



## AGENDA

Shire of West Arthur  
Ordinary Council Meeting  
Thursday 25 September 2025

### NOTICE OF MEETING

Dear Elected Member

The next **Ordinary Council Meeting** meeting of the Shire of West Arthur will be held on Thursday 25 September 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.



## 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

\* March meeting third Thursday to avoid Easter

\* April meeting third Thursday to avoid Anzac Day

\* 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 <i>(if applicable)</i>			
Email Address			
Residential Address			
Postal Address(if different)			
Home Telephone No		Mobile No	
Agenda Item Number <i>(if applicable see below)</i>		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.***

***In the event of the request being submitted by the Shire President, the Deputy Shire President, pursuant to s5.34 of the Local Government Act 1995, is able to authorise the request***

**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

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(6) The extent of my interest is

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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.

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**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:	Neil Morrell	(Shire President)
	Karen Harrington	(Deputy Shire President)
	Graeme Peirce	(Elected Member)
	Adam Squires	(Elected Member)
	Duncan South	(Elected Member)
	Robyn Lubcke	(Elected Member)
	Russell Prowse	(Elected Member)
STAFF:	Vin Fordham Lamont	(Chief Executive Officer)
	Rajinder S Sunner	(Manager Corporate Services)
	Tahnee-Lee Lubcke	(Projects Officer)
	Gary Rasmussen	(Manager Works and Services)
	Sharon Bell	(Community Development Officer)

APOLOGIES:

ON LEAVE OF ABSENCE:

ABSENT:

MEMBER OF THE PUBLIC:

**3 ANNOUNCEMENTS OF PRESIDING MEMBERS**

Nil

**4 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

Nil

**5 PUBLIC QUESTION TIME**

Nil

**6 PETITIONS, DEPUTATIONS, PRESENTATIONS, SUBMISSIONS****6.1 MAIN ROADS WA**

**Author:** Renee Schinzig, Administration Officer  
**Authorising Officer:** Vin Fordham Lamont, Chief Executive Officer  
**Date:** 19/09/2025  
**Disclosure of Interest:** Nil  
**Attachments:** Nil

Members from Main Roads Wheatbelt Division based in Narrogin will be attending to discuss an upcoming project approximately 4kms west of Darkan townsite.

The project will involve the construction of a west bound passing lane on the Collie-Lake King Rd (Coalfields Rd).

Attendees presenting include;  
Sanjeev Gupta – (Acting) Manager Project Development and Delivery  
Gaurav Saini – Project Contract Manager  
Vicky Eckersley – Customer Service Manager

**7 APPLICATIONS FOR LEAVE OF ABSENCE**

Nil

**8 DISCLOSURE OF INTEREST**

Nil

**9 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS HELD****9.1 ORDINARY MEETING OF COUNCIL 21 AUGUST 2025**

**Author:** Renee Schinzig, Administration Officer

**Authorising Officer:** Vin Fordham Lamont, Chief Executive Officer

**Date:** 18/09/2025

**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

**OFFICER RECOMMENDATION:**

That the Minutes of the Ordinary Meeting of Council held in Council Chambers on 21 August 2025 be confirmed as true and correct.

**9.2 SPECIAL MEETING OF COUNCIL 17 SEPTEMBER 2025**

**Author:** Renee Schinzig, Administration Officer  
**Authorising Officer:** Vin Fordham Lamont, Chief Executive Officer  
**Date:** 18/09/2025

**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

**OFFICER RECOMMENDATION:**

That the Minutes of the Special Meeting of Council held in Council Chambers on 17 September 2025 be confirmed as true and correct.

**10 REPORTS FROM 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**

**11 OFFICE OF THE CHIEF EXECUTIVE OFFICER****11.1 EXECUTION OF COMMON SEAL - DARKAN AND DISTRICT SPORTS CLUB LEASE**

<b>Location:</b>	<b>N/A</b>
<b>Applicant:</b>	<b>N/A</b>
<b>Author:</b>	<b>Sharon Bell, Community Development Officer</b>
<b>Authorising Officer:</b>	<b>Vin Fordham Lamont, Chief Executive Officer</b>
<b>Date:</b>	<b>02/07/2025</b>
<b>Disclosure of Interest:</b>	<b>Nil</b>
<b>Attachments:</b>	<b>1. Darkan Sport and Community Centre - Lease of Reserves 15837 and 39163</b>

**SUMMARY:**

Council is requested to authorise by Council Resolution, the affixation of the Common Seal to execute the Lease between the Shire of West Arthur and the Darkan and District Sports Club Inc.

**BACKGROUND:**

The Agreement for Lease was originally made between the Shire of West Arthur and the Darkan and District Sports Club Inc, commencing on 1 July 2012 for a period of 21 years. The facility is located on Reserve 39163. A new lease for a sub tenant (Regional Early Education Development Inc – REED) was negotiated in 2016.

**COMMENT:**

The Darkan and District Sports Club Inc indicated that it wanted to amend the lease to remove the portion of the building used by REED, and to include the Darkan Football Club rooms and toilets (located on Reserve 15837). The Shire of West Arthur engaged McLeods Lawyers to prepare a new lease in July 2024. Agnew & Machin Pty Ltd, Land and Engineering Surveyors, was engaged in June 2025 to carry out the required survey work to identify the portion of Reserve 15837 to be included in the new lease, as required under Section 18 of the *Land Administration Act 1997* - Ministers Consent. Consent from the Minister was received on the 27 June 2025, and the lease finalised.

**CONSULTATION:**

Darkan and District Sports Club Inc  
McLeods Lawyers  
Shire of West Arthur staff  
Agnew & Machin Pty Ltd Surveyors

**STATUTORY ENVIRONMENT:**

- Local Government Act 1995:
  - S9.49A Execution of Documents
- Land Administration Act 1997
  - S18 Ministers Consent

**POLICY IMPLICATIONS:**

Policy C19 – Execution of Documents and Use of Common Seal

**FINANCIAL IMPLICATIONS:**

Cost of preparation of new lease

### STRATEGIC IMPLICATIONS:

Community – Safe, Friendly and Inclusive

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

- Provide infrastructure to meet the needs of the community.

### 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	Failure to ensure new lease is in place
Risk Likelihood (based on history and with existing controls)	Almost Certain (5)
Risk Consequence	Major (4)
Risk Rating (Prior to Treatment or Control): Likelihood x Consequence	Extreme (20)
Principal Risk Theme	Ineffective facility or event management
Risk Action Plan (Controls or Treatment Proposed)	Sign lease.

**VOTING REQUIREMENTS:**

Simple Majority

**OFFICER RECOMMENDATION:**

That the following attached document be executed under the Common Seal of the Shire of West Arthur:

1. Lease of Reserves 15837 & 39163 – Darkan Sports and Community Centre.

## Lease: Portion of Reserves 15837 and 39163: Darkan Sports & Community Centre

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Shire of West Arthur

Darkan and Districts Sports Club Inc.



**McLEODS  
Lawyers**

Stirling Law Chambers | 220 Stirling Highway | CLAREMONT WA 6010  
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Email: [mcleods@mcleods.com.au](mailto:mcleods@mcleods.com.au)  
Ref: FG:WEST:53078

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## Details

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### Parties

**Shire of West Arthur**

of 31 Burrowes Street, Darkan, Western Australia  
(Lessor)

**Darkan and Districts Sports Club Inc. (IARN: A0821532L)**

of 1 Memorial Drive, Darkan, Western Australia 6392  
(Lessee)

### Background

- A The Lessor is the management body of the land described in **Item 1** of the Schedule under the Management Order (**Land**).
- B Under the Management Order, the Lessor has the power to lease the Land for any term not exceeding 21 years, subject to the consent of the Minister for Lands first being obtained.
- C The Lessor has agreed to grant to the Lessee a lease of that portion of the Land described in **Item 2** of the Schedule (**Premises**), upon the terms and conditions of this agreement and subject to the consent of the Minister for Lands.

## Agreed terms

---

### 1. Definitions

In this Lease, unless otherwise required by the context or subject matter:

**Amounts Payable** means the Rent, outgoings and any other money payable by the Lessee under this Lease;

**Appurtenances** means all drains, toilets, wash basins, bathrooms, water, gas and electrical fittings and other services contained in or about the Premises;

**Authorised Person** means:

- (a) an agent, employee, licensee or invitee of the Lessor; and
- (b) any person visiting the Premises with the express or implied consent of any person mentioned in paragraph (a);

**Business Day** means a day other than a Saturday, Sunday or public holiday in Perth, Western Australia;

**CEO** means the Chief Executive Officer for the time being of the Lessor or any person appointed by the Chief Executive Officer to perform any of her or his functions under this Lease;

**Conditions of Hire** means those conditions of hire specified in **Item 10(1)** of the Schedule and subject to amendment from time to time by the Lessor;

**Commencement Date** means the date of commencement of the Term specified in **Item 5** of the Schedule;

**Contaminated Sites Act** means the *Contaminated Sites Act 2003 (WA)* as amended, substituted or replaced from time to time;

**Contamination** has the same meaning as the word “contaminated” in the Contaminated Sites Act;

**CPI** means the Consumer Price Index (All Groups) Perth number published from time to time by the Australian Bureau of Statistics;

**Encumbrance** means a mortgage, charge, lien, pledge, easement, restrictive covenant, writ, warrant or caveat and the claim stated in the caveat;

**Further Term** means each further term specified in **Item 4** of the Schedule;

**Good Repair** means good and substantial tenantable repair and in clean, good working order and condition;

**Immediately Lettable Condition** means a similar condition of the Premises to that applicable at the time of the handover of the Premises from the Lessor to the (or in the event of any part thereof having been replaced or renewed during the term as nearly as possible in the same condition as at the date of such replacement or renewal) subject at all times to fair wear and tear;

**Interest Rate** means the rate at the time the payment falls due being 2% greater than the Lessor’s general overdraft rate on borrowings from its bankers on amounts not exceeding \$100,000.00;

**Land** means the land described at **Item 1** of the Schedule;

**Lease** means this deed as supplemented, amended or varied from time to time;

**Lessee’s Agents** includes:

- (a) the sublessees, employees, agents, contractors, invitees and licensees of the Lessee; and
- (b) any person on the Premises by the authority of a person specified in paragraph (a);

**Lessee’s Obligations** means the covenants, agreements and obligations set out or implied in this Lease or imposed by law to be performed and observed by any person other than the Lessor;

**Lessor’s Obligations** means the covenants, agreements and obligations set out or implied in this Lease, or imposed by law to be observed and performed by the Lessor;

**Lessor’s Fixtures and Fittings** means all fixtures, fittings and equipment installed in or provided to the Premises by the Lessor at the Commencement Date or at any time during the Term;



**Management Order** means a management order made under section 46 of the *Land Administration Act 1997*, under which the Land was vested in the Lessor to be held for the purpose of Recreation;

**Month** or **months** means a calendar month;

**Notice** means each notice, demand, consent or authority given or made to any person under this Lease;

**Party** means the Lessor or the Lessee according to the context;

**Permitted Purpose** is described in **Item 7** of the Schedule;

**Premises** means the premises described at **Item 2** of the Schedule;

**Rent** means the rent specified in **Item 6** of the Schedule;

**Rent Review Date** means the date specified for each relevant rent review in **Item 9** of the Schedule;

**Reservations** means the right of the Lessor to use the exterior walls and the roof of the Premises for advertising and other purposes and the right of the Lessor to install, maintain, use, repair, alter and replace pipes, ducts, conduits and wires leading through the Premises and to pass and run gas, water, heat, oil, electricity and other power telephone lines and air-conditioning through such pipes, ducts and conduits and wires, and to enter and remain on the Premises with or without workmen, contractors, employees and materials, plant and equipment for such purposes;

**Schedule** means the Schedule to this Lease;

**Term** means the term of years specified in **Item 3** of the Schedule and any Further Term specified in **Item 4** of the Schedule; and

**Termination** means expiry by effluxion of time or sooner determination of the Term or any period of holding over.

## 2. Minister for Lands' Consent

This Lease is subject to and conditional on the approval of the Minister for Lands under the *Land Administration Act 1997*.

