
NOTES TO THE REVIEW OF THE ANNUAL BUDGET
FOR THE PERIOD ENDED 28 FEBRUARY 2025

4 PREDICTED VARIANCES

	Variance
	\$
4.2 Purchase of plant and equipment	105,000 ▲
Excavator and attachment will be below budget \$31,000	
Parks Tipper expected below budget \$24,000	
6 Wheeler expected above budget \$6,000	
Mechanic flatbed below budget \$6,000	
Kubota mower below budget \$9,000	
Spray tank will not be purchased this year. <u>\$10,000</u>	
Light trailer below budget \$4,000	
Light vehicle purchase cost below budget \$27,000	
4.2 Purchase of furniture and equipment	0
4.3 Purchase and construction of infrastructure-other	10,000 ▲
Material component of playground \$10,000 below budget.	

SHIRE OF WEST ARTHUR
NOTES TO THE REVIEW OF THE ANNUAL BUDGET
FOR THE PERIOD ENDED 28 FEBRUARY 2025

4 PREDICTED VARIANCES

	Variance
	\$
Cash inflows from financing activities	
4.4 Transfers from reserve accounts	(28,385) ▼
Renovation to existing house will be less than budget this year. \$30,000	
Plant purchases funded by reserve will be less than budget \$84,637	
An addition \$86,252 to be transferred from the leave reserve.	
Cash outflows from financing activities	
4.4 Transfers to reserve accounts	0
No reportable variance	
4.4 Surplus or deficit at the start of the financial year	0
Opening balance variance	
4.5 Surplus or deficit after imposition of general rates	13,792 ▲
Opening balance variance	

12.5 CHANGES TO SUPERANNUATION CO-CONTRIBUTION FOR STAFF

File Reference:	ADM187
Location:	N/A
Applicant:	N/A
Author:	Rajinder Sunner, Manager Corporate Services
Authorising Officer:	Vin Fordham Lamont, Chief Executive Officer
Date:	15/03/2025
Disclosure of Interest:	Nil
Attachments:	1. Super Co-Contribution Comparison with Other Local Governments as at March 2025 ↓

SUMMARY:

The council is requested to consider increasing the maximum Superannuation Co-Contribution for employees effective 1 July 2025 as per the officer's recommendation.

BACKGROUND:

Superannuation co-contribution (or matching superannuation) schemes refer to situations where an employer agrees to match any employee contributions to their superannuation policies. That is, if an employee elects to pay, for example, 3% to their super policy, the employer will match that with another 3%.

In addition to the statutory employer contribution of 11.5%, the Shire currently contributes an additional maximum matching superannuation of 1.5% if the employer also contributes. The statutory contribution under the Superannuation Guarantee Charge (SGC) will increase to 12.0% starting from 1 July 2025.

Although the Shire's matching super contribution (Co-Contributions) maximum has remained at 1.5% for several years, it is essential to reassess its adequacy. This reassessment is necessary due to growing competition for talent and changing employee expectations.

COMMENT:

The proposal is to increase the maximum superannuation co-contributions of all eligible employees from 1.5% to 5% starting next financial year. Currently, 10 employees are in the scheme, contributing between 1.5% and 9.0%. If all participants raise their contributions to 5%, the Shire will incur an additional cost of \$25,000 in the 2025-2026 financial year.

Increasing the Shire's maximum superannuation co-contributions to 5% will significantly enhance our ability to attract and retain talented employees, improve staff satisfaction and loyalty, and ensure our organisation remains competitive within the local government sector. This strategic investment in our workforce will yield long-term benefits, including higher staff retention, reduced turnover costs, and a more engaged and productive team.

Rationale and Benefits**1. Attracting Skilled Talent**

As the job market becomes more competitive for specialised roles, superannuation co-contributions are vital for attracting top talent. Increasing the Shire's contributions will enhance our employment package and help us recruit high-calibre candidates.

2. Improving Employee Retention

Higher superannuation contributions are important for employee retention. They show that the Shire values its staff and invests in their financial security. This boosts satisfaction and loyalty, reducing turnover and recruitment costs.

3. Enhancing Employee Satisfaction and Well-being

Employees value benefits packages that support their financial goals. The Shire can enhance financial security and peace of mind by providing a more substantial superannuation contribution. This can lead to a positive workplace culture and improved employee well-being, resulting in higher productivity and engagement.

4. Benchmarking Against Industry Standards

Many public sector organisations and private companies now offer 5% or more superannuation co-contributions. Increasing the Shire's contribution is crucial for staying competitive and attracting staff in key operational areas.

5. Supporting Long-term Financial Security for Employees

Increasing the Shire's superannuation contributions will enhance employees' retirement savings and improve their long-term financial security, benefiting their future well-being.

CONSULTATION:

Councillors – December 2024 Council Briefing Session.

Other neighbouring Local Governments.

Senior Staff

STATUTORY ENVIRONMENT:

Nil

POLICY IMPLICATIONS:

A new policy will be presented to the Council before June 2025.

FINANCIAL IMPLICATIONS:

There are no implications for the year 2024-2025. The Financial Implications for 2025-2026 will form part of the Budget Adoption process.

STRATEGIC IMPLICATIONS:

Community Strategic Plan West Arthur Towards 2031

Theme: Leadership and Management – Inspirational, Dynamic, Transparent.

Outcome: Shire Staff are well-trained, motivated, and customer focused.

Strategy: Provide flexible working arrangements where possible in order to attract the best quality 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	Unable to Recruit and Retain qualified staff to effectively deliver services and complete key projects.
Risk Likelihood (based on history and with existing controls)	(4) Likely
Risk Consequence	(2) Minor
Risk Rating (Prior to Treatment or Control): Likelihood x Consequence	(8) Medium
Principal Risk Theme	Ineffective Employment practices
Risk Action Plan (Controls or Treatment Proposed)	Endorse increase in Super Co-Contribution as presented.

VOTING REQUIREMENTS:

Simple Majority

OFFICER RECOMMENDATION:

1. That Council approve the increase of maximum Super Co-Contribution to 5% from 1 July 2025.
OR
2. That Council approve the increase of maximum Super Co-Contribution to 3.5% from 1 July 2025.
OR
3. That Council Leave the maximum Super Co-Contribution at 1.5%.

Superannuation co-contribution				
	Name	Co Contribution	Capped Inc. SGC	Comments
1	Shire of Collie	6.50%	18.00%	SGC is 11.5%, and from July 2025 will increase to 12.0%
2	Shire of Boddington	6.00%		
3	Shire of Gnowangerup	5.00%		
4	Shire of Plantagenet	5.00%		
5	Shire of Lake Grace	5.00%		
6	Shire of Woodanilling	5.00%		
7	Shire of Kojonup	5.00%		
9	Shire of Narrogin	3.50%	15.00%	SGC is 11.5%, and from July 2025 will increase to 12.0%
10	Shire of Boyup Brook	3.50%	15.00%	SGC is 11.5%, and from July 2025 will increase to 12.0%
8	Shire of Katanning	3.00%		
11	Shire of Williams	3.00%		
12	Shire of Dumbleyung	3.00%		
13	Shire of West Arthur	1.50%		
14	Shire of Wickepin	1.50%		
15	Shire of Wagin	1.00%		

1 The Shire of West Arthur has ten employees contributing to their super. The range is very from 1.5% to 9.00%

2 The approximate additional cost to the budget in 2025-26 will be \$25,000, if all existing employees contribute 5.0% and the Shire match their contributions.

13 WORKS AND SERVICES**13.1 GRAVEL AND SAND ACQUISITION POLICY**

File Reference:	ADM015
Location:	N/A
Applicant:	N/A
Author:	Gary Rasmussen, Manager Works and Services
Authorising Officer:	Vin Fordham Lamont, Chief Executive Officer
Date:	19/03/2025
Disclosure of Interest:	Nil
Attachments:	1. Policy W7 - Sand and Gravel Acquisition ↓

SUMMARY:

Council is requested to consider adopting a new Gravel and Sand Acquisition Policy as presented to replace existing policy W7 – Road Making Materials.

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 update and rename existing policy W7 – Road Making Materials which can be viewed in the current [Council Policy Manual](#).

CONSULTATION:

The author viewed a number of existing examples of these policies and, after discussions with the CEO and a Council representative, 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 (20)
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	Failure to provide a transparent and consistent approach to compensation for gravel extraction.
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	Inadequate asset management
Risk Action Plan (Controls or Treatment Proposed)	Adopt the proposed policy.

VOTING REQUIREMENTS:

Absolute Majority

OFFICER RECOMMENDATION:

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 as a replacement for existing policy W7 – Road Making Materials.

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 set out below are to be the minimum paid by the Shire. The Manager of Works and Services can negotiate above the set rates with the final approval by the CEO:
 - a. Gravel is to be valued at a standard rate of \$2.00 per m3 (ex GST). Price to be revised in yearly budget review. The volume of gravel is worked on a solid mass volume, not the loose pushed amount. The selected gravel resource must be of a size which conforms with 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 yearly budget review. The volume of sand is worked on a solid mass volume what is loaded by the loader. 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 are to be valued at \$1.00 per m3 (ex GST). Price to be revised in yearly budget review. The volume of clay is worked 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.
 - b. Claim part payment and part private works up to the value of the materials extracted; or
 - c. Receive no payment and have private works conducted to the value of the materials extracted.

The valuation of private works is to be determined by the 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 25/05/2023 Updated on 27/03/2025
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

14 REGULATORY SERVICES**14.1 PROPOSED LOCAL PLANNING POLICY NO. 5 - WIND FARMS**

File Reference:	ADM205
Location:	Shire of West Arthur Municipal District
Applicant:	Not Applicable
Author:	Joe Douglas, Planning Consultant
Authorising Officer:	Vin Fordham Lamont, Chief Executive Officer
Date:	19/03/2025
Disclosure of Interest:	Nil
Attachments:	1. Original Draft Policy ↓ 2. Submissions ↓ 3. Final Draft Policy ↓

SUMMARY:

This report provides details of the outcomes from public advertising of proposed Local Planning Policy No.5 entitled 'Wind Farms' and recommends that the Council resolve to finally adopt the policy subject to modifications and authorise the Chief Executive Officer to publish a copy of the policy on the Shire's website.

BACKGROUND:

At its Ordinary Meeting in October 2023 Council resolved as follows (i.e. Resolution CO-2023-120):

1. *That, pursuant to Schedule 2 Clause 4(3) of the Planning and Development (Local Planning Scheme) Regulations 2015, Council adopt for advertising Local Planning Policy No.5 Wind Farms (as contained in Attachment 1).*
2. *That the draft Local Planning Policy be advertised for a minimum period of 21 days in the Community Newspaper and on the Shire website.*
3. *That following advertising of the Draft LPP, a report be prepared to Council to:*
 - *Consider any submissions which might have been received; and*
 - *Modify and / adopt the LPP for final approval.*

COMMENT:

The original proposed draft policy provided in Attachment 1 was advertised for public comment in accordance with the procedural requirements of Clause 4(3) in Schedule 2 (i.e. the Deemed Provisions) of the *Planning and Development (Local Planning Scheme) Regulations 2015* in excess of the minimum required period of 21 days. This process included publication of notices in the community newspaper and on the Shire's website and written referrals to various State government agencies inviting comment.