## 3. Grant of lease

The Lessor leases to the Lessee the Premises for the Term subject to:

- (a) all Encumbrances and the Reservations;
- (b) the payment of the Amounts Payable;
- (c) the performance and observance of the Lessee's Obligations; and
- (d) the consent of the Minister for Lands.

## 4. Quiet enjoyment

Except as provided in the Lease, and subject to the performance and observance of the Lessee's Obligations, the Lessee may quietly hold and enjoy the Premises during the Term without any interruption or disturbance from the Lessor or persons lawfully claiming through or under the Lessor.

## 5. Rent and other payments

### 5.1 Rent

The Lessee covenants with the Lessor to pay to the Lessor during the Term the Rent in the manner set out at **Item 6** of the Schedule and subject to review in accordance with **clause** Error! Reference source not found. from the Commencement Date clear of any deductions, set-off or abatement whatsoever otherwise than as provided in this Lease.

### 5.2 Outgoings

- (1) The Lessee covenants with the Lessor to pay to the Lessor or to such person as the Lessor may from time to time direct upon demand and punctually all the following outgoings or charges (if applicable), assessed or incurred in respect of the Premises:
  - (a) telephone and internet charges;
  - (b) electricity charges including any costs of connection;
  - (c) gas consumption charges including any costs of connection;
  - (d) water consumption charges;
  - (e) rubbish charges;
  - (f) the costs of any cleaning, supply of internal security and toilet requisites to, and maintenance and repair of the Premises;
  - (g) premiums, excesses and other costs arising from the insurance obtained by the Lessor pursuant to **clause 7.2**. For the avoidance of doubt, the parties agree:
    - (i) that if such premium or cost does not include a separate assessment or identification of the Premises or the Land, the Lessee must pay a proportionate part of such premium or cost determined by the Lessor in accordance with subclause (2); and
    - (ii) such insurance will include insurance for the full replacement value of buildings;
  - (h) any other consumption charge or cost, statutory impost or other obligation incurred or payable by reason of the Lessee's use and occupation of the Premises.
- (2) If the Premises are not separately charged or assessed the Lessee will pay to the Lessor a proportionate part of any charges or assessments referred to in this clause being the proportion that the Premises bears to the total area of the land or premises included in the charge or assessment.

### 5.3 Interest

Without affecting the rights, power and remedies of the Lessor under this Lease, the Lessee must pay to the Lessor interest on demand on any Amounts Payable which are unpaid for 7 days computed from the due date for payment until payment is made and any interest payable under this paragraph will be charged at the Interest Rate.

### 5.4 Costs

- (1) The Lessee covenants with the Lessor to pay to the Lessor on demand:
  - (a) all duty, fines and penalties payable under the *Duties Act 2008* and other statutory duties or taxes payable on or in connection with this Lease;
  - (b) all registration fees in connection with this Lease (if any); and
  - (c) all costs associated with the preparation of a surveyed plan of the Premises for the purposes of the Lease.
- (2) The Lessee covenants with the Lessor to pay to the Lessor all costs, legal fees, disbursements and payments incurred by or for which the Lessor is liable in connection with or incidental to:
  - (a) the Amounts Payable or obtaining or attempting to obtain payment of the Amounts Payable under this Lease;
  - (b) any breach of covenant by the Lessee or the Lessee's Agents;
  - (c) the preparation and service of a notice under section 81 of the *Property Law Act 1969* requiring the Lessee to remedy a breach even though forfeiture for the breach may be avoided in a manner other than by relief granted by a court;
  - (d) any work done at the Lessee's request and arising out of the terms and conditions of this Lease; and
  - (e) any action or proceedings arising out of or incidental to any matters referred to in this clause or any matter arising out of this Lease.

### 5.5 Payment of Money

Amounts Payable to the Lessor under this Lease must be paid to the Lessor at the address of the Lessor referred to in this Lease or as otherwise directed by the Lessor by Notice from time to time.

### 5.6 Accrual of amounts payable

Amounts Payable accrue on a daily basis.

## 6. Insurance

### 6.1 Insurance required

- (1) The Lessee must effect and keep current with a recognised and reputable insurer and noting the interest of the Lessor for its respective rights and interests:

- (a) adequate public liability insurance for a sum not less than the sum set out at **Item 8** of the Schedule in respect of any one claim or such greater amount as the Lessor may from time to time reasonably require; and
  - (b) insurance against all risks, structural loss or damage, including vandalism, as the Lessor may require, of all plate glass windows, doors and display show cases forming part of or within the Premises for a sum which is not less than its full insurable value; and
  - (c) insurance to cover the Lessee's fixtures, fittings, equipment and stock against loss or damage by fire, fusion, smoke, lightning, flood, storm, tempest, earthquake, sprinkler leakage, water damage and other usual risks against which a lessee can and does ordinarily insure in their full replacement value, and loss from theft or burglary; and
- (2) The Lessee must promptly expend all money recovered in respect of any insurance under paragraph (1) in the satisfaction of the payment of damages or the reinstatement or replacement of the items of which that money is received to the extent that that money is sufficient for that purpose.

#### **6.2 Building Insurance**

The Lessor shall effect and keep effected insurance to the full insurable value on a replacement or reinstatement value basis of the Premises against damage arising from fire, tempest, storm, earthquake, explosion, aircraft, or other aerial device including items dropped from any device, riot, commotion, flood, lightning, act of God, fusion, smoke, rainwater, leakage, impact by vehicle, machinery breakdown and malicious acts or omissions and other standard insurable risks.

#### **Details and receipts**

- 6.3** In respect of the insurances required to be obtained by the Lessee pursuant to this **clause 7** the Lessee must:

- (a) upon renewal of any insurance policy immediately forward to the Lessor copies of certificates of currency and details of the insurances as held by the Lessee;
- (b) promptly pay all premiums and produce to the Lessor each policy or certificate of currency and each receipt for premiums or certificate of currency issued by the insurers; and
- (c) notify the Lessor immediately:
  - (i) when an event occurs which gives rise or might give rise to a claim under or which could prejudice a policy of insurance; or
  - (ii) when a policy of insurance is cancelled.

#### **6.4 Not to invalidate**

The Lessee must not do or omit to do any act or thing or bring or keep anything on the Premises which might:

- (a) render any insurance effected under this clause, or any insurances on the Premises or the adjoining premises, void or voidable; or

- (b) cause the rate of a premium for such to be increased for the Premises or any adjoining premises (except insofar as an approved development may lead to an increased premium).

## **6.5 Report**

The Lessee must report to the Lessor promptly in writing, and in addition verbally in an emergency:

- (a) any damage to the Premises of which they are or might be aware; and
- (b) any circumstances of which they are aware and which are likely to be a danger or cause any damage or danger to the Premises or to any person in or on the Premises.

## **6.6 Settlement of claim**

The Lessor may, but the Lessee may not without prior written consent of the Lessor, settle or compromise any claims under any policy of insurance required by this clause.

## **6.7 Lessor as attorney**

The Lessee irrevocably appoints the Lessor as the Lessee's attorney during the Term:

- (a) in respect to all matters and questions which may arise in relation to any insurances required by this clause;
- (b) with full power to demand, sue for and recover and receive from any insurance company or society or person liable to pay the insurance money as are payable for the risks covered by the insurances required by this clause;
- (c) to give good and effectual receipts and discharges for the insurance; and
- (d) to settle, adjust, arbitrate and compromise all claims and demands and generally to exercise all powers of absolute owner.

## **6.8 Lessee's equipment and possessions**

The Lessee acknowledges it is responsible to obtain all relevant insurances to cover any damage and/or theft to its property. The Lessor does not take any responsibility for the loss or damage of the Lessee's property.

# **7. Indemnity**

## **7.1 Lessee responsibilities**

- (1) The Lessee is subject to the same responsibilities relating to persons and property to which the Lessee would be subject if during the Term the Lessee were the owner and occupier of the freehold of the Premises.
- (2) The Lessee is responsible and liable for all acts or omissions of the Lessee's Agents on the Premises and for any breach by them of any covenants or terms in this Lease required to be performed or complied with by the Lessee.

## 7.2 Indemnity

The Lessee indemnifies, and shall keep indemnified, the Lessor and the Minister for Lands from and against all actions, claims, costs, proceedings, suits and demands whatsoever which may at any time be incurred or suffered by the Lessor and/or the Minister for Lands, or brought, maintained or made against the Lessor and/or the Minister for Lands, in respect of:

- (a) any loss whatsoever (including loss of use);
- (b) injury or damage of, or to, any kind of property or thing; and
- (c) the death of, or injury suffered by, any person,

caused by, contributed to, or arising out of, or in connection with, whether directly or indirectly:

- (i) the use or occupation of the Premises by the Lessee or the Lessee's Agents;
- (ii) any work carried out by or on behalf of the Lessee on the Premises;
- (iii) the Lessee's activities, operations or business on, or other use of any kind of, the Premises;
- (iv) the presence of any contamination, pollution or environmental harm in on or under the Premises or adjoining land caused or contributed to by the act, neglect or omission of the Lessee or the Lessee's Agents;
- (v) any default by the Lessee in the due and punctual performance, observance and compliance with any of the Lessee's covenants or obligations under this Lease; or
- (vi) an act or omission of the Lessee.

## 7.3 Obligations Continuing

The obligations of the Lessee under this clause:

- (a) are unaffected by the obligation of the Lessee to take out insurance, and the obligations of the Lessee to indemnify are paramount, however if insurance money is received by the Lessor for any of the obligations set out in this clause then the Lessee's obligations under **clause 7.2** will be reduced by the extent of such payment; and
- (b) continue after the expiration or earlier determination of this Lease in respect of any act, deed, matter or thing occurring or arising as a result of an event which occurs before the expiration or earlier determination of this Lease.

## 7.4 No indemnity for Lessor's negligence

The parties agree that nothing in this clause shall require the Lessee to indemnify the Lessor, its officers, servants, or agents against any loss, damage, expense, action or claim to the extent it is directly caused by a negligent or wrongful act or omission of the Lessor, or its servants, agents, contractors or invitees.

## 7.5 Release

- (1) The Lessee:
  - (a) agrees to occupy and use the Premises at the risk of the Lessee; and
  - (b) releases to the full extent permitted by law, the Lessor and the Minister for Lands from:
    - (i) any liability which may arise in respect of any accident or damage to property, the death of any person, injury to any person, or illness suffered by any person, occurring on the Premises or arising from the Lessee's use or occupation of the Premises by the Lessee;
    - (ii) loss of or damage to the Premises or personal property of the Lessee; and
    - (iii) all claims, actions, loss, damage, liability, costs and expenses arising from or connected with (directly or indirectly) the presence of any Contamination, Pollution or Environmental Harm in, on or under the Premises or surrounding area

except to the extent that such loss or damage is directly caused by a negligent or wrongful act or omission of the Lessor, or its servants, agents, contractors or invitees.
- (2) The release by the Lessee continues after the expiration or earlier determination of this Lease in respect of any act, deed, matter or thing occurring or arising as a result of an event which occurs before the expiration or earlier determination of this Lease.

## 7.6 Limit of Lessor's liability

- (1) The Lessor will not be liable for loss, damage or injury to any person or property in or about the Premises however occurring.
- (2) The Lessor is only liable for breaches of the Lessor's Obligations set out in this Lease which occur while the Lessor remains the management body of the Land under the *Land Administration Act 1997*.
- (3) The Lessor will not be liable for any failure to perform and observe any of the Lessor's Obligations due to any cause beyond the Lessor's control.

# 8. Maintenance, repair and cleaning

## 8.1 Generally

- (1) The Lessee AGREES during the Term and for so long as the Lessee remains in possession or occupation of the Premises to maintain, replace, repair, clean and keep the Premises (which for the avoidance of doubt includes the Lessor's Fixtures and Fittings) and appurtenances in Good Repair having regard to the age of the Premises at the Commencement Date.
- (2) In discharging the obligations imposed on the Lessee under this subclause, the Lessee shall where maintaining, replacing, repairing or cleaning:
  - (a) any electrical fittings and fixtures;
  - (b) any plumbing;

- (c) any air-conditioning fittings and fixtures; or
- (d) any gas fittings and fixtures,

in or on the Premises use only licensed trades persons, or such trades persons as may be approved by the Lessor and notified to the Lessee, which approval shall not be unreasonably withheld.

## **8.2 Comply with all reasonable conditions**

The Lessee must comply with all reasonable conditions that may be imposed by the Lessor from time to time in relation to the Lessee's maintenance of the Premises (and any structures or buildings constructed on the Premises).

## **8.3 Responsibility for repairing damage**

The Lessee must promptly repair at its own expense to the satisfaction of the Lessor, any damage to the Premises, regardless of how the damage is caused (including any damage caused by vandalism) and replace any of the Lessor's Fixtures and Fittings which are or which become damaged, unless such damage is the Lessor's responsibility pursuant to the terms of the Lease.

## **8.4 Cleaning**

The Lessee must at all times keep the Premises clean, tidy, unobstructed and free from rubbish.

## **8.5 Pest control**

The Lessee must keep the Premises free of any pests and vermin and the cost of extermination will be borne by the Lessee.

## **8.6 Lessor's Fixtures and Fittings**

The Lessee covenants and agrees that the Lessor's Fixtures and Fittings will remain the property of the Lessor and must not be removed from the Premises at any time.

## **8.7 Responsibility for Securing the Premises**

The Lessee must ensure the Premises, including the Lessor's and Lessee's fixtures and fittings, are appropriately secured at all times.

## **8.8 Safety and testing obligations**

- (1) The Lessee acknowledges and agrees that it is fully responsible at its cost for ensuring that the Premises and any fixtures or fittings are regularly tested, maintained and inspected to ensure that the Premises and such fixtures and fittings comply with all statutory requirements and are safe for use.
- (2) To comply with its obligation pursuant to **clause 9.8(1)**, the Lessee acknowledges that it will be required to, amongst other things:
  - (a) comply with the requirements of the *Work Health and Safety Act 2020* (WA), including without limitation the requirement for all portable plug-in electrical equipment and residual current devices to be safe and appropriately inspected, tested and maintained by a competent person;



- (b) comply with all relevant requirements of the Department of Fire & Emergency Services (DFES), including without limitation the requirement to ensure that all fire protection and firefighting equipment located, or installed at the Premises, is tested regularly for compliance with Australian Standards and DFES requirements; and
- (3) ensure that the emergency/exit lighting systems in the Premises are adequately maintained in accordance with the requirements of the Building Code of Australia and Australian Standards.

#### **8.9 Drains**

- (1) The Lessee must keep and maintain the waste pipes, drains and conduits originating in the Premises or connected thereto in a clean clear and free flowing condition and must pay to the Lessor upon demand the cost to the Lessor of clearing any blockage which may occur in such waste pipes, drains and conduits between the external boundaries of the Premises and the point of entry thereof into any trunk drain unless such blockage has been caused without neglect or default on the part of the Lessee.
- (2) The Lessee must not permit the drains, toilets, grease traps (if any) and other sanitary appliances on the Premises to be used for any purpose other than that for which they were constructed and must not allow any foreign matter or substance to be thrown therein.

#### **8.10 Acknowledgement of state of repair of Premises**

The Lessee acknowledges that it has inspected the Premises prior to the execution of this Lease and enters into the Lease with full knowledge of the structural state and state of repair of the Premises.

#### **8.11 Generator**

The Lessee and Lessor agree that:

- (a) the generator situated on the Premises shall remain the property of the Lessor;
- (b) the Lessor agrees to insure, maintain, repair and refuel the generator;
- (c) the Lessor agrees to inspect the generator bimonthly (every two months); and
- (d) the Lessee agrees to contact the Lessor immediately if the generator does not automatically start due to a Western Power outage, or follow the approved procedure for the starting/stopping of the generator by an approved member of DDSC.

### **9. Alterations**

#### **9.1 Restriction**

- (1) The Lessee must not without prior written consent:
  - (a) (i) from the Lessor;
  - (ii) from any other person from whom consent is required under this Lease;
  - (iii) required under statute in force from time to time, including but not limited to the planning approval of the Lessee under a town planning scheme of the Lessee;
- (b) install any new signage;

- (c) make or allow to be made any alteration, addition or improvements to or demolish any part of the Premises;
- (d) remove alter or add to any fixtures, fittings or facilities in or on the Premises; or
- (e) subject to the performance of the Lessee's obligations in **clause 9**, remove any flora or fauna, alter or cut down any flora, or sell, remove or otherwise dispose of any flora, sand, gravel, timber or other materials from the Premises.

## 9.2 Consent

If the Lessor and any other person whose consent is required under this Lease or at law consents to any matter referred to in **clause 9.1** the Lessor may:

- (a) consent subject to conditions; and
  - (i) require that work be carried out in accordance with plans and specifications approved by the Lessor or any other person giving consent;
  - (ii) require that work be carried out in accordance with the Building Code of Australia; and
  - (iii) require that any alteration be carried out to the satisfaction of the Lessor under the supervision of an engineer or other consultant; and
- (b) if the Lessor consents to any matter referred to in clause 9.1:
  - (i) the Lessor gives no warranty that the Lessor will issue any consents, approvals, authorities, permits or policies under any statute for such matters; and
  - (ii) the Lessee must apply for and obtain all such consent, approvals, authorities, permits or policies as are required at law before undertaking any alterations, additions, improvements or demolitions and must strictly comply with such consents or approvals.

## 9.3 Cost of Works

All works undertaken under this clause will be carried out at the Lessee's expense.

## 9.4 Conditions

If any of the consents given by the Lessor or other persons whose consent is required under this Lease or at law require other works to be done by the Lessee as a condition of giving consent, then the Lessee must at the option of the Lessor either:

- (a) carry out those other works at the Lessee's expense; or
  - (b) permit the Lessor to carry out those other works at the Lessee's expense,
- in accordance with the Lessor's requirements.

## 10. Use

### 10.1 Restrictions on use

#### (1) Generally

The Lessee must not and must not suffer or permit a person to:

- (a) use the Premises or any part of the Premises for any purpose other than the Permitted Purpose; or
- (b) use the Premises for any purpose which is not permitted under any local or town planning scheme, local law, act, statute or any law relating to health.

#### (2) No offensive or illegal acts

The Lessee must not and must not suffer or permit a person to do or carry out on the Premises any harmful, offensive or illegal act, matter or thing.

#### (3) No nuisance

The Lessee must not and must not suffer or permit a person to do or carry out on the Premises anything which causes a nuisance, damage or disturbance to the Lessor or to owners or occupiers of adjoining properties.

#### (4) No dangerous substances

The Lessee must not and must not suffer or permit a person to store any dangerous compound or substance on or in the Premises, otherwise than in accordance with the following provisions:

- (a) any such storage must comply with all relevant statutory provisions;
- (b) all applications for the approval or renewal of any licence necessary for such storage must be first referred to the Lessor;
- (c) the Lessor may within its absolute discretion refuse to allow the storage of any particular dangerous compound or substance on the Premises; and
- (d) upon the request of the Lessor, the Lessee will provide a list of all dangerous compounds or substances stored on the Premises.

#### (5) No harm or stress

The Lessee must not and must not suffer or permit a person to do any act or thing which might result in excessive stress or harm to any part of the Premises.

#### (6) No signs

The Lessee must not and must not suffer or permit a person to display from or affix any signs, notices or advertisements on the Premises without the prior written consent of the Lessor (which consent will not be unreasonably withheld provided that such sign, notice or advertisement complies with all relevant regulatory and planning approvals).

(7) **No smoking**

The Lessee must not suffer or permit a person to smoke inside any building or other enclosed area on the Premises.

(8) **Removal of rubbish**

The Lessee must keep the Premises free from dirt and rubbish and store and keep all trade waste and garbage in proper receptacles.

(9) **No pollution**

The Lessee must do all things necessary to prevent pollution or contamination of the Premises by garbage, refuse, waste matter, oil and other pollutants.

(10) **No electrical overloading**

The Lessee must not without the consent of the Lessor install or use any electrical equipment on the Premises that overloads or has the capacity to overload the cables switchboards or sub-boards through which electricity is conveyed to or through the Premises.

(11) **Premises subject to Restriction**

The Lessee accepts the Premises for the Term subject to any existing prohibition or restriction on the use of the Premises.

(12) **Indemnity for costs**

The Lessee indemnifies the Lessor against any claims or demands for all costs, on a solicitor client basis, reasonably incurred by the Lessor by reason of any claim in relation to any matters set out in this clause.

**10.2 No Warranty**

The Lessor gives no warranty:

- (a) as to the use to which the Premises may be put; or
- (b) that the Lessor will issue any consents, approvals, authorities, permits or licences required by the Lessee under any statute for its use of the Premises.

**10.3 Lessee to Observe Copyright**

In the event that the Lessee or any person sub-leasing, hiring, or in temporary occupation of the Premises provides, contracts for, or arranges for the performance, exhibition or display of any music or work of art the copyright of which is not vested in the Lessee or that person, the Lessee shall ensure that all obligations in regard to payment of copyright or licensing fees with the owner or licensor of the copyright are met before any such performance, exhibition or display is held.

**10.4 Premises Subject to Restriction**

The Lessee accepts the Premises for the Term subject to any existing prohibition or restriction on the use of the Premises.

**10.5 Handling of Food on the Premises**

Where food/beverage is sold or handled in any way on the Premises, the Lessee shall:

- (a) provide adequate facilities for the hygienic handling of such food/beverage, including facilities for the washing of hands and utensils;
- (b) notwithstanding any other provision of this Lease, not permit or allow food/beverage vendor or handler to breach the provisions of the *Public Health Act 2016, Health (Miscellaneous Provisions) Act 1911* or *Food Act 2008* any other legislation, order, regulation or other by-law or local law or direction made relating to food/beverage or its preparation or handling;
- (c) without limiting the generality of the obligations in the foregoing paragraphs the Lessee will take adequate measures at all times to the satisfaction of the Lessor to safeguard any food/beverage being sold or distributed on the Premises from flies and dust; and
- (d) obtain all necessary permits and approvals under the provisions of the *Public Health Act 2016, Health Act 1911* or *Food Act 2008* and any associated legislation or any equivalent replacement or re-enactment thereof.