A total of two (2) submissions were received during public advertising, both of which were from State government agencies (i.e. the Department of Primary Industries and Regional Development and Department of Water and Environmental Regulation). A copy of the two submissions received is provided in Attachment 2.

It is significant to note no submissions were received from the local community either supporting or objecting to the proposed policy. As such it is reasonable to conclude the local community is generally satisfied with the policy and does not have any objections to its final adoption and use by the Shire when dealing with development applications for wind farms.

The submissions received from the Department of Primary Industries and Regional Development (DPIRD) and the Department of Water and Environmental Regulation (DWER) supported the proposed policy and made recommendations regarding some minor proposed amendments which are summarised as follows:

DPIRD

- *'Information to Accompany a Development Application' should include a surface water management plan, incorporating appropriate design methods to manage water erosion from intense summer or winter rainfall events.*
- *'Information to Accompany a Development Application' should include a biosecurity management plan to ensure all excavation equipment/drilling rigs and the likes are thoroughly cleaned and free from any soil/plant material prior to leaving paddocks and especially moving from property to property.*
- *'Information to Accompany a Development Application' should include a Site Rehabilitation Plan which outlines the steps for the future decommissioning of these facilities. As the depth to buried cables and the cut down turbine foundations (being below ground) will impact seeding depth and crop/pasture root potential, DPIRD suggests that decommissioning is planned to "normal deep ripping depth" to ensure the depth will be adequate to enable the breaking up of compaction soil layers in the future.*

DWER

- *Many of the proposals for wind farms are in remote areas where water supplies are limited, and surface nor groundwater are proclaimed under the Rights in Water and Irrigation Act. As such reference to considering water supply during the development stage, especially for construction is worth consideration.*
- *Section 1.0 Introduction - The fourth paragraph of the introduction seem to have words repeating; "These turbines have rotor blades a generator and rotor blades mounted on top of a steel tower and [..]". The first instance of 'rotor blades' does not seem to be required.*
- *Section 4.0 Definitions and Terms - The definition of Sensitive Land Use mostly reflects that of the Environmental Protection (Noise) Regulations 1997 (Noise Regulations), but not fully. It may be appropriate for LPP 5 to also refer Schedule 1 Part C of the Noise Regulations in its definition for the sake of consistency in relation to noise assessments. Consider adding a definition for Acoustic Consultant as follows:*

A person who holds membership of grade Member or Fellow in the Australian Acoustical Society or membership of the Association of Australasian Acoustical Consultants, or international equivalent.

- *Section 5.0 Policy Measures - Clause 4a) discusses proposed buffer setbacks but without introducing an actual minimum distance. LPP 5 should consider nominating a set distance as this would provide some certainty to both developers and landowners. The WAPC Position Statement recommends a minimum distance between noise-sensitive land uses and a wind turbine of 1,500 metres. This setback distance has been used in similar wind farms local planning policies drafted by other Shires.*

Clause 4b) may not be specific enough. Although the Noise Regulations are a statutory requirement, and therefore apply to wind farm developments, there seem to be a lack of understanding in the broader community of which requirements are applicable. This clause is also not specific in its scope for instance, it is not clear whether LPP 5 requires the acoustic study to also consider noise impacts associated with construction activities. This clause could be amended to:

A noise impact assessment, completed by an acoustic consultant, demonstrating compliance with the Environmental Protection (Noise) Regulations 1997 for both construction and operational phases. The noise impact assessment is to have due regard to future land uses. Where a proponent is of the view that the noise emissions from the development will likely be masked by ambient noise, the South Australian Environmental Protection Authority Wind farms environmental noise guidelines (November 2021) may be referenced.

Clause 6 is not likely necessary. The department provides support to local governments in various ways including direct technical support on noise related issues to environmental health officers, and land use planning advice. Should clause 4a) be changed as proposed, there is effectively a mechanism to 'filter' development applications. That is, the Shire would not need to refer development applications that meet the proposed buffer but could refer those which do not and noise impacts are likely.

The majority of the comments and suggestions provided by DPIRD and DWER have been considered carefully and concluded to be of significant benefit and value. As such, the policy has been amended by the Shire's previous town planning consultant to reflect all of the proposed suggestions, with all modifications highlighted in red text for Council's benefit (see Attachment 3).

The only suggestion that was not included in the revised policy is the one from DWER regarding the exclusion of Section 6 of the original policy entitled 'Policy Measures' as it applies specifically to advertising of development applications received for wind farms which is still considered to be of benefit and value. Notwithstanding this conclusion, the wording for Section 6 has been amended to more clearly articulate Council's expectations and requirements regarding public advertising.

Council should also note the policy has been amended more generally by the Shire's previous town planning consultant to improve its overall structure, clarity and wording for ease of reference and use when considering development applications for wind farms.

Additional modifications requested by the Shire's Chief Executive Office requiring all development applications for wind farms to include information regarding the extraction and use of basic raw materials and the construction and use of temporary workforce accommodation during the construction phase of any proposed development have also been included.

In light of all the above it is recommended Council resolve to finally adopt the policy subject to all modifications outlined above and authorise the Shire's Chief Executive Officer to publish a copy of the policy on the Shire's website pursuant to the specific requirements of clause 4(4), Part 2 and clause 87, Part 12, Schedule 2 (Deemed Provisions) of the *Planning and Development (Local Planning Schemes) Regulations 2015* at which point it will have full legal effect.

CONSULTATION:

As per the advice provided in the comment section above.

STATUTORY ENVIRONMENT:

- Planning and Development Act 2005
- Planning and Development (Local Planning Schemes) Regulations 2015
- Shire of West Arthur Local Planning Scheme No.2

POLICY IMPLICATIONS:

Local planning policies are a recognised planning tool to assist planning for future development of any given type and the administration of local planning schemes more generally.

FINANCIAL IMPLICATIONS:

There are no immediate financial implications for the Shire aside from the administrative and advertising costs associated with public advertising which have been accounted for in the Shire's annual budget.

STRATEGIC IMPLICATIONS:

The Shire's *Strategic Community Plan Towards 2031* and *Corporate Business Plan 2021 – 2025* do not contain any reference to wind farms. More general outcomes that could be relevant are:

Outcome 2.1 – Improved employment through diversification in agricultural

- *Support agricultural diversification opportunities which have the potential to provide economic benefits and employment growth and promote funding opportunities on social and traditional media when they arise.*

Outcome 2.2 – A growing, diverse business community

- *Promote and consider opportunities to develop industrial sites to attract new businesses to the Shire.*
- *Monitor land sales and development opportunities and investigate further land release (including larger lot sizes) as needed.*
- *Prepare and implement an economic plan and for the Shire which identifies opportunities in key sectors including health and medical, manufacturing and downstream processing to attract investment and create employment.*

Outcome 3.1 – Maintain and improve our key natural assets

- *Consider environmental impacts and biodiversity when assessing land use applications through council.*

Outcome 4.4 – Appropriate planning and development

- *Review and update the Shire Policy Register to reflect current policies and develop new policies relevant to recent regulatory changes.*

Council should also note the proposed policy is consistent with the proposed new Joint Local Planning Strategy for the Shires of Wagin, West Arthur and Williams as it applies specifically to planning for strategic regional infrastructure which supports the ongoing sustainable development of land in the Strategy Area and surrounding region.

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	Loss of reputation, hindering development.
Risk Likelihood (based on history and with existing controls)	Unlikely (2)
Risk Consequence	Moderate (3)
Risk Rating (Prior to Treatment or Control): Likelihood x Consequence	Medium (6)
Principal Risk Theme	Compliance Failure
Risk Action Plan (Controls or Treatment Proposed)	Monitor and ensure compliance with the procedural requirements prescribed in Part 2, Schedule 2 (i.e. the Deemed Provisions) of the <i>Planning and Development (Local Planning Scheme) Regulations 2015</i> as they apply specifically to the preparation and adoption of local planning policies.

VOTING REQUIREMENTS:

Simple Majority

OFFICER RECOMMENDATION:

That Council resolve to:

1. Finally adopt proposed Local Planning Policy No.5 entitled 'Wind Farms' subject to all modifications outlined in the report above and shown in the revised policy document contained in Attachment 3; and
2. Authorise the Shire's Chief Executive Officer to publish a copy of Local Planning Policy No.5 on the Shire's website pursuant to the specific requirements of clause 4(4), Part 2 and clause 87, Part 12, Schedule 2 (Deemed Provisions) of the *Planning and Development (Local Planning Schemes) Regulations 2015*.

ATTACHMENT 1

DRAFT LOCAL PLANNING POLICY NO.5 WIND FARMS

1.0 Introduction

In 2019, the State Government launched Western Australia's Energy Transformation Strategy. This sets out the proposed transition from coal-fired power generation to cleaner, cheaper electricity produced by both large-scale wind and solar farms and rooftop solar photovoltaic (PV) systems.

The Western Australian Planning Commission's State Planning Strategy 2050 promotes renewable energy initiatives.

Wind energy facilities (wind farms) are typically located on sites with steady winds throughout the year, with good road access, and proximity to major electricity infrastructure. A diagram of the South West Interconnected System (SWIS) within the Shire is provided in Appendix 1.

Wind farms usually consist of multiple large, rotating, three-bladed turbines that produce more than 4.0 MW of electrical output. These turbines have rotor blades a generator and rotor blades mounted on top of a steel tower and the turbine's total height can be as high as 220 to 250 metres.

2.0 Objectives

1. To provide guidance on the appropriate location, scale, design, and development of wind farms
2. To provide guidance for consideration of development applications for wind farms under Local Planning Scheme No. 2.
3. To ensure that wind farms do not lead to unacceptable impacts on important environmental, cultural or landscape values.
4. To ensure that the consideration of development applications for wind farms consider the potential impact on the amenity of surrounding properties.

3.0 Application

The policy applies to all zones and reserves in the Shire as provided for in Local Planning Scheme No 2. Any development of land within the Shire requires a development approval unless it is specifically exempted under the Deemed Provisions and/or relevant Local Planning Policy.

This Local Planning Policy does not apply to single turbine used for domestic purposes including on a rural lot but noting that this may still need a development approval under the Scheme.

Where a turbine(s) is used primarily to supply electricity for a rural use, rural industry etc (not being a domestic dwelling) it will require a development application. The provisions and requirements of this Policy may be reduced depending upon the scale, location of the proposal and whether it is considered to be ancillary to the existing development.

4.0 Definitions and Terms

Deemed Provisions are the provisions contained in Schedule 2 of the Planning and Development (Local Planning Schemes) Regulations 2015.

Wind Farms are not defined within Local Planning Scheme. No 2.

ATTACHMENT 1

Wind farms are defined in the Model Scheme Text (Town Planning Regulations) as:

A premises used to generate electricity by wind force and any associated turbine, building or other structure but does not include anemometers or turbines used primarily to supply electricity for a domestic property or for private rural use.