#### 10.6 Indemnity for Costs

The Lessee indemnifies the Lessor against any claims or demands for all costs, on a solicitor client basis, incurred by the Lessor by reason of any claim in relation to any matters set out in this this clause.

### 11. Lessor's right of entry

#### 11.1 Entry on Reasonable Notice

The Lessee must permit entry by the Lessor or any Authorised Person onto the Premises without notice in the case of an emergency, and otherwise upon reasonable notice, at all reasonable times, with or without workmen and others and with or without plant, equipment, machinery and materials, for each of the following purposes:

- (a) to inspect the state of repair of the Premises and to ensure compliance with the terms of this Lease;
- (b) to carry out any survey or works which the Lessor considers necessary, however the Lessor will not be liable to the Lessee for any compensation for such survey or works provided they are carried out in a manner which causes as little inconvenience as is reasonably possible to the Lessee;
- (c) to comply with the Lessor's Obligations or to comply with any notice or order of any authority in respect of the Premises for which the Lessor is liable; and
- (d) to do all matters or things to rectify any breach by the Lessee of any term of this Lease but the Lessor is under no obligation to rectify any breach and any rectification under this **clause 11.1(d)** is without prejudice to the Lessor's other rights, remedies or powers under this Lease.

## 11.2 Costs of Rectifying Breach

All costs and expenses incurred by the Lessor as a result of any breach referred to in **clause 11.1(d)** together with any interest payable on such sums will be a debt due to the Lessor and payable to the Lessor by the Lessee on demand.

## 12. Statutory obligations and notices

### 12.1 Comply with Statutes

The Lessee must:

- (a) comply promptly with all statutes and local laws from time to time in force relating to the Premises;
- (b) apply for, obtain and maintain in force all consents, approvals, authorities, licences and permits required under any statute for the use of the Premises for the Permitted Purpose; and
- (c) comply promptly with all orders, notices, requisitions or directions of any competent authority relating to the Premises or to the business the Lessee carries on at the Premises.

### 12.2 Indemnity if Lessee Fails to Comply

The Lessee indemnifies the Lessor against:

- (a) failing to perform, discharge or execute any of the items referred to in **clause 12.1**; and
- (b) any claims, demands, costs or other payments of or incidental to any of the items referred to in **clauses 12.1**.

### 12.3 No Fetter

Notwithstanding any other provision of this Lease, the Parties acknowledge that the Lessor is a local government established by the *Local Government Act 1995*, and in that capacity, the Lessor may be obliged to determine applications for consents, approvals, authorities, licences and permits having regard to any written law governing such applications including matters required to be taken into consideration and formal processes to be undertaken, and the Lessor shall not be taken to be in default under this Lease by performing its statutory obligations or exercising its statutory discretions, nor shall any provision of this Lease fetter the Lessor in performing its statutory obligations or exercising any discretion.

## 13. Report to Lessor

The Lessee must immediately report to the Lessor:

- (a) any act of vandalism or any incident which occurs on or near the Premises which involves or is likely to involve a breach of the peace or become the subject of a report or complaint to the police and of which the Lessee is aware or should be aware;
- (b) any occurrence or circumstances in or near the Premises of which it becomes aware, which might reasonably be expected to cause, in or on the Premises, pollution of the environment; and

- (c) all notices, orders and summonses received by the Lessee and which affect the Premises and immediately deliver them to the Lessor.

## 14. Default

### 14.1 Events of Default

A default occurs if:

- (a) any Rent remains unpaid for 7 days after a Notice has been given to the Lessee to rectify the breach;
- (b) the Lessee is in breach of any of the Lessee's Obligations other than the covenant to pay Rent for 14 days after written notice has been given to the Lessee to rectify the breach or to pay compensation in money;
- (c) the Lessee repudiates the Lease;
- (d) where the Lessee is an individual, the Lessee dies or becomes of unsound mind, or is declared bankrupt;
- (e) where the Lessee is an association which is incorporated under the *Associations Incorporation Act 2015*, the association is wound up whether voluntarily or otherwise;
- (f) where the Lessee is an association which is incorporated under the *Associations Incorporation Act 2015*, the Lessee passes a special resolution under the *Associations Incorporation Act 2015* altering its rules of association in a way that makes its objects or purposes inconsistent with the use permitted by this Lease;
- (g) where the Lessee is a partnership, the Lessee having a change in its constitution;
- (h) an application is made to a court for the Lessee to be wound up;
- (i) the appointment of a controller under section 9 of the *Corporations Act 2001* of any of the Lessee's assets;
- (j) the Lessee becomes an insolvent under administration under section 9 of the *Corporations Act 2001*;
- (k) the Lessee proposes to enter into or enters into any form of arrangement with any of its creditors;
- (l) the Lessee is unable to pay all its debts when they become due, it fails to comply with a statutory demand under section 459F of the *Corporations Act 2001*, or it is deemed to be unable to pay its debts under section 585 of the *Corporations Act 2001*;
- (m) a meeting is convened to place the Lessee in voluntary liquidation or to appoint an administrator;
- (n) a mortgagee takes possession of the property of the Lessee under this Lease;
- (o) any execution or similar process is made against the Premises on the Lessee's property;
- (p) the Premises are vacated, or otherwise not used, in the Lessor's reasonable opinion, for the Permitted Purpose for a six-month period; or

- (q) a person other than the Lessee or a permitted sublessee or assignee is in occupation or possession of the Premises or in receipt of a rent and profits.

#### **14.2 Costs of Default Notice**

The Lessee is liable for any legal costs incurred by the Lessor in respect of the Notices referred to in **clauses 14.1(a) and 14.1(b)**.

#### **14.3 Forfeiture**

On the occurrence of any of the events of default specified in **clause 14.1** the Lessor may:

- (a) without notice or demand at any time enter the Premises and on re-entry the Term will immediately determine;
- (b) by Notice to the Lessee determine this Lease and from the date of giving such Notice this Lease will be absolutely determined; and
- (c) by Notice to the Lessee elect to convert the unexpired portion of the Term into a tenancy from month to month when this Lease will be determined as from the giving of the Notice and until the tenancy is determined the Lessee will hold the Premises from the Lessor as a tenant from month to month under **clause 19**,

but without affecting the right of action or other remedy which the Lessor has in respect of any other breach by the Lessee of the Lessee's Obligations or releasing the Lessee from liability in respect of the Lessee's Obligations.

#### **14.4 Lessor may remedy breach**

If the Lessee:

- (a) fails or neglects to pay the Amounts Payable by the Lessee under this Lease; or
- (b) does or fails to do anything which constitutes a breach of the Lessee's Obligations,

then, after the Lessor has given to the Lessee notice of the breach and the Lessee has failed to rectify the breach within a reasonable time, the Lessor may without affecting any right, remedy or power arising from that default pay the money due or do or cease the doing of the breach as if it were the Lessee and the Lessee must pay to the Lessor on demand the Lessor's cost and expenses of remedying each breach or default.

#### **14.5 Acceptance of Amount Payable By Lessor**

Demand for or acceptance of the Amounts Payable by the Lessor after an event of default has occurred will not affect the exercise by the Lessor of the rights and powers conferred on the Lessor by the terms of the Lease or at law and will not operate as an election by the Lessor to exercise or not to exercise any right or power.

#### **14.6 Essential Terms**

Each of the Lessee's Obligations in **clauses 5** (Rent and Other Payments), **6** (Insurance), **7** (Indemnity), **9** (Maintenance, Repair and Cleaning), **10** (Use), **21** (Assignment, Subletting and Charging) and **22** (Goods and Services Tax) are essential terms of this Lease but this **clause 14.6** does not mean or imply that there are no other essential terms in this Lease.



#### 14.7 Breach of Essential Terms

If the Lessee breaches an essential term of this Lease then, in addition to any other remedy or entitlement of the Lessor:

- (a) the Lessee must compensate the Lessor for the loss or damage suffered by reason of the breach of that essential term;
- (b) the Lessor will be entitled to recover damages against the Lessee in respect of the breach of an essential term;
- (c) the Lessee covenants with the Lessor that if the Term is determined:
  - (i) for breach of an essential term or the acceptance by the Lessor of a repudiation of this Lease by the Lessee; or
  - (ii) following the failure by the Lessee to comply with any Notice given to the Lessee to remedy any default,

the Lessee must pay to the Lessor on demand the total of the Amounts Payable under this Lease which would have been payable by the Lessee for the unexpired balance of the Term as if the Term had expired by effluxion of time together with the losses incurred or reasonably expected to be incurred by the Lessor as a result of the early determination including but not limited to the costs of re-letting or attempting to re-let the Premises;

- (d) the Lessee agrees that the covenant set out in this **clause 14.7(c)** will survive termination or any deemed surrender at law of the estate granted by this Lease; and
- (e) the Lessor must take reasonable steps to mitigate its losses and endeavour to re-let the Premises at a reasonable rent and on reasonable terms but the Lessor is not required to offer or accept rent or terms which are the same or similar to the rent or terms contained or implied in this Lease.

### 15. Damage or Destruction of Premises

#### 15.1 Abatement of Rent

If the Premises are at any time during the Term, without neglect or default of the Lessee, destroyed or damaged by fire or other risk covered by insurance so as to render the same unfit for the occupation and use of the Lessee, then the Rent or a proportionate part thereof (according to the nature and extent of the damage) shall abate until the Premises have been rebuilt or made fit for the occupation and use of the Lessee, and in case of any dispute arising under this provision the same will be referred to arbitration under the provisions of the *Commercial Arbitration Act 2012* and the full Rent must be paid without any deduction or abatement until the date of the arbitrator's award whereupon the Lessor will refund to the Lessee any Rent which according to the aware appears to have been overpaid.

#### 15.2 Total damage or destruction

If the Premises are at any time during the Term destroyed or damaged to an extent as to be wholly unfit for the occupation and use of the Lessee either Party may be notice in writing to the other of them given within sixty (60) days after the event elect to cancel and terminate this lease. The term will terminate upon such notice being given and the Lessee must vacate the premises and surrender the same to the Lessor, but such termination will be without prejudice however to the liability of the Lessee under this Lease up to the date of termination.

## 16. Option to renew

If the Lessee at least two months, but not earlier than 12 months, prior to the date for commencement of a Further Term gives the Lessor a Notice to grant the Further Term and:

- (a) all consents and approvals required by the terms of this Lease or at law have been obtained;
- (b) there is no subsisting default by the Lessee at the date of service of the Notice in:
  - (i) the payment of Amounts Payable; or
  - (ii) the performance or observance of the Lessee's Obligations; and
- (c) the Lessor in its discretion consents to the exercise of a Further Term,

the Lessor shall grant to the Lessee a lease for the Further Term at the Rent and on terms and conditions similar to this Lease other than this clause in respect of any Further Term previously taken or the subject of the present exercise and on such other terms and conditions as the Lessor may consider appropriate.

## 17. Holding over

If the Lessee remains in possession of the Premises after the expiry of the Term with the consent of the Lessor, the Lessee will be a monthly tenant of the Lessor at a rent equivalent to one twelfth of the Rent for the period immediately preceding expiry of the Term increased by 3.5 % and otherwise on the same terms and conditions of this Lease provided that all consents required under this Lease or at law have been obtained to the Lessee being in possession of the Premises as a monthly tenant.

## 18. Obligation on Termination

### 18.1 Restore Premises

Prior to Termination, the Lessee at the Lessee's expense must restore the Premises to an Immediately Lettable Condition and repair, replace or make good to the satisfaction of the Lessor any of the Premises or Lessor's Fixtures where damaged by the Lessee or any of the Lessee's Agents.

### 18.2 Yielding up

On Termination the Lessee must:

- (a) peacefully surrender and yield up to the Lessor the Premises in a condition consistent with the observance and performance of the Lessee's Obligations under this Lease; and
- (b) surrender to the Lessor all keys and security access devices and combinations for locks providing an access to or within the Premises held by the Lessee whether or not provided by the Lessor.

### 18.3 Remove property prior to Termination

Prior to Termination, unless otherwise mutually agreed between the Parties, the Lessee must remove from the Premises all property of the Lessee which is not a fixture other than air-

conditioning plant and fire equipment, security alarms and security systems and other fixtures and fittings which in the opinion of the Lessor form an integral part of the Premises and promptly make good, to the satisfaction of the Lessor, any damage caused by the removal.

#### **18.4 Lessor can remove Lessee's property on re-Entry**

If the Lessee fails to remove any such fixtures or fittings and any other chattels, stock or goods belonging to the Lessee in accordance with **clause 20.3** within fourteen (14) days from the determination of the Term, the Lessor may at its option:

- (a) cause any such fixtures or fittings to be removed and stored at the cost of the Lessee and any such damage to be made good and any such alterations to be so re-altered and may recover the costs thereof from the Lessee as a liquidated debt payable on demand; or
- (b) elect to treat any such fixtures or fittings and any other chattels, stock or goods of the Lessee to be deemed abandoned by the Lessee and such property shall then be and become the property of the Lessor absolutely.

#### **18.5 Obligations to continue**

The Parties' rights and obligations under this **clause 20** will continue, notwithstanding the Termination of this Lease.

### **19. Assignment, sub-letting and charging**

#### **19.1 No assignment or sub-letting without consent**

The Lessee must not assign the leasehold estate in the Premises nor sub-let, part with possession, or dispose of the Premises or any part of the Premises without the prior written consent of the Lessor (which may be withheld in the absolute discretion of the Lessor), the Minister for Lands and any other persons whose consent is required under the terms of this Lease or at law.

#### **19.2 Change in Ownership of Shares**

If the Lessee is a corporation the shares in which are not quoted on any stock exchange in Australia, any change in the beneficial ownership, issue or cancellation of shares in that corporation or any holding company of that corporation within the meaning of the *Corporations Act 2001* (Cth) will be deemed to be an assignment of the leasehold estate created by this Lease and the Lessee must give the Lessor written notification of the change in ownership of shares within 14 days of the change.

#### **19.3 Property Law Act 1969**

Sections 80 and 82 of the *Property Law Act 1969* are excluded.

#### **19.4 Costs for assignment and sub-letting**

If the Lessee wishes to assign or sub-let the leasehold estate created by this Lease the Lessee must pay all reasonable professional and other costs, charges and expenses, incurred by the Lessor or other person whose consent is required under this Lease, of and incidental to:

- (a) the enquiries made by or on behalf of the Lessor as to the respectability, responsibility and financial standing of each proposed assignee or sublessee;

- (b) any consents required under this Lease or at law;
  - (c) the preparation, drafting and execution of a deed of assignment or subletting as the case may be; and
  - (d) all other matters relating to the proposed assignment or sub-letting,
- whether or not the assignment or sub-letting proceeds.

#### **19.5 No mortgage or charge**

The Lessee must not mortgage nor charge the Premises.

### **20. Disputes**

#### **20.1 Referral of Dispute: Phase 1**

Except as otherwise provided any dispute arising out of this Lease is to be referred in the first instance in writing to the Lessor's representative as nominated in writing by the Lessor from time to time (**Lessor's Representative**) who shall convene a meeting within 10 days of receipt of such Notice from the Lessee or such other period of time as is agreed to by the Parties between the Lessor's Representative and an officer of the Lessee for the purpose of resolving the dispute (**Original Meeting**).

#### **20.2 Referral of Dispute: Phase 2**

In the event the dispute is not resolved in accordance with **clause 22.1** of this Lease then the dispute shall be referred in writing to the CEO of the Lessor who shall convene a meeting within 10 days of the Original Meeting or such other date as is agreed to by the Parties between the CEO of the Lessor and the Managing Director of the Lessee for the purpose of resolving the dispute.

#### **20.3 Appointment of Arbitrator: Phase 3**

In the event the dispute is not resolved in accordance with **clause 22.2** of this Lease then the dispute shall be determined by a single arbitrator under the provisions of the *Commercial Arbitration Act 2012* (as amended from time to time) and the Lessor and the Lessee may each be represented by a legal practitioner.

#### **20.4 Payment of Amounts Payable to Date of Award**

The Lessee must pay the Amounts Payable without deduction to the date of the award of the arbitrator or the date of an agreement between the Parties whichever event is the earlier, and if any money paid by the Lessee is not required to be paid within the terms of the award of the arbitrator or by agreement between the Lessor and the Lessee then the Lessor will refund to the Lessee the monies overpaid.

### **21. Caveat**

#### **21.1 No absolute caveat**

The Lessee nor any person on behalf of the Lessee must not lodge any absolute caveat at Landgate against the certificate of title to the Premises.

## 21.2 CEO and Lessor as attorney

In consideration of the Lessor having granted this Lease to the Lessee, the Lessee irrevocably appoints the Lessor and the CEO of the Lessor jointly and severally:

- (a) for the Term of this Lease;
- (b) for any holding over under this Lease; and
- (c) for a period of 6 months after Termination,

to be the agent and attorney of the Lessee in its name and on its behalf to sign and lodge at Landgate:

- (d) a withdrawal of any absolute caveat lodged by or on behalf of the Lessee;
- (e) a withdrawal of any caveat lodged by or on behalf of the Lessee and not withdrawn on Termination; and
- (f) a surrender of the estate granted by this Lease,

and the costs of withdrawing any caveat or surrendering this Lease (including the Lessor's solicitor's costs and registration fees) will be borne by the Lessee.

## 21.3 Ratification

The Lessee undertakes to ratify all the acts performed by or caused to be performed by the Lessor, its agent or attorney under this clause.

## 21.4 Indemnity

The Lessee indemnifies the Lessor against:

- (a) any loss arising directly from any act done under this clause; and
- (b) all costs and expenses incurred in connection with the performance of any act by the attorney on behalf of the Lessee under this clause.

# 22. Goods and services tax

## 22.1 Definitions

The following definitions apply for the purpose of this clause:

- (a) **Act** means the Commonwealth's *A New Tax System (Goods and Services Tax) Act 1999* and associated Acts and subsidiary legislation;
- (b) **Consideration** means the Amounts Payable or any other money payable to the Lessor under this Lease, but does not include the amount of the GST which may apply to the Amounts Payable or other money payable under the Act;
- (c) **GST** means a tax under the Act levied on a Supply including but not limited to the Amounts Payable or other money payable to the Lessor for goods or services or property or any other thing under this Lease; and

- (d) **Supply** means a good or service or any other thing supplied by the Lessor under this Lease and includes but is not limited to a grant of a right to possession of the Premises.

## **22.2 Lessee to pay GST**

- (1) The Consideration will be increased by the amount of the GST, if any, which the Lessor is required under the Act to pay on any Supply made under this Lease.
- (2) The Lessee must pay any increase referred to at **clause 22.2(1)** whether it is the Lessee or any other person who takes the benefit of any Supply.
- (3) The Lessee must pay the amount of the GST to the Lessor at the same time and in the same manner as the Lessee is required to pay the Consideration under this Lease.

## **22.3 Consideration in Kind**

If consideration in kind is accepted by the Lessor for any Supply made under this Lease, the GST amount payable to the Lessor under **clause 22.2(2)** in respect of the consideration in kind will be calculated by using the prevailing market value of the consideration in kind as determined by the Lessor.

## **22.4 No Contribution from Lessor**

If the Lessee is required under this Lease to make any payment of money or give other consideration to a third party for outgoings, goods, services and benefits of any kind, the Lessee is not entitled to any contribution from the Lessor for any GST payable by it to any person.

## **22.5 Statement of GST paid is Conclusive**

A written statement given to the Lessee by the Lessor of the amount of the GST that the Lessor pays or is liable to pay or account for is conclusive as between the Parties except in the case of an obvious error.

## **22.6 Tax Invoices**

For each payment by the Lessee under this clause the Lessor agrees to promptly deliver to the Lessee, as required under the Act, tax invoices and adjustment notes in a form which complies with the Act, so as to enable the Lessee to claim input tax credits or decreasing adjustments for Supplies.

## **22.7 Reciprocity**

If the Lessee furnishes any Supplies to the Lessor under this Lease, then the requirements set out in this clause with respect to the Lessee will apply to the Lessor with the necessary changes.

## 23. Consents

### 23.1 Western Australian Planning Commission's Consent

If for any reason whatsoever this Lease requires the consent of the Western Australian Planning Commission or other consent under the *Planning and Development Act 2005*, then this Lease is made expressly subject to and conditional on the granting of that consent in accordance with the provisions of the *Planning and Development Act 2005*.

### 23.2 Minister for Land's Consent

The grant of this Lease is made expressly subject to and is conditional on the consent of the Minister for Lands to this Lease, a copy of which consent is annexed as **Annexure 2** to this Lease.

## 24. Commercial Tenancy Act

If at any time and for so long as the *Commercial Tenancy (Retail Shops) Agreements Act 1985* applies to this Lease and a provision of that Act conflicts with a provision of this Lease, then each conflicting provision of this Lease is deemed to be amended to the extent necessary to comply with that Act.

## 25. Notice

### 25.1 Form of delivery

A Notice to a Party must be in writing and may be given or made:

- (a) by delivery to the Party personally;
- (b) by addressing it to the Party and leaving it at or posting it to the address of the Party appearing in this Lease or any other address nominated by a Party by Notice to the other;
- (c) by addressing it to the Party and emailing it to the email address appearing in this Lease or any other email address nominated by a Party by Notice to the other.

### 25.2 Service of Notice

A Notice to a Party is deemed to be given or made:

- (a) if by personal delivery, when delivered;
- (b) if by leaving the Notice at an address specified in **clause 27.4**, at the time of leaving the Notice, provided the Notice is left during normal business hours;
- (c) if by post to an address specified in **clause 27.4**, on the fourth Business Day following the date of posting of the Notice;
- (d) if by email, when despatched by email to an email address specified in **clause 27.4** of this Lease unless the time of dispatch is not on a Business Day or after 5 pm on a Business Day, in which case it will be deemed to be given or made on the next following Business Day.

### 25.3 Signing of Notice

A Notice to a Party may be signed:

- (a) if given by an individual, by the person giving the Notice;
- (b) if given by a corporation, by a director, secretary or manager of that corporation;
- (c) if given by a local government, by the CEO of that local government;
- (d) if given by an association incorporated under the *Associations Incorporation Act 2015*, by any person authorised to do so by the board or committee of management of the association;
- (e) if given by the Lessor, by the representative of the Managing Agent; or
- (f) by a solicitor or other agent of the individual, corporation, local government or association giving the Notice.