The Department of Planning Lands and Heritage 2020 Position Statement on Renewable Energy Facilities has the following definition:

Renewable energy facility means premises used to generate energy from a renewable energy source and includes any building or other structure used in, or relating to, the generation of energy by a renewable resource. It does not include renewable energy electricity generation where the energy produced principally supplies a domestic and/or business premises and any on selling to the grid is secondary.

Sensitive Land Use (SPP 4.1) means land uses that are residential or institutional in nature, where people live or regularly spend extended periods of time. These include, but are not limited to, dwellings, short stay accommodation, hospitals, educational establishments, childcare centres, corrective institutions and places of worship.

Buffer Setback means the "separation distance" (SPP 4.1) as defined in Government environmental policy, being the recommended distance necessary to separate a source of emissions (gaseous and particulate emissions, dust, odour and noise) from sensitive land uses in order to avoid impacts to health and amenity.

Shadow Flicker results from the sun's position in relation to the wind turbine blades as they rotate. This occurs under certain combinations of geographical position and time of day. The seasonal duration of this effect can be calculated from the machine's geometry and the site's latitude. Shadow flicker can be modelled in advance, and siting and design can mitigate the problem. This is more likely to be an issue for turbines located to the east or west of a dwelling.

5.0 Policy Measures

- 1 Wind farms will be considered as defined in accordance with the Model Scheme Text (Clause 38 Part 6 Schedule 1 of the Planning and Development (Local Planning Schemes) Regulations 2015).
- 2 Pending the revision of Local Planning Scheme No 2, a wind farm is an unspecified land use being a 'complex application' pursuant to Clause 1 Part 1 Schedule 2 of the Deemed Provisions.
- 3 That as an unspecified land use a wind farm will be consistent with the objectives of the Rural zone where they:
 - Do not prevent the continuation of broad-hectare agriculture;
 - Are being provided for intensive agricultural uses;
 - Retain the rural character and amenity of the locality;
 - Do not involve substantial clearing of remnant vegetation; or
 - They can be shown to be of benefit to the district and not detrimental to the natural resources or the environment.
- 4 That development applications for wind farms are required to contain sufficient information to allow proper consideration of the application in accordance with the Scheme, Deemed Provisions and objectives of this Policy. In addition to the requirements of Clause 63 of the Deemed Provisions (see Appendix 2) applications should include:

ATTACHMENT 1

- a) Documentation of the proposed buffer setbacks to existing sensitive land uses. Consideration of the suitability of the proposed buffer setback will also have regard to the likelihood of future sensitive land uses on vacant properties.
 - b) An acoustic noise study to confirm the potential noise emissions and mitigation measures.
 - c) A visual and landscape impact assessment to determine the potential impact of a wind farm on the landscape character of the area. Specific landscape features which should be considered in any assessment include the following as shown on Appendix 3:
 - Conservation reserves;
 - Category 1 and 2 places identified on the Council's Heritage List and referenced in Local Planning Policy No 3;
 - Arthur River Shearing Shed (on State Heritage Register);
 - Arthur River Historical Buildings;
 - Hillman Rock/Reserve;
 - Lake Towerrinning;
 - The Arthur River – areas with permanent water; and
 - Darkan townsite.
 - d) Information on the transportation of the structures to the development site including:
 - The access road classification and its suitability to accommodate over sized vehicles; and
 - The identification and need to remove any roadside vegetation which may require specific approval especially within the Wellington Catchment Special Control Area.
- 5 Wind Farms must not be located within the vicinity of Hillman Airfield.
- 6 Development applications for wind farms will be referred to the Department of Water and Environmental Regulation for assessment.
- 7 Where a wind farm is proposed to be located on a development site which is bushfire prone, a Bushfire Management Plan will be required to demonstrate the suitability of the land for the development. This includes the need to provide a Broader Landscape Assessment to document its contextual setting of the development site and a possible risk assessment. The development site should not be an "island" of cleared land surrounding by areas with an extreme bushfire hazard level.
- 8 Applicants are encouraged to hold preliminary discussions with the Shire or lodge a scoping report to identify relevant issues.

6.0 Advertising

Having regard to the Commission's notice of exemption for the advertising of complex applications, any development application for a wind farm shall be advertised for a minimum period of 28 days or 42 days when referred to a Government Agency. The advertising shall consist of:

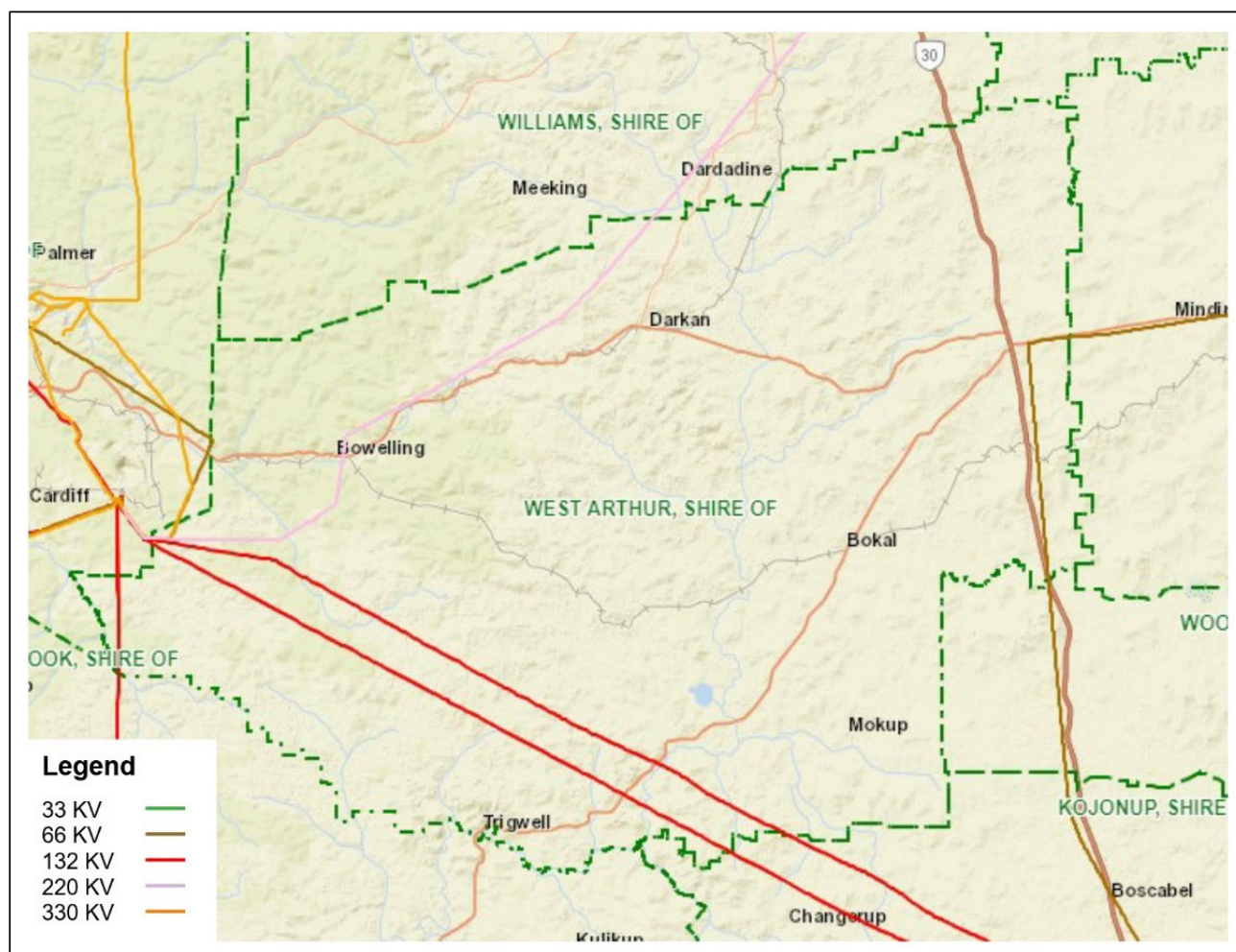
- Notification to adjoining and nearby land owners;
- Publication of a notice of the application and supporting information on the Council web page; and
- Publication of a notice in the local newspaper.

Adoption

Adopted by Council at its meeting of the _____

ATTACHMENT 1

Appendix 1 - South West Interconnected System (SWIS)



ATTACHMENT 1

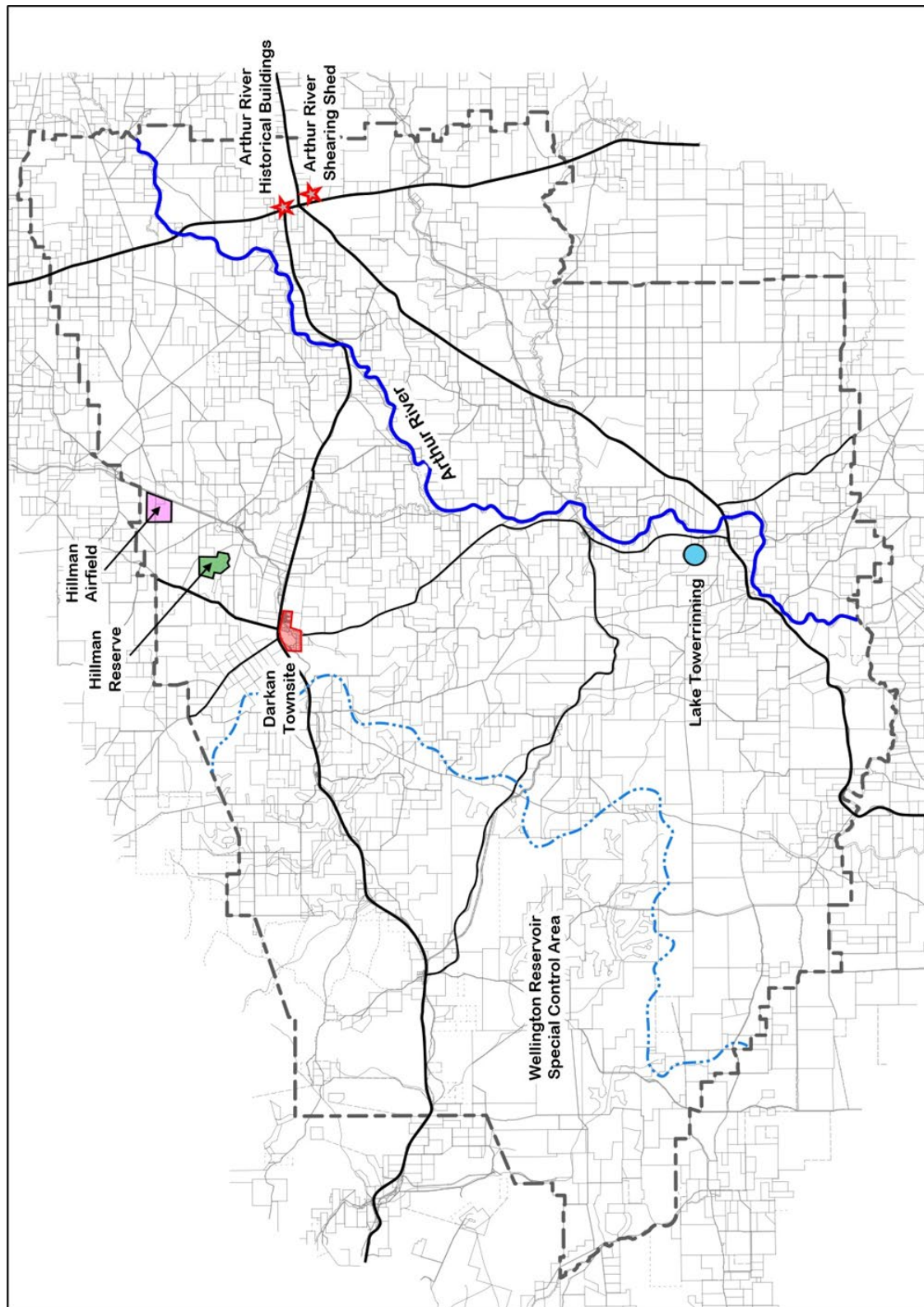
Appendix 2 – Information to Accompany a Development Application