### 25.4 Notice Details

For the purposes of this clause 27, the address and email of the parties for the service of notices are as follows:

#### Lessee:

Address: 1 Memorial Drive, Darkan, Western Australia  
 Attention: The Secretary, Darkan and District Sports Club Inc  
 Email: westarthur@crc.net.au

#### Lessor

Address: 31 Burrowes Street, Darkan, Western Australia  
 Attention: Chief Executive Officer  
 Email: ceo@westarthur.wa.gov.au

## 26. General Provisions

### 26.1 Lessor's Consent

The Lessee acknowledges and agrees with the Lessor that:

- (a) if the Lessor consents to any matter referred to in this Lease, the Lessor may consent subject to any conditions that it deems reasonably necessary; and
- (b) if the Lessor consents to any matter referred to in this Lease, the Lessee must, to the reasonable satisfaction of the Lessor, comply with any condition imposed by the Lessor.



## **26.2 Acts by agents**

All acts and things which the Lessor is required to do under this Lease may be done by the Lessor, the CEO, an officer or the agent, solicitor, contractor or employee of the Lessor.

## **26.3 Statutory powers**

The powers conferred on the Lessor by or under any statutes for the time being in force are, except to the extent that they are inconsistent with the terms and provisions expressed in this Lease, in addition to the powers conferred on the Lessor in this Lease.

## **26.4 Severance**

If any part of this Lease is or becomes void or unenforceable, that part is or will be severed from this Lease to the intent that all parts that are not or do not become void or unenforceable remain in full force and effect and are unaffected by that severance.

## **26.5 Variation**

This Lease may be varied only by deed executed by the parties subject to such consents as are required by this Lease or at law.

## **26.6 Moratorium**

The provisions of a statute which would but for this clause extend or postpone the date of payment of money, reduce the rate of interest or abrogate, nullify, postpone or otherwise affect the terms of this Lease do not, to the fullest extent permitted by law, apply to limit the terms of this Lease.

## **26.7 Further assurance**

The Parties must execute and do all acts and things necessary or desirable to implement and give full effect to the terms of this Lease.

## **26.8 Waiver**

- (1) Failure to exercise or delay in exercising any right, power or privilege in this Lease by a Party does not operate as a waiver of that right, power or privilege.
- (2) A single or partial exercise of any right, power or privilege does not preclude any other or further exercise of that right, power or privilege or the exercise of any other right, power or privilege.

## **26.9 Governing law**

This Lease is governed by and is to be interpreted in accordance with the laws of Western Australia and, where applicable, the laws of the Commonwealth of Australia.

## **27. Additional terms, covenants and conditions**

Each of the terms, covenants and conditions (if any) specified in **Item 10** of the Schedule are part of this Lease and are binding on the Lessor and the Lessee as if incorporated into the body of this Lease.

## Schedule

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### Item 1 Land

- (a) Reserve 39163 being land more particularly described as Lot 360 on Deposited Plan 71868 and being the whole of the land comprised in Crown Land Certificate of Title Volume LR3161 Folio 731; and
- (b) Reserve 15837 being land more particularly described as Lot 361 on Deposited Plan 71868 and being the whole of the land comprised in Crown Land Certificate of Title Volume LR3161 Folio 732.

### Item 2 Premises

That portion of the Land and all buildings and improvements on the Land as is shown hachured on the plan annexed hereto as **Annexure 1**. For the sake of clarity the Premises include the Darkan Sports and Community Centre and the football clubrooms, the lighting facilities and generator for the football oval.

### Item 3 Term

Eleven (11) years commencing on 27/06/2025 and expiring on 26/06/2036.

### Item 4 Further Terms

Ten (10) years commencing on 27/06/2036 and expiring on 26/06/46

### Item 5 Commencement Date

The date of the Minister for Lands' grants its approval to this Lease under section 18 of the *Land Administration Act 1997*.

### Item 6 Rent

\$100.00 (One Hundred dollars) per annum plus GST payable on demand at the request of the Lessor.

### Item 7 Permitted Purpose

Sports, Recreation and Community purposes.

### Item 8 Public Liability Insurance

Twenty million dollars (\$20,000,000.00).

## Item 9 Rent Review

CPI Reviews are to be undertaken on each anniversary of the Commencement Date for each year of the Term (including any Further Term and period of holding over, if applicable).

## Item 10 Additional terms and conditions

### (1) Conditions of Hire

- (a) The Lessee may hire out the Premises or part of the Premises for private functions.
- (b) The Lessee may charge and retain a fee for such casual hire on a cost recovery basis.
- (c) The Lessee acknowledges that at all times, including when any portion of the Premises are hired to a third party, the Lessee remains responsible for the Premises, including without limitation any damage that may be caused or occurs during any hire period, and shall continue to be subject to all covenants, terms and conditions contained in this Lease at all times during which the Premises is being hired to a third party and must ensure that the use of the Premises by any third party complies with the terms of this Lease.

### (2) Painting

Every ten (10) years, the Lessee agrees to:

- (a) paint with two (2) coats, undercoat and finishing coat, at least of first quality exterior paint and to oil with two (2) coats at least of first quality oil in a proper and workmanlike manner to the satisfaction of the Lessor, all parts of the outside wood, iron, metal, stucco and cement work and all other external surfaces of all buildings on the Premises, as are usually painted or oiled respectively; and
- (b) paint or oil respectively, with two (2) coats of interior paint or oil respectively in like manner all the internal wood and metal work and all other internal surfaces (including ceilings and walls) of all buildings on the Premises and after every internal painting to grain, varnish, distemper, wash, stop, whiten and colour all parts as have previously been or are in the opinion of the Lessor required to be so dealt with first quality materials

but the Lessor may, if in its opinion the condition of the buildings justify it, relax these requirements as determined by it from time to time.

### (3) Redevelopment

The Lessor and the Lessee agree that notwithstanding anything to the contrary contained or implied in the Lease:

- (a) If at any time during the continuance of the Lease the Lessor desires to repair, alter, remove, reconstruct, develop or improve any part of the Premises ("redevelopment") or alternatively carry out works which will

prevent access or safe access to the Premises then, notwithstanding the fixed Term of the Lease, the Lessor may at any time terminate the Lease and the Term upon giving the Lessee not less than six (6) calendar months' notice in writing which notice shall state the date on which the Lease and the Term is to terminate and upon such date ("the Date of Termination") the Lease and the Term and any right of extension of the Term shall absolutely cease and determine and the Lessee shall vacate, surrender and deliver up possession of the Premises to the Lessor. The said notice may be given at any time and expire on any date notwithstanding that such date may not correspond with a rent day or any other periodic day. After the Date of Termination the Lessee shall not be liable to the Lessor save as to any rights which may have accrued to the Lessor up to the Date of Termination AND PROVIDED THAT nothing herein contained shall affect any obligation of the Lessee to pay any of the rent or other moneys for which the Lessee is liable under the Lease in respect of the period prior to the Date of Termination PROVIDED FURTHER THAT no compensation or other consideration (including but not limited to relocation costs) shall be payable to or claimable by the Lessee from the Lessor for or arising out of such early termination;

- (b) A certificate signed by the Lessor shall be full and sufficient evidence of the fact that the Lessor desires to repair, alter, remove, reconstruct, redevelop or improve any part of the Premises;
- (c) In the event of the early determination of the Lease and the Term pursuant to this clause and the Lessor proposing to include in the redevelopment premises ("New Premises") intended for the conduct thereon of a use identical to the use conducted by the Lessee then the Lessor shall grant the Lessee the first right of taking a lease of the New Premises;
- (d) For the purpose of sub-clause (c):
  - (i) the Lessor shall prior to leasing the New Premises give the Lessee written notice ("the First Notice") of the term, rentals and terms, covenants and conditions on which the Lessor would be prepared to lease the New Premises to any other person genuinely intending to conduct thereon a use identical to the business conducted by the Lessee;
  - (ii) if the Lessee wishes to accept the offer contained in the First Notice the Lessee shall within fourteen (14) days after the receipt of the First Notice cause to be delivered to the Lessor a notice in writing accepting such offer;
  - (iii) in the absence of acceptance by the Lessee within the said period of fourteen (14) days (as to which time shall be of the essence) or other mutual agreement between the Lessor and the Lessee as to the term, rentals and terms, covenants and conditions of any such new lease of the New Premises then the Lessee shall have no further claim to a lease of premises in the redevelopment AND the Lessor may lease the New Premises to any other person BUT NOT at a rental, for a term and upon terms, covenants and conditions more favourable to that other person than those upon which the same were previously offered to the Lessee UNLESS the Lessor has first offered the Lessee a lease of the New Premises on that more

favourable basis and the Lessee has not accepted that offer within seven (7) days (as to which time shall be of the essence) of receiving written notice thereof;

- (e) Nothing herein contained shall be construed so as to require the Lessor to include in the redevelopment premises intended for the conduct thereon of the use conducted by the Lessee.

**(4) Management Committee**

The Lessee will establish a management committee as outlined in its Constitution.

The Lessee DDSC Management Committee will be responsible for communicating with member clubs regarding the day-to-day running costs of their club such as equipment and consumables necessary for the running of the sport.

**(5) Facility Development Philosophy/Purpose**

The purpose of the Darkan Sport & Community Centre is to a single hub for all community members for the purposes of community development, sporting and social activities and will include:

- Kitchen and bar facilities servicing a variety of social and activity areas within the complex;
- Meeting and function spaces suitable for a variety of purposes;
- Secure office and administrative areas for the management and governance functions of the Club and its affiliated members;
- Change room, toilet, shower and locker facilities for males and females
- Public toilets for members and guests
- Accommodation for children's services including childcare operations;
- A secure playground area;
- Storage areas for existing user groups, a playgroup and toy library operations;
- An office for the administration of the bowls club;
- An eight (8) rink synthetic turf bowling green with lighting;
- Four (4) multi-marked fenced and lit hard courts for tennis, netball and basketball with lighting;
- Hardstand car parking areas and site landscaping; and
- Occupational creche and playgroup to children services.

The parties agree that the Premises must be available for community usage and that the usage, access and pricing of such usage will be structured to encourage and facilitate community access.

**(6) Outgoings and operational Costs**

The Lessee Management Committee will be responsible for all outgoings and operational costs of managing the Premises including but not be limited to land/water rates, sewerage, insurance, phone, gas, electrical, cleaning, consumables and staffing. The Lessee shall be entitled to a re-imbursment of \$500.00 annually (including any CPI increases) with respect to all utilities paid under this special condition until such time as the electrical and water sub-meters have been installed at the expense of the Lessor.

**(7) Maintenance**

The Lessee will be responsible for the total cost of operating and maintaining the Premises including the Facility & landscaping, hard courts, bowling green and exterior lighting including but not limited to fixtures and fittings, plumbing, electrical, paving, air conditioning and mechanical services, gas services and equipment, and renovations subject to the prior written approval of the Lessor. This will include the cost for any internal damage, vandalism/graffiti, corrective maintenance or damage to external doors, windows, security lighting, and external surfaces.

It is the responsibility of the Lessee to liaise with member clubs regarding requests for maintenance and to report any issues to the Lessor.

**(8) Structural Maintenance & Repairs**

Structural maintenance and repairs (of the building) including car parking and access roads and fencing shall be the responsibility of the Lessor.