An application for development approval is to be accompanied by —

- (a) a plan or plans in a form approved by the local government showing the following —
 - (i) the location of the site including street names, lot numbers, north point and the dimensions of the site;
 - (ii) the existing and proposed ground levels over the whole of the land the subject of the application;
 - (iii) the location, height and type of all existing structures and environmental features, including watercourses, wetlands and native vegetation on the site;
 - (iv) the structures and environmental features that are proposed to be removed;
 - (v) the existing and proposed use of the site, including proposed hours of operation, and buildings and structures to be erected on the site;
 - (vi) the existing and proposed means of access for pedestrians and vehicles to and from the site;
 - (vii) the location, number, dimensions and layout of all car parking spaces intended to be provided;
 - (viii) the location and dimensions of any area proposed to be provided for the loading and unloading of vehicles carrying goods or commodities to and from the site and the means of access to and from those areas;
 - (ix) the location, dimensions and design of any open storage or trade display area and particulars of the manner in which it is proposed to develop the open storage or trade display area;
 - (x) the nature and extent of any open space and landscaping proposed for the site; and
- (b) plans, elevations and sections of any building proposed to be erected or altered and of any building that is intended to be retained; and
- (c) a report on any specialist studies in respect of the development that the local government requires the applicant to undertake such as site surveys or traffic, heritage, environmental, engineering or urban design studies; and
- (d) any other plan or information that the local government reasonably requires.

ATTACHMENT 1

Appendix 3 – Shire Features





Department of
**Primary Industries and
Regional Development**

Your reference: ADM207
Our reference: LUP 1776
Enquiries: Greg Doncon

Vin Fordham Lamont
Chief Executive Officer
31 Burrowes Street, DARKAN WA 6392

Email: ceo@westarthur.wa.gov.au

Date: 17 January 2024

Dear Vin

Wind Farm Local Planning Policy

Thank you for inviting the Department of Primary Industries and Regional Development (DPIRD) to comment on the above proposal.

DPIRD supports the development of the Wind Farm Local Planning Policy and offers the following comments to assist the process:

Water erosion

DPIRD is aware of wind farms where soils/landscapes, which would normally be considered low risk of water erosion, have suffered serious erosion. Very large and heavy machinery movement combined with access roads, pads for turbines and other features can concentrate water flow resulting in erosion. The earlier remedial works are undertaken on disturbed areas deemed to be at risk of compaction or erosion the lower the risk of land degradation occurring.

DPIRD suggests '*Information to Accompany a Development Application*' should include a surface water management plan, incorporating appropriate design methods to manage water erosion from intense summer or winter rainfall events.

Biosecurity

It is important to manage the biosecurity risks associated with the construction and ongoing operations of a wind farm. This will minimise the biosecurity risk for the landholder as well as for adjoining farms and along transport routes.

DPIRD suggests '*Information to Accompany a Development Application*' should include a biosecurity management plan to ensure all excavation equipment/drilling rigs and the likes are thoroughly cleaned and free from any soil/plant material prior to leaving paddocks and especially moving from property to property.

444 Albany Highway Albany WA 6330
Telephone 08 9892 8444 landuse.planning@dpird.wa.gov.au
dpird.wa.gov.au
ABN: 18 951 343 745

Decommissioning and Rehabilitation Plan

A wind farm is expected to have an operational life of approximately 20 to 30 years. At the end of this period, DPIRD expects the facilities would either be upgraded to extend the wind farm's operational lifespan or be decommissioned, restoring the area to its previous land use. DPIRD suggests *'Information to Accompany a Development Application'* should include a Site Rehabilitation Plan which outlines the steps for the future decommissioning of these facilities. As the depth to buried cables and the cut down turbine foundations (being below ground) will impact seeding depth and crop/pasture root potential, DPIRD suggests that decommissioning is planned to "normal deep ripping depth" to ensure the depth will be adequate to enable the breaking up of compaction soil layers in the future.

For more information, please contact Greg Doncon on 90813117 or greg.doncon@dpird.wa.gov.au

Yours sincerely

A handwritten signature in black ink, reading "Timothy Overheu". The signature is written in a cursive, flowing style.

Mr Timothy Overheu
**Acting Director Agriculture Resource Management Assessment
Sustainability and Biosecurity**

lushfire

From: Krish Seewraj <krish.seewraj@dwer.wa.gov.au>
Sent: Thursday, 7 December 2023 11:01 AM
To: geoffrey@lushfire.com.au
Subject: RE: Shire of West Arthur - Draft Local Planning Policy No 5 Wind Farms
Attachments: 20231204 Shire of West Arthur - Technical Advice Report - Noise - LPP 5 Wind Farm - FINAL.pdf

7 December 2023

Our Reference: PA059757, DWERT1640~8

Your Reference: LPP No.5

To: Shire of West Arthur

From: Department of Water and Environmental Regulation

RE: Shire of West Arthur - Draft Local Planning Policy No 5 Wind Farms

Thank you for providing the Draft Local Planning Policy No 5 Wind Farms for the Department of Water and Environmental Regulation (Department) to consider.

The Department supports the development of LPPs to provide for consistent and appropriately considered development.

It is noted that appropriate consideration has been made of remnant vegetation, of note the Department and DPIRD have recently been asked about water supply options for construction. Many of the proposals are in remote areas where water supplies are limited, and surface nor groundwater are proclaimed under the *Rights in Water and Irrigation Act*. As such reference to considering water supply during the development stage, especially for construction is worth consideration.

I have also attached a report provided by our environmental noise branch, which more specific recommendations.

Should you require any further information on the comments please contact the undersigned.

Yours sincerely,

Krish Seewraj

Planning Advice Program Manager
South West Region

Department of Water and Environmental Regulation

71 McCombe Road, BUNBURY, WA 6230

PO Box 261, BUNBURY, WA 6231

T: (08) 9726 4137 | F: (08) 9726 4100 | Ext: 1137

E: krish.seewraj@dwer.wa.gov.au | www.dwer.wa.gov.au

Twitter: [@DWER_WA](https://twitter.com/DWER_WA)

From: lushfire <geoffrey@lushfire.com.au>
Sent: Tuesday, October 31, 2023 11:42 AM
To: Planning Enquiry <planning.enquiry@dwer.wa.gov.au>
Subject: Shire of West Arthur - Draft Local Planning Policy No 5 Wind Farms

You don't often get email from geoffrey@lushfire.com.au. [Learn why this is important](#)

Good Morning

The Shire of West Arthur has prepared Draft Local Planning Policy No 5 Wind Farms. A copy of the Policy is attached and this is currently being advertised until the 12th December. The Policy has been prepared having regard to the Department of Planning Lands and Heritage's Position Paper on Renewable Energy Facilities. The Policy also recommends that applications for wind farms be referred to DWER for assessment.

If the Department wishes to make any comments on the draft Policy can you please send these to the Chief Executive Officer at the Shire of West Arthur (email ceo@westarthur.wa.gov.au) by the 12th December.

If you have any queries regarding this please do not hesitate to contact me.

Regards

Geoffrey Lush

Town Planning Consultant

Shire of West Arthur

0418954873

geoffrey@lushfire.com.au

Disclaimer: This e-mail is confidential to the addressee and is the view of the writer, not necessarily that of the Department of Water and Environmental Regulation, which accepts no responsibility for the contents. If you are not the addressee, please notify the Department by return e-mail and delete the message from your system; you must not disclose or use the information contained in this email in any way. No warranty is made that this material is free from computer viruses.



Government of **Western Australia**
Department of **Water and Environmental Regulation**

Technical (Review) Report

Comments on proposed local planning policy No. 5 Wind Farms, prepared for the Shire of West Arthur.

Department of Water and Environmental Regulation
December 2023

Comments on proposed local planning policy No. 5 Wind Farms, prepared for the Shire of West Arthur.

Department of Water and Environmental Regulation

Prime House, 8 Davison Terrace

Joondalup Western Australia 6027

Telephone +61 8 6364 7000

Facsimile +61 8 6364 7001

www.dwer.wa.gov.au

© Government of Western Australia

December 2023

This work is copyright. You may download, display, print and reproduce this material in unaltered form only (retaining this notice) for your personal, non-commercial use or use within your organisation. Apart from any use as permitted under the Copyright Act 1968, all other rights are reserved. Requests and inquiries concerning reproduction and rights should be addressed to the Department of Water and Environmental Regulation.

Disclaimer

The information contained in this document is provided by Department of Water and Environmental Regulation in good faith. However, there is no guarantee of the accuracy of the information contained in this document and it is the responsibility of users to make their own enquiries as to its accuracy, currency, relevance and correctness.

The State of Western Australia and Department of Water and Environmental Regulation and their servants and agents expressly disclaim liability, in negligence or otherwise, for any act or omission occurring in reliance on the information contained in this document, or for any incident or consequential loss or damage of such act or omission.

The State of Western Australian is committed to providing quality information and has made every attempt to ensure the accuracy, currency, reliability and correctness of the information contained in this document. However, changes in circumstances and legislation after the time of publication may impact on the correctness or quality of this information.

In addition the accuracy, currency, reliability and correctness of links or references to information sources referred to or provided by third parties is outside the control of State of Western Australia and it is therefore the responsibility of the user to make their own decisions on information found on those external sites. Confirmation of any of the information provided in this document may be sought from the relevant originating bodies or the department providing the information; however, users of this material should verify all relevant representations, statements and information with their own professional advisers.

The State of Western Australia and Department of Water and Environmental Regulation reserve the right to amend the content of this document at any time without notice.

The information contained in this document is general. It does not constitute, and should be not relied on as, legal advice. The State of Western Australia recommends that users of this information seek advice from a qualified lawyer on the legal issues affecting them before relying on this information or acting on any legal matter.

Acknowledgements

For more information about this report, contact

Environmental Noise, Department of Water and Environmental Regulation.

Comments on proposed local planning policy No. 5 Wind Farms, prepared for the Shire of West Arthur.

Document control


Document version history

Version	Date	Description	Author	Reviewer
0.0	30/11/2023	Draft – internal review	OM	JB
1.0	30/11/2023	Final - Issued	OM	EB


Corporate reference

File number and/or name	File owner or custodian
DWERDT 874732	Environmental Noise

Author details

Name	Mr Olivier Mallié, MPhil (Engineering), MAAS
Position title	Senior Environmental Noise Officer
Signature	Date 30/11/2023
	

Reviewer details

Name	Mr Jon Button, BSc (Environmental Health), MAAS
Position title	Senior Environmental Noise Officer
Signature	Date 30/11/2023
	

Comments on proposed local planning policy No. 5 Wind Farms, prepared for the Shire of West Arthur.

Contents

Document control	iii
1. Introduction.....	1
2. Documentation	1
3. Advice	1

Comments on proposed local planning policy No. 5 Wind Farms, prepared for the Shire of West Arthur.

1. Introduction

This advice has been prepared for the Shire of West Arthur (Shire) in response to their request for comment on their local planning policy No. 5 Wind Farms (LPP 5) made to the Department of Water and Environmental Regulation (DWER) on 31 October 2023.

2. Documentation

For the purposes of this advice, the following documents were referred to.

Material / document name	Author	Date
Local Planning Policy No. 5 Wind Farms	Shire of West Arthur	-
Position Statement: Renewable energy facilities	Western Australian Planning Commission (WAPC)	March 2020
<i>Environmental Protection (Noise) Regulations 1997</i>	-	-

3. Advice

Environmental Noise Branch (ENB) has reviewed LPP 5 with a focus on noise impacts. As an overarching principle, wind farm developments are required to meet the requirements of the *Environmental Protection (Noise) Regulations 1997* (Noise Regulations). While ENB understands there are various policies and guidance produced by other States and Territories relating to wind farm noise, these are not statutory requirements in Western Australia.

ENB provides the following comments for consideration by the Shire.

Section 1.0 Introduction

The fourth paragraph of the introduction seem to have words repeating; “*These turbines have ~~rotor blades~~ a generator and rotor blades mounted on top of a steel tower and [..]*”. The first instance of ‘rotor blades’ does not seem to be required.

Section 4.0 Definitions and Terms

The definition of **Sensitive Land Use** mostly reflects that of the *Environmental Protection (Noise) Regulations 1997* (Noise Regulations), but not fully. It may be appropriate for LPP 5 to also refer Schedule 1 Part C of the Noise Regulations in its definition for the sake of consistency in relation to noise assessments.

Comments on proposed local planning policy No. 5 Wind Farms, prepared for the Shire of West Arthur.

Consider adding a definition for **Acoustic Consultant** as follows:

A person who holds membership of grade Member or Fellow in the Australian Acoustical Society or membership of the Association of Australasian Acoustical Consultants, or international equivalent.

Section 5.0 Policy Measures

Clause 4.a) discusses proposed buffer setbacks but without introducing an actual minimum distance. LPP 5 should consider nominating a set distance as this would provide some certainty to both developers and landowners. The WAPC Position Statement recommends a minimum distance between noise-sensitive land uses and a wind turbine of 1,500 metres. This setback distance has been used in similar wind farms local planning policies drafted by other Shires.

Clause 4.b) may not be specific enough. Although the Noise Regulations are a statutory requirement, and therefore apply to wind farm developments, there seem to be a lack of understanding in the broader community of which requirements are applicable. This clause is also not specific in its scope for instance, it is not clear whether LPP 5 requires the acoustic study to also consider noise impacts associated with construction activities. This clause could be amended to:

A noise impact assessment, completed by an acoustic consultant, demonstrating compliance with the Environmental Protection (Noise) Regulations 1997 for both construction and operational phases. The noise impact assessment is to have due regard to future land uses. Where a proponent is of the view that the noise emissions from the development will likely be masked by ambient noise, the South Australian Environmental Protection Authority Wind farms environmental noise guidelines (November 2021) may be referenced.

Clause 6. is not likely necessary. The department provides support to local governments in various ways including direct technical support on noise related issues to environmental health officers, and land use planning advice. Should clause 4.a) be changed as proposed, there is effectively a mechanism to 'filter' development applications. That is, the Shire would not need to refer development applications that meet the proposed buffer but could refer those which do not and noise impacts are likely.

ATTACHMENT 3



Shire of West Arthur

LOCAL PLANNING POLICY NO.5

WIND FARMS

1.0 Introduction

In 2019, the State Government launched Western Australia's Energy Transformation Strategy. This sets out the proposed transition from coal-fired power generation to cleaner, cheaper electricity produced by both large-scale wind and solar farms and rooftop solar photovoltaic (PV) systems.

The Western Australian Planning Commission's State Planning Strategy 2050 promotes renewable energy initiatives. It identifies a region that extends west from Eucla to Exmouth as having the potential for wind energy infrastructure.

Wind energy facilities (wind farms) are typically located on sites with steady winds throughout the year, with good road access, and proximity to major electricity infrastructure. A diagram of the South West Interconnected System (SWIS) within the Shire is provided in Appendix 1.

Wind farms usually consist of multiple large, rotating, three-bladed turbines that produce more than 4.0 MW of electrical output. **These turbines have a generator and rotor blades mounted on top of a steel tower and the turbine's total height can be as high as 220 to 250 metres.** A wind farm is expected to have an operational life of 20 to 30 years.

Under the Shire of West Arthur Local Planning Scheme No. 2 ('the Scheme'), planning approval is required for any proposed wind farm. The Policy sets out the Council's position on wind farms, and is particularly relevant to the Rural zone.

Contained in Appendix 2 is a map of the Shire showing social, physical and environmental features which are referred to in this Policy.

2.0 Objectives

1. To articulate the Council's strategic position in relation to location, scale, design, and development of wind farms within the municipality;
2. To promote the use of renewable fuel sources;
3. To provide guidance for the consideration and assessment of development applications for wind farms under the Shire of West Arthur Local Planning Scheme No.2;
4. To ensure the continuation of broad-hectare agriculture, intensive agricultural uses and diversified farming;
5. To ensure wind farms do not lead to unacceptable impacts on important environmental, cultural and/or landscape values;
6. To ensure wind farms do not lead to unacceptable impacts the safety of the local community, aviation activities, or the continuation of activities occurring on nearby and adjacent land;
7. To ensure the consideration of development applications for wind farms has due regard for the potential impact on the amenity of surrounding properties; and
8. To ensure the local community is engaged and informed in the planning of wind farms.

ATTACHMENT 3

3.0 Definitions and Terms

Definitions and terms applicable to this Policy are contained in Appendix 3.

4.0 Application

- 4.1 This Local Planning Policy is prepared pursuant to Division 2, Part 2 of Schedule 2 (Deemed Provisions) of the Planning and Development (Local Planning Schemes) Regulations 2015. It does not form part of the Local Planning Scheme, but the Responsible Authority will have 'due regard' to the Policy when considering any development application.
- 4.2 The policy applies to all zones and reserves in the Shire as provided for in Local Planning Scheme No 2. Any development of land within the Shire requires a development approval unless it is specifically exempted under the Deemed Provisions and/or relevant Local Planning Policy.
- 4.3 This Policy is to be read in conjunction with the Department of Planning Lands and Heritage (DPLH) 2020 Position Statement on Renewable Energy Facilities.
- 4.4 Pending the revision of Local Planning Scheme No 2, a wind farm is an unspecified land use being a 'complex application' pursuant to Clause 1 Part 1 Schedule 2 of the Deemed Provisions.

5.0 Siting and Design

- 5.1 Wind farms and all associated infrastructure should be located on cleared farming land preferably near the power grid to minimise clearing of vegetation for the facility, ancillary works, vehicle access and for grid connection power lines.
- 5.2 The location and design of wind farms is to have due regard to the features shown in Appendix 2.
- 5.3 Wind turbines should be setback a minimum of 1.5 kilometres to the nearest existing dwelling or approved building envelope. This should also consider the likelihood of a new dwelling being developed on a vacant rural lot.
- 5.4 Wind turbines should be setback a minimum of 200m distance between centre of tower (or 150 m from extended horizontal blade tip, whichever is greater) and neighbouring property boundary or public roads to mitigate safety risks in the event of blade drop or throw.

6.0 Consultation

- 6.1 Early consultation with the community and stakeholders by the proponents is encouraged to ensure that the proposal is compatible with existing land uses on and near the site.
- 6.2 Proponents should also liaise with relevant key stakeholders early in the process, including the Shire, including Government Departments, CASA, Air Services Australia, Department of Defence, local spraying contractors, nearby unlicensed airstrip owners, and any relevant local community groups.
- 6.3 An Engagement Strategy and Engagement Outcomes Report will be required to accompany an application and these should reflect the principles in the DPLH's Guide to Best Practice Planning Engagement in Western Australia.
- 6.4 An application will be advertised for a minimum period of 42 days being the period provided for in Clause 66(3) of the Deemed Provisions for a statutory body to provide comments to the Shire. Advertising shall consist of:
 - Notification to all adjoining and nearby land owners;
 - Publication of a notice of the application and supporting information on the Council web page;
 - Publication of a notice in the local newspaper; and
 - Referrals to statutory bodies and other stakeholders when deemed necessary and appropriate.

7.0 Environmental Impact

- 7.1 Applications should include an environmental survey of the site addressing (but not necessarily limited to) the following:
 - The type, location and significance of flora and fauna,

ATTACHMENT 3

- Any threatened ecological communities;
 - Existing remnant vegetation to be retained or that is proposed to be removed;
 - The potential impact on birds and bats; and
 - Any impact on the Aboriginal, natural, or historic heritage of the site or adjoining/nearby places.
- 7.2 Proposals that may have a detrimental impact upon the environment will be referred to the Department of Water and Environmental Regulation (DWER) for comment and/or the Environmental Protection Authority (EPA) for assessment. This includes any application where there turbines are less than 1,500m from the nearest dwelling.

8.0 Noise impact

- 8.1 A wind farm is required to operate within the maximum noise limits that are prescribed by the Environmental Protection (Noise) Regulations 1997 (Noise Regulations) irrespective of any development approval. The Noise Regulations can be enforced under the provisions of the EP Act by a person authorised by the CEO of the relevant local authority or any police officer.
- 8.2 The Noise Regulations prescribe a maximum night-time noise level of 35dB (LA10) + influencing factor, when measured from a "Noise Sensitive Premise: Highly Sensitive Area". This would apply to any dwelling on a rural property, including outdoor areas within 15 metres of the dwelling. On any other part of a rural property which is classified as a Noise Sensitive Premise, the maximum night-time noise level is 60 dB (LA10).
- 8.3 A noise impact assessment, completed by an acoustic consultant, demonstrating compliance with the Environmental Protection (Noise) Regulations 1997 for both construction and operational phases. The noise impact assessment is to have due regard to future land uses. Where a proponent is of the view that the noise emissions from the development will likely be masked by ambient noise, the South Australian Environmental Protection Authority Wind farms environmental noise guidelines (November 2021) may be referenced.
- 8.4 It is noted that
- i) Any development approval issued for a wind farm does not override the noise control provisions of the Environmental Protection (Noise) Regulations 1997, which applies to all wind farms in Western Australia;
 - ii) There may always be potential for lots adjacent to the facility to be further developed with dwellings; and
 - iii) The applicant takes the commercial risk that the wind farm operations may need to be altered or modified in the future to comply with Environmental Protection (Noise) Regulations 1997 with respect to new dwellings.