**(9) Renewal Fund**

It is agreed that the Lessee will set aside funds each year for the purpose of refurbishment and replacement of items within the Premises for eleven (11) years plus an additional ten (10) years from commencement of the Lease. The Renewal Fund shall be a reserve account contributed to equally by the Lessee and the Lessor and available to the Lessee to assist in the renewal of the Premises in conjunction with support from the other funding bodies through grants.

- The Renewal Fund shall be an interest bearing reserve account held by the Lessor for the purpose of Darkan Sport & Community Centre Refurbishments;
- The Lessee shall pay the agreed renewal fund moiety at the same time and in conjunction with the annual Lease rental payment or such mutually convenient time;
- The Lessor shall match the Lessee's contribution to the Renewal Fund on a dollar for dollar basis up to the maximum shown in the renewal fund schedule;

- The schedule shall be reviewed annually and adjusted as appropriate noting the following assumptions;
- Term of the renewal schedule is ten (10) years from the Commencement Date in accordance with the term of the Lease;
- Interest earned on cash deposits held in the reserve fund will be apportioned to the reserve account held in the name of the Lessee each year;
- Works permitted to be funded from the renewal fund shall be restricted to those itemised in the list or as otherwise mutually agreed by the Lessor and the Lessee;
- The Renewal Fund shall be used only for the cost of expansion, renewal or replacement of the following internal items:
  - Internal Lighting;
  - Floor coverings and window treatments;
  - Painting building - internal and external;
  - Tiling; taps, shower heads, and toilets;
  - Kitchen appliances;
  - Cool room;
  - Air-conditioning and mechanical services; and
  - Cupboards and bench tops;

and for the following external items:

- Hard court resurfacing and line marking;
- Bowling green resurfacing;
- Paving, car parking, general landscaping & exterior lighting;
- Sports lighting replacement and re-lamping;
- Playground equipment.

#### (10) **Fit Out**

The Lessor will allow for basic furniture and appliances in accordance with the Facility Fit-Out Guidelines for minimum occupancy requirements. Any equipment fit out over and above this will be provided by the Lessee.

Any further funds will be sourced by the Lessee over and above the Community's Capital Contribution.

#### (11) **Signage and Sponsorship**

The Lessor corporate signage will be erected on the outside of the facility at the cost of the Lessor. Funding acknowledgement signage from other funding organisations will be erected as per their funding agreements.

**(12) Premises – Primary Evacuation Centre**

The Lessee acknowledges and agrees that the Darkan Sport & Community Centre is the primary evacuation centre for the Lessor and the Lessee shall ensure that the Community Centre is made available as an evacuation centre in the event of an emergency.

**(13) Football Clubrooms**

The Lessee acknowledges that the Football Clubrooms form part of the Premises and the Lessee shall be responsible for cleaning the clubrooms after use.



## Signing page

**EXECUTED by the parties as a Deed**

2025.

THE COMMON SEAL of SHIRE OF WEST ARTHUR (ABN 96 9123 207 95) 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:

\_\_\_\_\_  
SHIRE PRESIDENT

\_\_\_\_\_  
(Print Full Name)

\_\_\_\_\_  
CHIEF EXECUTIVE OFFICER

\_\_\_\_\_  
(Print Full Name)

THE COMMON SEAL of DARKAN AND DISTRICTS SPORTS CLUB INC. was hereunto affixed pursuant to the constitution of Darkan and Districts Sports Cub Inc. in the presence of each of the undersigned each of whom hereby declares by the execution of this document that he or she holds the office in Darkan and Districts Sports Cub Inc. indicated under his or her name:

\_\_\_\_\_  
Office Holder Sign

\_\_\_\_\_  
Office Holder Sign

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Address:

\_\_\_\_\_  
Address:

\_\_\_\_\_  
Office Held:

\_\_\_\_\_  
Office Held:

[illegible]



## Annexure 2 – Minister for Lands' Consent



Department of Planning,  
Lands and Heritage

### Land Use Management

Your Ref: 53078  
Our ref: 2501742  
Enquiries: Mark Baker, ph 6552 4021

27/06/2025

David Chen  
220 Stirling Highway  
CLAREMONT WA 6010

By email only: [dchen@mcleods.com.au](mailto:dchen@mcleods.com.au)

Dear David

**SECTION 18 MINISTERS CONSENT FOR PROPOSED LEASE OVER PORTION  
OF RESERVE 15837 AND 39163, BEING PORTION OF LOT 360 AND 361 ON  
DEPOSITED PLAN 71868, SHIRE OF WEST ARTHUR (SHIRE)  
BETWEEN SHIRE OF WEST ARTHUR (LESSOR) AND DARKAN AND DISTRICTS  
SPORTS CLUB INC (LESSEE)**

Thank you for your recent correspondence regarding permission to Lease over portion of Reserve 15837 and 39163 which is set aside for the purpose of Sporting Club and Community Purposes and managed by the Shire of West Arthur with power to lease for any term not exceeding 21 years subject to the consent of the Minister for Lands.

In accordance with section 18 of the *Land Administration Act 1997* (LAA) approval from the Minister for Lands is granted to the proposed Lease provided to the Department of Planning, Lands and Heritage (Department) by email dated 27/6/2025 on the condition that the final Lease executed by the parties is on the same terms as that provided to the Department with that email. If the final document executed by the parties is not on the approved terms, then it may be void under section 18 LAA.

Please note that this approval is for the purposes of section 18 LAA only and does not constitute an endorsement as to the terms and effect of the document. The Department cannot provide any advice in respect of the Lease and recommends that each party obtain their own independent advice as to their rights and obligations under the Lease. This approval is subject to the registration requirements of the Transfer of Land Act 1893. You will need to provide a copy of this letter to Landgate if the documents are to be lodged for registration at Landgate.

Should you have any enquiries please don't hesitate to contact me on any of the above details.

Yours sincerely

Mark Baker  
Manager - Delivery

Postal address: Locked Bag 2506 Perth WA 6001 Street address: 140 William Street Perth WA 6000  
Tel: (08) 6551 8002 info@dph.wa.gov.au www.dph.wa.gov.au  
ABN 68 565 723 484

**11.2 ADOPTION OF LOCAL EMERGENCY MANAGEMENT ARRANGEMENTS (INCLUDING LOCAL RECOVERY PLAN)**

<b>Location:</b>	<b>ADM406</b>
<b>Applicant:</b>	<b>Not applicable</b>
<b>Author:</b>	<b>Vin Fordham Lamont, Chief Executive Officer</b>
<b>Authorising Officer:</b>	<b>Vin Fordham Lamont, Chief Executive Officer</b>
<b>Date:</b>	<b>27/08/2025</b>
<b>Disclosure of Interest:</b>	<b>Nil</b>
<b>Attachments:</b>	<ol style="list-style-type: none"> <li><b>1. LEMA West Arthur 220125 (under separate cover)</b></li> <li><b>2. 1 Appendix - Glossary Acronyms 220125 (under separate cover)</b></li> <li><b>3. 2 Appendix - Roles and Responsibilities 19012025 (under separate cover)</b></li> <li><b>4. 3 Appendix Bushfire Risk Management Plan 2017-2022 (under separate cover)</b></li> <li><b>5. 3(a) Appendix - Local Emergency Management Strategies and Priorities (under separate cover)</b></li> <li><b>6. 4 Appendix Equipment 270125 (under separate cover)</b></li> <li><b>7. 5(a) Appendix - EM Policy 19012025 (under separate cover)</b></li> <li><b>8. 5(b) Appendix - LEMC Terms of Ref 19012025 (under separate cover)</b></li> <li><b>9. 6 Appendix - HRP GP 19012025 (under separate cover)</b></li> <li><b>10. 7 Appendix LERSP DoCs 270125 (under separate cover)</b></li> <li><b>11. 8 Appendix - Animal Support Emergencies 19012025 (under separate cover)</b></li> <li><b>12. 9 Appendix - Evac Centres 10122024 SCB (under separate cover)</b></li> <li><b>13. 10 Appendix - Maps 10122024 SCB (under separate cover)</b></li> <li><b>14. 11(a) Appendix Special LEMC Agenda 19012025 (under separate cover)</b></li> <li><b>15. 11(b) Appendix SITREP 19012025 (under separate cover)</b></li> <li><b>16. 11(c) Appendix Comms temp 19012025 (under separate cover)</b></li> <li><b>17. 12 Appendix LG EM ZONE MOU 270125 (under separate cover)</b></li> <li><b>18. LRP West Arthur (under separate cover)</b></li> <li><b>19. 1 APPENDIX LRG Structure 091124 (under separate cover)</b></li> <li><b>20. 2 APPENDIX ROLES RESP 091124 (under separate cover)</b></li> <li><b>21. 3 APPENDIX REC COMMS PLAN 091124 (under separate cover)</b></li> <li><b>22. 4 APPENDIX Ops Seq Guide 091124 (under separate cover)</b></li> <li><b>23. 5 APPENDIX LRG Action Sheet 091124 (under separate cover)</b></li> <li><b>24. 6 APPENDIX OP REC PLAN 091124 (under separate cover)</b></li> <li><b>25. 7 APPENDIX RCC and OSS Guidelines 091124 (under separate cover)</b></li> <li><b>26. 8 APPENDIX WELFARE HEALTH GUIDE 091124 (under separate cover)</b></li> <li><b>27. 9 APPENDIX LRP ACTION ITEMS 091124 (under separate cover)</b></li> <li><b>28. 10a APPENDIX PIA 020625 (under separate cover)</b></li> <li><b>29. 10b APPENDIX LRG Standard Report 02062025 (under separate cover)</b></li> <li><b>30. 11 EM RELIEF ORGANISATION 02062025 (under separate cover)</b></li> <li><b>31. 12 APPENDIX CONFLICT RES 091124 (under separate cover)</b></li> </ol>

**SUMMARY:**

Council is requested to consider adopting the Shire of West Arthur Local Emergency Management Arrangements (including the Local Recovery Plan) 2025.

**BACKGROUND:**

The *Emergency Management Act 2005* establishes the roles and responsibility of local government in relation to emergency management. The three main responsibilities under this Act are:

- i. To establish and support a local emergency management committee;
- ii. To ensure that local emergency management arrangements are prepared, reviewed, and maintained for its district; and
- iii. To manage recovery following an emergency affecting the community in its district.

Whilst local governments are required to ensure the development of the arrangements (LEMA), this responsibility is effectively managed through the Local Emergency Management Committee (LEMC). Respective local governments, therefore, do not have a direct role in the development of the LEMA, although the *Emergency Management Act 2005* and associated policies do require their approval by the local government.

Direct response to a local emergency is the responsibility of the relevant Hazard Management Agency (HMA), the organisation which, because of its legislative responsibility or specialised knowledge, expertise and resources has the capacity to combat the condition creating the emergency. For example, the HMA for fire is the Department of Fire and Emergency Services.

**COMMENT:**

Earlier this year, the Shire of West Arthur appointed an external consultant, Lewis Winter, to review and update its existing Local Emergency Management Arrangements (LEMA).

The review was guided by the following set of principles:

- Brevity is preferred;
- Use of tabulation rather than lengthy text;
- Avoid inclusion of information that is contained in other documents that should be readily accessible by HMAs; and
- Key references, being contacts and resource lists, need to be readily accessible but as they are very dynamic in nature and require constant review, they would be better managed by reference to appendices than direct inclusion in the LEMA.