9.0 Visual and landscape impact

- 9.1 A visual and landscape impact assessment may be required to determine the potential impact of a wind farm on the landscape character of the area. Specific landscape features which should be considered in any assessment include the following as shown on Appendix 2:
- Conservation reserves;
 - Category 1 and 2 places identified on the Council's Heritage List and referenced in Local Planning Policy No 3;
 - Arthur River Shearing Shed (on State Heritage Register);
 - Arthur River Historical Buildings;
 - Hillman Rock/Reserve;
 - Lake Towerrinning;
 - The Arthur River – areas with permanent water; and
 - Darkan townsite.
- 9.2 The WAPC's *Visual Landscape Planning in WA: a manual for evaluation, assessment, siting and design*, (November 2007) and the Australian Wind Energy Association and the Australian Council of National Trusts Publication *Wind Farms and Landscape Values* (2005) provide detailed guidance on visual landscape impact assessments.

ATTACHMENT 3

10.0 Aviation

- 10.1 Proponents of wind turbine proposals should refer to the National Airports Safeguarding Framework (NASF) Guideline D: Managing the Risk to Aviation Safety of Wind Turbine Installation (Wind Farms) / Wind Monitoring Towers to determine any potential aviation safety risks and possible mitigation measures. Any potential aviation safety risks identified require consultation with Civil Aviation Safety Authority (CASA), Air Services Australia and/or the Commonwealth Department of Defence.
- 10.2 Hillman Airfield is not a CASA certified aerodrome and the NSAF guideline recommends consultation with unlicensed airstrip owners and CASA/Air Services. CASA has also released an advisory circular AC139.E-05v1.1 Obstacles (including wind farms) outside the vicinity of a CASA certified aerodrome. The location of wind farms in the vicinity of Hillman Airfield, as shown in Appendix 2, may be restricted in order to meet the National Aviation Safeguarding framework and/or CASA advisory circulars. This relates to both aircraft and parachute activities and will require referral to the Commonwealth Department of Defence.

11.0 Site Access and Traffic Management

- 11.1 These provisions apply to both the construction and operation of the facility. No works can occur within a State Road Reserve controlled Main Roads WA (MRWA) without MRWA's authorisation. Local roads are managed by the Shire.
- 11.2 Any application is to nominate the proposed site access / egress and includes documents the condition the proposed access, including for the construction of the facility. It is noted that the removal of vegetation within a road reserve may require approval under the Environmental Protection (Clearing of Native Vegetation) Regulations 2004.
- 11.3 The use of unconstructed roads for site access is unlikely to be supported and the Shire is not responsible for providing access to any development site.
- 11.4 The Shire and / or Main Roads WA may require lodgement of a Traffic Impact Assessment prepared by a suitably qualified traffic engineer in accordance with Volume 4 Individual Development of the WAPC Traffic Impact Assessment Guidelines (2016).
- 11.5 The Shire Council may place conditions on any development approval to ensure any costs associated with road damage, widening or upgrading are met by the developer.

12.0 Other Matters

- 12.1 Development applications are required to contain sufficient information to allow proper consideration of the application in accordance with the Scheme, Clause 67 of the Deemed Provisions, and objectives of this Policy.
- 12.2 Wind farm proposals should not have an unacceptable negative impact due to shadowing, flickering, reflection, or blade glint impacts.
- 12.3 Wind farm proposals should not have an unacceptable negative impact on the use of neighbouring land including for intensive rural activities, and tourism uses.
- 12.4 A decommissioning and rehabilitation plan will be required to be provided as a condition of approval for the removal of the facility and any rehabilitation requirements.
- 12.5 For the construction phase of the development, applications should include:
 - i) Information regarding the extraction and use of basic raw materials (i.e. the types and volumes of basic raw materials required, proposed transportation routes including heavy vehicle sizes, and management arrangements to minimise any potential negative impacts);
 - ii) Information regarding proposed water supply arrangements;
 - iii) A surface water management plan, incorporating appropriate design methods to manage water erosion from intense summer or winter rainfall events;
 - iv) A biosecurity management plan to ensure all excavation equipment/drilling rigs and the likes are thoroughly cleaned and free from any soil/plant material prior to leaving paddocks and especially moving from property to property; and

ATTACHMENT 3

- v) Information regarding the construction and use of temporary workforce accommodation including the location of any development of this type and all associated infrastructure and management arrangements.

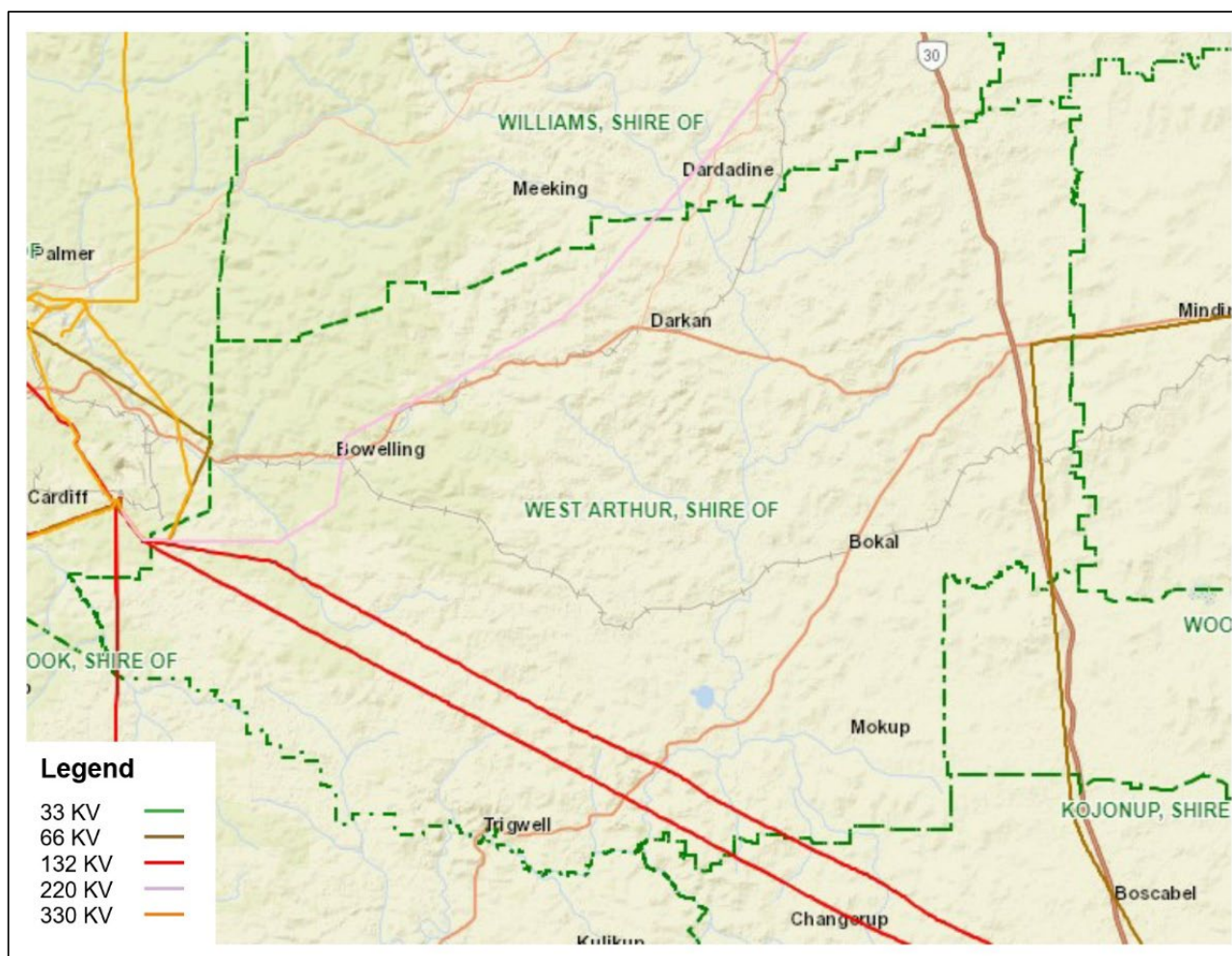
12.5 Applicants are encouraged to hold preliminary discussions with the Shire or lodge a scoping report to identify relevant issues.

Final Adoption

Adopted by Council at its Ordinary Meeting held on 27 March 2025.

ATTACHMENT 3

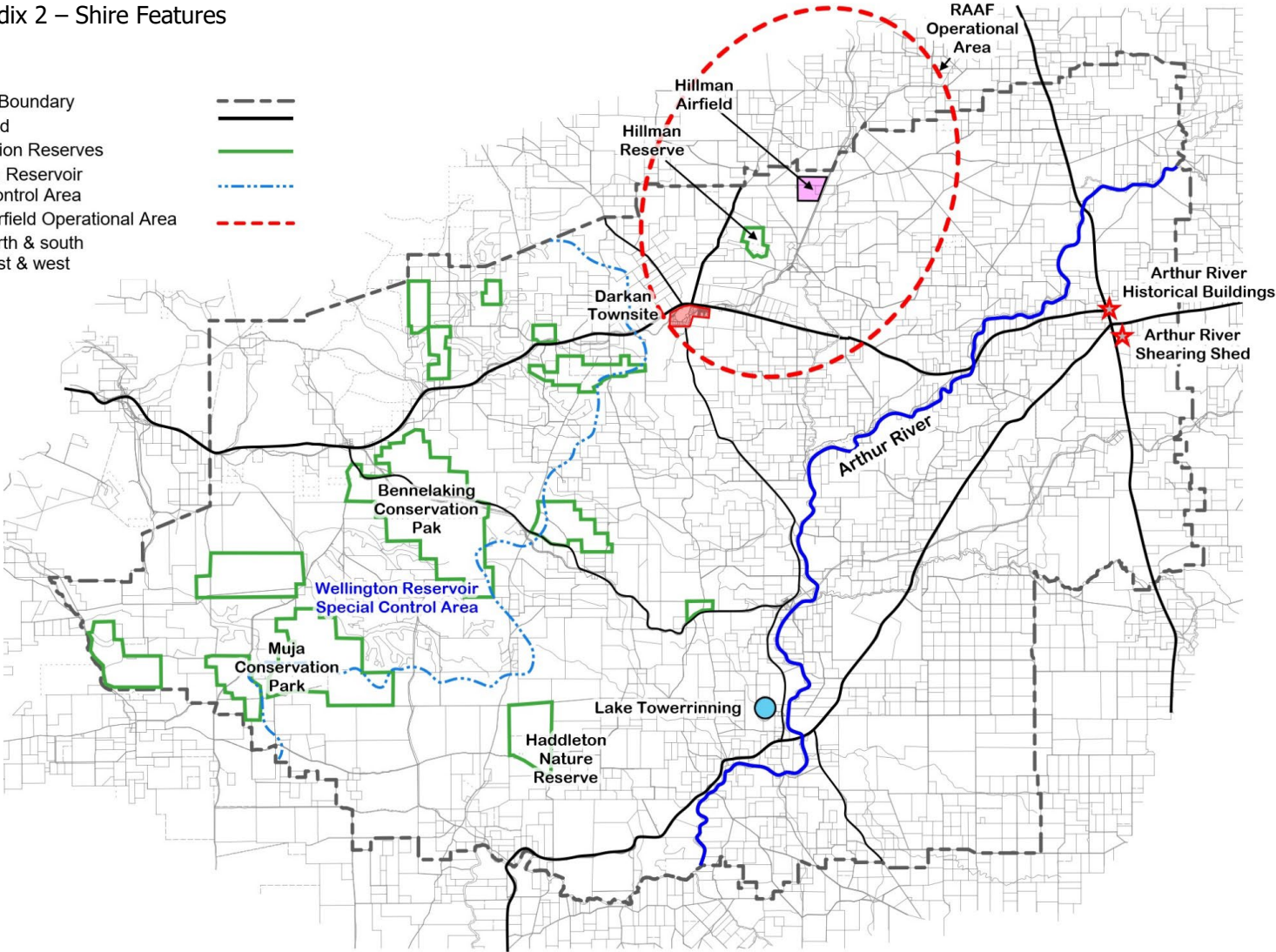
Appendix 1 - South West Interconnected System (SWIS)



Appendix 2 – Shire Features

Legend

- Municipal Boundary
- Major Road
- Conservation Reserves
- Wellington Reservoir
- Special Control Area
- Hillman Airfield Operational Area
- 7kms north & south
- 5kms east & west



ATTACHMENT 3

Appendix 3 – Definitions and Terms

Acoustic Consultant means a person who holds membership of grade Member or Fellow in the Australian Acoustical Society or membership of the Association of Australasian Acoustical Consultants, or international equivalent.

Deemed Provisions are the provisions contained in Schedule 2 of the Planning and Development (Local Planning Schemes) Regulations 2015.

Wind Farms are not defined within Local Planning Scheme No2.

Wind farms are defined in the Model Scheme Text (Town Planning Regulations) as:

A premises used to generate electricity by wind force and any associated turbine, building or other structure but does not include anemometers or turbines used primarily to supply electricity for a domestic property or for private rural use.

The Department of Planning Lands and Heritage 2020 Position Statement on Renewable Energy Facilities has the following definition:

Renewable energy facility means premises used to generate energy from a renewable energy source and includes any building or other structure used in, or relating to, the generation of energy by a renewable resource. It does not include renewable energy electricity generation where the energy produced principally supplies a domestic and/or business premises and any on selling to the grid is secondary.

Rural amenity is defined in State Planning Policy 2.5 Rural Planning as a standard of residential amenity that is rural in nature, which may include impacts from primary production. May also include biodiversity conservation, natural resource management, some public purposes and protection of landscapes and views.

Sensitive Land Use there are multiple definitions of 'sensitive land use' in force under various legislation.

WAPC Position Statement on Renewable Energy Facilities defines a 'sensitive land use' as a land use that is residential or institutional in nature, where people live or regularly spend extended periods of time. These include dwellings, short-stay accommodation, schools, hospitals and child care centres and generally exclude commercial or industrial premises.

State Planning Policy 2.5 Rural Planning defines a 'sensitive land use' as uses that are residential or institutional in nature, where people live or regularly spend extended periods of time. These include dwellings, short-stay accommodation, schools, hospitals and childcare centres. Generally excludes commercial or industrial premises.

State Planning Policy 4.1 Industrial Interface defines a 'sensitive land use' as uses that are residential or institutional in nature, where people live or regularly spend extended periods of time. These include, but are not limited to, dwellings, short stay accommodation, hospitals, educational establishments, childcare centres, corrective institutions and places of worship. It generally excludes commercial or industrial premises. Public open space can be a sensitive land use in some circumstances depending on its intended use, for example, if it is intended that people will congregate and spend extended periods of time there.

The Environmental Protection (Noise) Regulations 1997 (Noise Regulations) defines a 'noise sensitive premises' as

1. Premises occupied solely or mainly for residential or accommodation purposes.
2. Rural premises.
3. Premises used for the purpose of —
 - (a) a caravan park or camping ground; or
 - (b) a hospital having accommodation for less than 150 in-patients; or
 - (c) a sanatorium, home or institution for care of persons, a rehabilitation centre, home or institution for persons requiring medical or rehabilitative treatment; or
 - (d) education — school, college, university, technical institute, academy or other educational centre, lecture hall or other premises used for the purpose of instruction; or
 - (e) public worship; or

ATTACHMENT 3

- (f) a tavern, hotel, club premises, reception lodge or other premises which provides accommodation for the public; or
- (g) aged care; or
- (h) child care; or
- (i) a prison or detention centre; or
- (j) a water storage dam or a catchment for a water storage dam.

Separation Distance is defined in State Planning Policy 4.1 Industrial Interface as a recommended distance necessary to separate a source of emissions (gaseous and particulate emissions, dust, odour and noise) from sensitive land uses in order to avoid impacts to health and amenity.

Shadow Flicker results from the sun's position in relation to the wind turbine blades as they rotate. This occurs under certain combinations of geographical position and time of day. The seasonal duration of this effect can be calculated from the machine's geometry and the site's latitude. Shadow flicker can be modelled in advance, and siting and design can mitigate the problem. This is more likely to be an issue for turbines located to the east or west of a dwelling.

14.2 PROPOSED ROAD DEDICATION - JOHNSTON DRIVE

File Reference:	ADM729
Author:	Joe Douglas, Planning Consultant
Authorising Officer:	Vin Fordham Lamont, Chief Executive Officer
Date:	20/03/2025
Disclosure of Interest:	Nil
Location:	Lot 310 (No.35) Johnston Drive, Darkan being Crown Reserve 28932
Applicant:	N/A
Owner:	State of Western Australia
Proposal:	Dedication of a public road through a portion of Lot 310 (No.35) Johnston Drive, Darkan being Crown Reserve 28932
Attachments:	1. WAPC Approved Subdivision Plan ↓ 2. Copy of Submissions ↓

SUMMARY:

This report recommends that Council resolve to request the Hon. Minister for Lands to grant formal approval to excise a 447m² portion of Lot 310 (No.35) Johnston Drive, Darkan being Crown Reserve 28932 and dedicate it as a public road pursuant to sections 51 and 56 of the *Land Administration Act 1997* and indemnify the Minister against any claim for compensation in an amount equal to the amount of all costs and expenses reasonably incurred by the Minister in considering and granting the Shire's request.

BACKGROUND:

At its Ordinary Meeting in November 2024 Council resolved to initiate the process required to:

- i) Excise a 447m² portion of Lot 310 (No.35) Johnston Drive, Darkan being Crown Reserve 28932 pursuant to section 51 of the *Land Administration Act 1997*; and
- ii) Dedicate the 447m² excised portion of Lot 310 (No.35) Johnston Drive, Darkan being Crown Reserve 28932 as a public road pursuant to section 56 of the *Land Administration Act 1997* (Resolution CO-2024-127).

Under the terms of the subdivision plan for Lot 309, which was approved by the Western Australian Planning Commission on 28 February 2025 (see Attachment 1), a previously cleared 447m² portion of Crown Reserve 28932 needs to be excised to create a new 19.5 metre wide road reserve to allow for the construction of a new road carriageway to provide the access required for bushfire safety purposes in accordance with a recommendation contained in the Bushfire Management Plan.

COMMENT:

The road closure proposal was advertised for public comment in excess of the minimum required period of thirty five (35) days commencing on 23 January 2025 and concluding on 14 March 2025. The advertising process included publication of notices in the West Australian Newspaper, the Shire's website, Facebook page and newsletter, correspondence to all relevant government agencies and display of the relevant documentation and plans at the Shire's administration centre and on its website.

At the conclusion of public advertising a total of two (2) submissions were received by the Shire from the following agencies, neither of which raised any objections to the proposal:

- Department of Water and Environmental Regulation; and
- Water Corporation (see Attachment 2).

Given the outcomes from public advertising and the significant benefits the proposal will have in terms of providing safe access to/from the proposed subdivision in the event of a major bushfire, it is recommended Council now resolve to request the Hon. Minister for Lands to grant formal approval to excise a 447m² portion of Lot 310 (No.35) Johnston Drive, Darkan being Crown Reserve 28932, dedicate it as a public road pursuant to sections 51 and 56 of the *Land Administration Act 1997* and indemnify the Minister against any claim for compensation in an amount equal to the amount of all costs and expenses reasonably incurred by the Minister in considering and granting the Shire's request.

CONSULTATION:

Public advertising has been undertaken by the Shire in accordance with the procedural requirements of the *Land Administration Act 1997* and associated regulations as described previously above.

STATUTORY ENVIRONMENT:

Land Administration Act 1997
Land Administration Regulations 1998

POLICY IMPLICATIONS:

Nil

FINANCIAL IMPLICATIONS:

All costs associated with the road dedication proposal will need to be borne by the Shire directly and are likely to be in the order of \$6,000 to \$8,000 excluding GST. This includes all required reporting, public advertising, preparation of a formal submission to the Minister for Lands and all costs and expenses likely to be incurred by the Minister in considering and granting the request (i.e. administrative and survey costs and Landgate fees as may be applicable).

Council should note the estimate provided above does not include the cost of constructing the new road carriageway required from the south western corner of Lot 309 through the relevant portion of Crown Reserve 28932 to Johnston Drive.

It is understood the cost of all the work required will be covered by allowances made in Council's annual budgets and external funding sources for the subdivision project.

STRATEGIC IMPLICATIONS:

The proposal to create a new public roadway through a portion of Crown Reserve 28932 to support the proposed subdivision of Lot 309 for residential purposes is generally consistent with the aims and objectives of the Shire's *Local Planning Strategy (2006)*, *Draft Joint Local Planning Strategy (2024)*, *Strategic Community Plan Towards 2031*, *Corporate Business Plan 2021-2025* and *Economic Development Strategy 2023-2033*.

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	Errors, omissions or delays; Inadequate document management processes; and/or Inadequate engagement practices.
Risk Likelihood (based on history and with existing controls)	Unlikely (2)
Risk Consequence	Minor (2)
Risk Rating (Prior to Treatment or Control): Likelihood x Consequence	Low (4)
Principal Risk Theme	Compliance failure
Risk Action Plan (Controls or Treatment Proposed)	Ensure compliance with the requirements of the <i>Land Administration Act 1997</i> and associated regulations when progressing the road dedication proposal.

VOTING REQUIREMENTS:

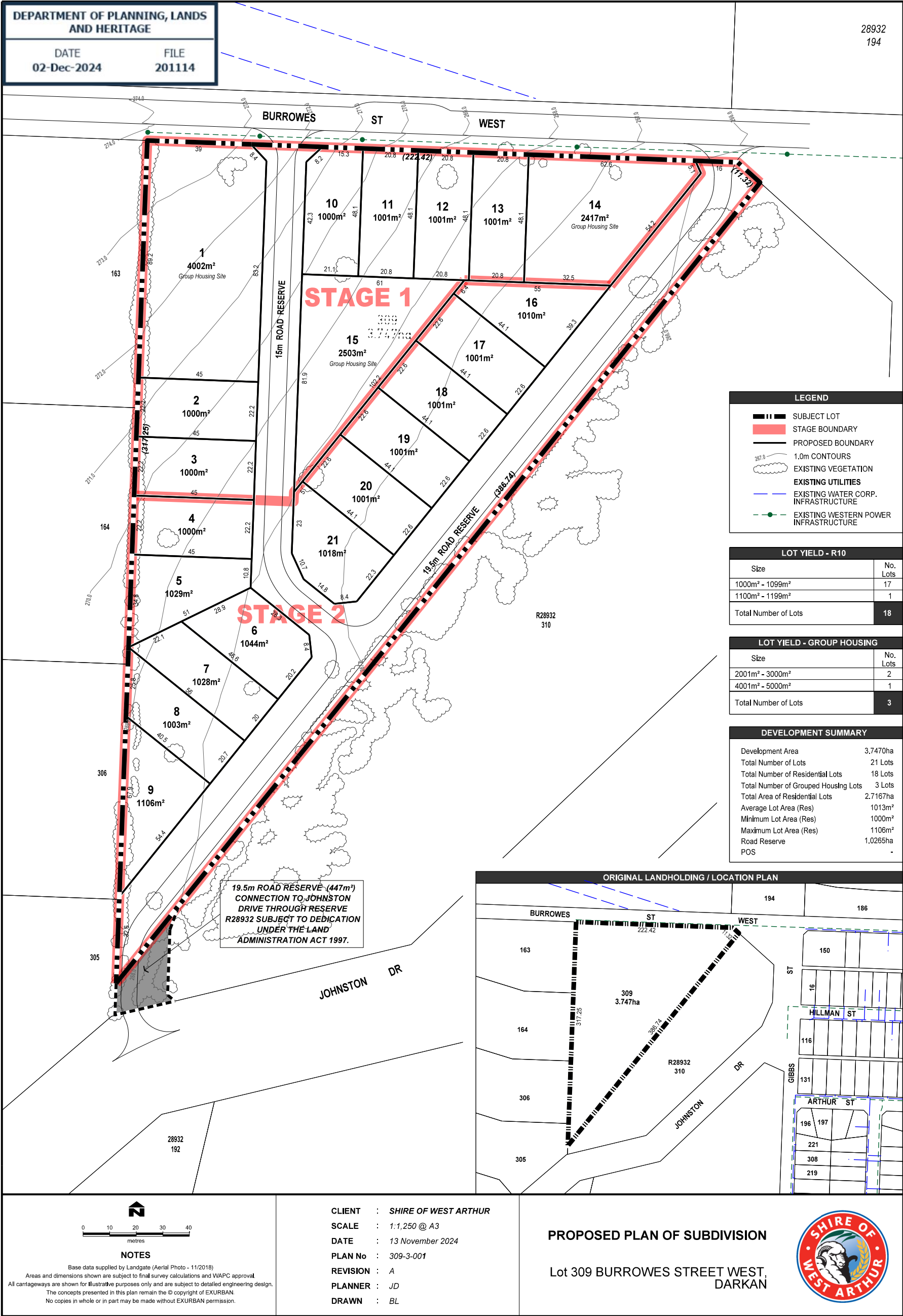
Simple Majority

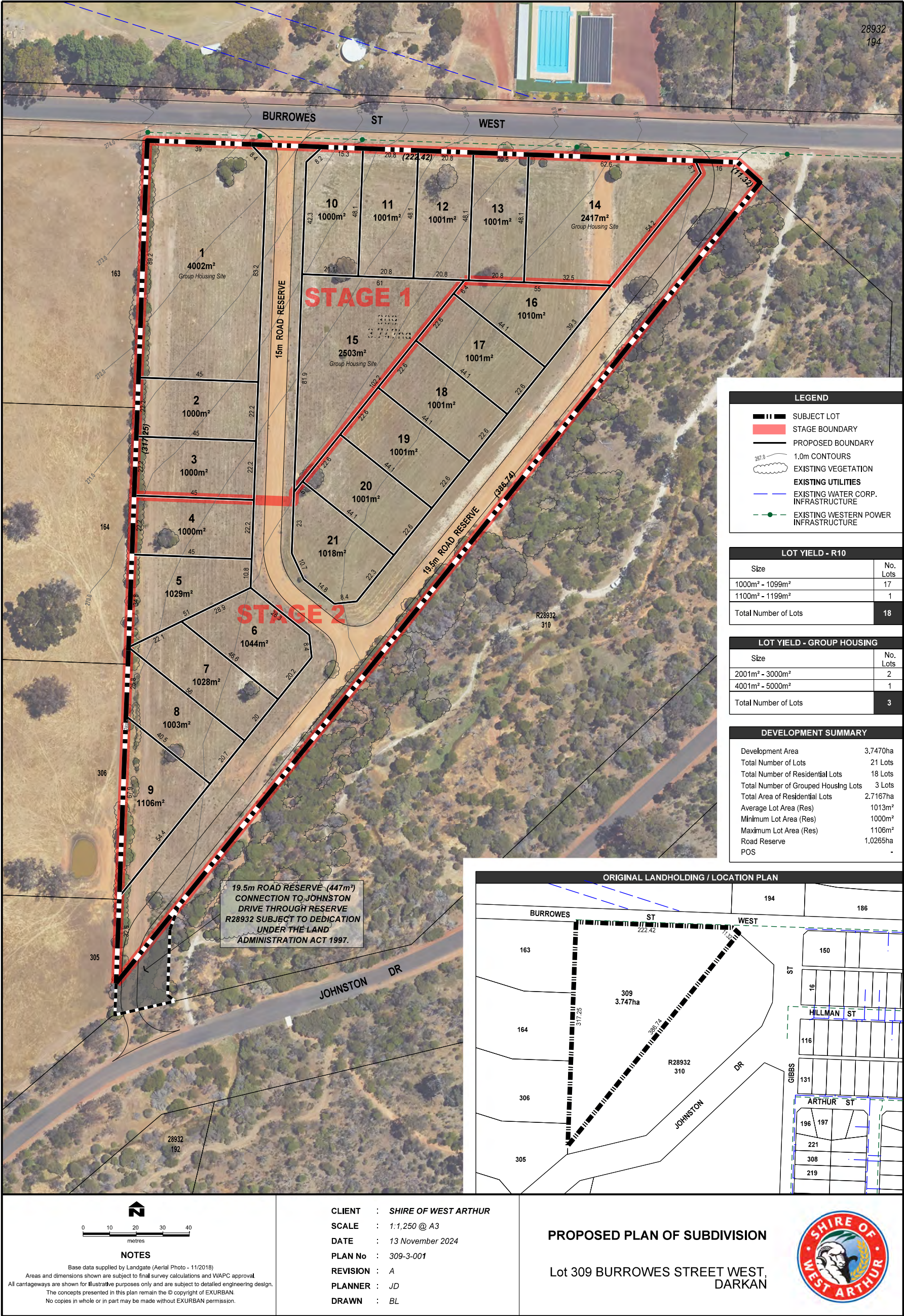
OFFICER RECOMMENDATION:

That Council:

1. Acknowledge the outcomes from public advertising of the proposal to excise a 447m² portion of Lot 310 (No.35) Johnston Drive, Darkan being Crown Reserve 28932 and dedicate it as a public road pursuant to sections 51 and 56 of the Land Administration Act 1997;
2. Request the Hon. Minister for Lands to grant formal approval to:
 - i) Excise a 447m² portion of Lot 310 (No.35) Johnston Drive, Darkan being Crown Reserve 28932 pursuant to section 51 of the Land Administration Act 1997; and
 - ii) Dedicate the 447m² excised portion of Lot 310 (No.35) Johnston Drive, Darkan being Crown Reserve 28932 as a public road pursuant to section 56 of the Land Administration Act 1997 as shown in the plan contained in Attachment 1 to this report; and
3. Authorise the Shire Administration to prepare and submit the required documentation and plans to the Lands Division of the Department of Planning, Lands and Heritage requesting the Hon. Minister for Lands' formal consideration and approval to the proposal documented in point 2 above, including confirmation the Shire of West Arthur will indemnify the Minister against any claim for compensation in an amount equal to the amount of all costs and expenses reasonably incurred by the Minister in considering and granting the Shire's request as required by section 56(4) of the Land Administration Act 1997

ATTACHMENT 1





ATTACHMENT 2

From: Brendan Kelly <brendan.kelly@dwer.wa.gov.au>
Date: 4 March 2025 at 1:53:02 pm AEDT
To: Vin Fordham Lamont <ceo@westarthur.wa.gov.au>
Subject: **Excision/Dedication – from Crown Reserve 28932 to a portion of Lot 310 (No. 35) Johnston Drive, Darkan.**

OFFICIAL

Date: 4 March 2025

Our Reference: PA069971, DWERT1640~11

Your Reference: ADM729

To: Shire of West Arthur ceo@westarthur.wa.gov.au

From: Department of Water and Environmental Regulation

Re: Excision/Dedication – from Crown Reserve 28932 to a portion of Lot 310 (No. 35) Johnston Drive, Darkan for the purpose of a public road.

Thank you for providing this proposal for the Department of Water and Environmental Regulation (Department) to consider.

It is understood that the Shire of West Arthur (Shire) has resolved to initiate the process required to excise a 447m² portion of Crown Reserve 28932 and dedicate it as a public road, pursuant to sections 51 and 56 of the 'Land Administration Act 1997'.

The Department has no objection to the proposal.

Should the Shire require any further information on the comments please contact Brendan Kelly on 97264194

Brendan Kelly
Senior Natural Resource Management Officer
Department of Water & Environmental Regulation,
Planning Advice, South West Region
Telephone: 08 97264194 | Mobile: 0407219515
Email: brendan.kelly@dwer.wa.gov.au

From: Marc Quilenderino <Marc.Quilenderino@watercorporation.com.au>
Sent: Wednesday, 5 February 2025 1:27 PM
To: Shire of West Arthur <Shire@westarthur.wa.gov.au>
Subject: Proposed Road Dedication - Lot 310 (No. 35) Johnston Drive, DARKAN

Good afternoon Shire of West Arthur,

Thank you for the opportunity to make comment on the proposed road dedication for Lot 310 Johnston Drive, DARKAN.

The Water Corporation has reviewed the proposal and have no objections to the proposal.

Please let me know if you have any further questions.

Regards

Marc Quilenderino
Adv – Infill Development
Development Services
(08) 9420 2851



I'm shaping WA's
water future



In the spirit of reconciliation, Water Corporation acknowledges the Traditional Custodians of Country throughout WA and their enduring connections to land, sea and community. We pay our respects to Elders past and present, and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

15 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

16 NEW OR URGENT BUSINESS INTRODUCED BY DECISION OF THE MEETING

New business of an urgent nature introduced by decision of the meeting. Best practice provides that Council should only consider items that have been included on the Agenda (to allow ample time for Councillors to research prior to the meeting) and which have an Officer Report (to provide the background to the issue and a recommended decision).

17 MATTERS BEHIND CLOSED DOORS

Nil

18 CLOSURE OF MEETING

The Presiding Member to declare the meeting closed.