The arrangements outline the responsibilities of the individual stakeholders, as well as defining potential hazards and hazard management agencies. As required by the State Emergency Management Committee guidelines, the Arrangements are structured in the following manner:

- Introduction;
- Planning;
- Response;
- Recovery;
- Exercising and Reviewing; and
- Appendices, including schedules of critical infrastructure, special needs, resources, contacts, and special considerations.

The Local Recovery Plan includes details of the nominated Local Recovery Coordinator and other recovery team members.

The arrangements have been reviewed by the West Arthur Local Emergency Management Committee and the District Emergency Management Committee and are now presented to Council for adoption in accordance with Part 3 Division 2 of the *Emergency Management Act 2005*.

Following adoption by Council, the LEMA (including the Local Recovery Plan) will be forwarded to the State Emergency Management Committee for final endorsement.

**CONSULTATION:**

Lewis Winter – Emergency Management Consultant  
DFES District Emergency Management Advisor – Great Southern  
District Emergency Management Committee  
Shire of West Arthur Local Emergency Management Committee

**STATUTORY ENVIRONMENT:**

Emergency Management Act 2005

**POLICY IMPLICATIONS:**

Policy LS1 Emergency Management.

**FINANCIAL IMPLICATIONS:**

Costs associated with the preparation of these documents were budgeted for and spent in the 2024/2025 financial year.

**STRATEGIC IMPLICATIONS:**

Shire of West Arthur Strategic Community Plan  
Theme: Community – Safe, Friendly and Inclusive  
Outcome: A safe place to work, live and visit  
Strategy: Support for the provision of emergency services and volunteers  
Strategy: Communication of risks and hazards to the community and assistance with management of these

**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	Emergency event occurs and there are no current procedures/resources to guide the Shire and the community
Risk Likelihood (based on history and with existing controls)	Likely (4)
Risk Consequence	Major (4)
Risk Rating (Prior to Treatment or Control): Likelihood x Consequence	High (16)
Principal Risk Theme	Inadequate safety or security practices
Risk Action Plan (Controls or Treatment Proposed)	Adopt the LEMA and LRP as presented.

**VOTING REQUIREMENTS:**

Simple Majority

**OFFICER RECOMMENDATION:**

That Council ADOPTS the Shire of West Arthur Local Emergency Management Arrangements (including the Local Recovery Plan) 2025 in accordance with Part 3, Division 2 of the *Emergency Management Act 2005*.



**11.3 NEW DELEGATION 5.1.8 DOG ACT 1976 GENERAL**

<b>Location:</b>	<b>N/A</b>
<b>Applicant:</b>	<b>N/A</b>
<b>Author:</b>	<b>Renee Schinzig, Administration Officer</b>
<b>Authorising Officer:</b>	<b>Vin Fordham Lamont, Chief Executive Officer</b>
<b>Date:</b>	<b>04/09/2025</b>
<b>Disclosure of Interest:</b>	<b>Nil</b>
<b>Attachments:</b>	<b>1. Draft Delegation - Dog Act 1976 General</b>

**SUMMARY:**

Council is requested to consider adopting the attached additional delegation 5.1.8 Dog Act 1976 General from Council to the CEO and endorse its insertion into the Delegations Register.

**BACKGROUND:**

Section 5.42 of the *Local Government Act 1995* provides that a local government may delegate to the Chief Executive Officer (CEO) the exercise of any of its powers or the discharge of any of its duties, other than those excluded under section 5.43. Delegations are recorded in Council's Delegations Register, which is reviewed annually in accordance with section 5.46 of the Act.

The purpose of delegating power is to enable routine decision-making to be undertaken in a cost-effective and efficient manner, or rapidly where a time imperative may be involved.

**COMMENT:**

At the November 2024 Ordinary Meeting of Council, the Delegations Register was reviewed and adopted. It included a number of delegations relating to the Dog Act 1976. It has since been found, however, that the existing delegations are not sufficient to cover all of the necessary situations that may arise.

The function of the proposed new delegation is to provide authority to the CEO to exercise all discretionary matters in the *Dog Act 1976*, including:

- granting, refusal, cancellation and setting conditions of approval to conduct activities;
- issue of all notices and infringements etc;
- extending the time period within which infringement notices may be paid;
- withdrawal of an infringement notice issued by an authorised person, following consideration of any submissions of special circumstances relating to it received from the authorised person, the notice recipient, or other persons;
- carrying out of works in default of a duly served notice; and
- authorising officers to undertake receipting, impounding and enforcement activities including the issuing of infringements, licences and renewals.

Once adopted, the delegation will be included in the Shire's Delegations Register and published in accordance with legislative requirements.

**CONSULTATION:**

Nil

**STATUTORY ENVIRONMENT:**

Local Government Act 1995

*s5.42. Delegation of some powers and duties to CEO*

*s5.43. Limits on delegations to CEO*

*s5.44. CEO may delegate powers and duties to other employees*

*s5.45. Other matters relevant to delegations under this Division*

*s5.46. Register of, and records relevant to, delegations to CEO and employees*

Dog Act 1976

*s.10AA Delegation of Local Government powers and duties*

*s.10AB Register of, and review of, delegations*

**POLICY IMPLICATIONS:**

Nil

**FINANCIAL IMPLICATIONS:**

Nil

**STRATEGIC IMPLICATIONS:**

Community Strategic Plan West Arthur Towards 2031

Theme: Leadership and Management – inspirational, dynamic, transparent

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	Failure to make cost-effective and efficient decisions.
Risk Likelihood (based on history and with existing controls)	Unlikely (2)
Risk Consequence	Insignificant (1)
Risk Rating (Prior to Treatment or Control): Likelihood x Consequence	Low (2)
Principal Risk Theme	Compliance Failure
Risk Action Plan (Controls or Treatment Proposed)	Council to approve delegation as requested.

**VOTING REQUIREMENTS:**

Absolute Majority

**OFFICER RECOMMENDATION:**

That Council, by Absolute Majority, adopt Delegation 5.1.8 as attached, which relates to general functions of the Dog Act 1976 and authorise its inclusion in the Delegations Register.

### 5.1.8 Dog Act 1976 General Delegation

<b>Delegator:</b> <i>Power / Duty assigned in legislation to:</i>	Local Government
<b>Express Power to Delegate:</b> <i>Power that enables a delegation to be made</i>	<i>Dog Act 1976:</i> s.10AA Delegation of local government powers and duties
<b>Express Power or Duty Delegated:</b>	<i>Dog Act 1976:</i> s.11A Appointment of authorised person to perform functions under the Act s.33F Dealing with objections (dangerous dogs) s.44(2)(b) Enforcement proceedings by an authorised person
<b>Delegate:</b>	<b>Chief Executive Officer</b>
<b>Function:</b> <i>This is a precis only. Delegates must act with full understanding of the legislation and conditions relevant to this delegation.</i>	<ol style="list-style-type: none"> <li>1. Authority to exercise all discretionary matters in the Dog Act 1976, including – <ol style="list-style-type: none"> <li>a. granting, refusal, cancellation and setting conditions of approval to conduct activities;</li> <li>b. issue of all notices and infringements etc;</li> <li>c. extending the time period within which infringement notices may be paid;</li> <li>d. withdrawal of an infringement notice issued by an authorised person, following consideration of any submissions of special circumstances relating to it received from the authorised person, the notice recipient, or other persons;</li> <li>e. carrying out of works in default of a duly served notice; and</li> <li>f. authorising officers to undertake receipting, impounding and enforcement activities including the issuing of infringements, licences and renewals.</li> </ol> </li> </ol>
<b>Council Conditions on this Delegation:</b>	<ol style="list-style-type: none"> <li>a. The Chief Executive Officer permitted to sub-delegate to employees [s.10AA(3)].</li> <li>b. The delegation excludes- <ol style="list-style-type: none"> <li>i. determination of any fee or charge; and</li> <li>ii. dealing with an objection.</li> </ol> </li> <li>c. Commencement of prosecution is restricted to the CEO, who may instigate action where the offence – <ol style="list-style-type: none"> <li>i. is of such severity that the action is appropriate; or</li> <li>ii. an infringement notice remains unpaid after reasonable attempts to obtain payment.</li> </ol> </li> </ol>
<b>Express Power to Sub-Delegate:</b>	<i>Dog Act 1976:</i> s.10AA(3) Delegation of local government powers and duties (NOTE – sub-delegation only permitted where delegation to the CEO expressly authorises sub-delegation)

<b>Sub-Delegate/s:</b> <i>Appointed by CEO</i>	<b>Manager Corporate Services</b>
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<b>CEO Conditions on this Sub-Delegation:</b> <i>Conditions on the delegation also apply to sub-delegation.</i>	Nil
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<i>Compliance Links:</i>	<i>Nil</i>
<i>Record Keeping:</i>	<i>In accordance with r19 Local Government (Administration) Regulations 1996</i>

**Version Control:**

1	Adoption by Council 25 September 2025
2	
3	

**11.4 AMENDED F32 - RENEWABLE ENERGY COMMUNITY BENEFIT FUND POLICY**

<b>Location:</b>	<b>Shire of West Arthur</b>
<b>Applicant:</b>	<b>Shire of West Arthur</b>
<b>Author:</b>	<b>Tahnee-Lee Lubcke, Projects Officer</b>
<b>Authorising Officer:</b>	<b>Vin Fordham Lamont, Chief Executive Officer</b>
<b>Date:</b>	<b>04/09/2025</b>
<b>Disclosure of Interest:</b>	<b>Nil</b>
<b>Attachments:</b>	<b>1. Current Policy F32 - Renewable Energy Community Benefit Fund</b> <b>2. Updated Policy F32 - Renewable Energy Community Benefit Fund</b>

**SUMMARY:**

Council is requested to consider amending Policy F32 – Renewable Energy Community Benefit Fund as adopted at the Ordinary Council Meeting held on the 24<sup>th</sup> of April 2025 directing the CEO to implement the policy when negotiating with proponents of all large-scale renewable energy projects (exceeding 5MW of nameplate capacity).

**BACKGROUND:**

Given the significant interest demonstrated by renewable energy developers in the Shire, it is imperative that the Shire take a proactive stance in ensuring that the community reaps the benefits of the renewable energy transition.

The Shire's Renewable Energy Community Benefit Fund Policy aims to facilitate the promotion of benefit-sharing strategies linked to major renewable energy projects within the Shire. As new information comes to light and ongoing learnings from Shire staff, it is essential that the document is kept up to date.

The proposed changes provide increased flexibility in determining how the community benefit fund should be allocated. Community Benefit Funds can be agreements established with developers for extended periods; thus, having the ability to adjust the recommended uses of the fund guarantees that the needs of the community continue to be met throughout the life of the fund. Additionally, the policy highlights the critical role of local knowledge in influencing the use and structure of the community benefit fund.

**COMMENT:**

It is likely that the Shire's Renewable Energy Community Benefit Fund Policy will experience additional changes as Shire personnel gain further knowledge on the subject and the State Government adopt statutory framework.

**CONSULTATION:**

The Shire of West Arthur's Chief Executive Officer  
Industry research across WA and other jurisdictions  
The Shire's strategic planning documents

**STATUTORY ENVIRONMENT:**

Local Government Act 1995;  
Local Government (Financial Management) Regulations 1996;  
Planning and Development Act 2005 – Governs land use planning and development in Western Australia;

Planning and Development (Local Planning Schemes) Regulations 2015 – Provides for the preparation and adoption of local planning policies

State Planning Policies (SPPs) - Particularly SPP 3.6 - Infrastructure Contributions

**POLICY IMPLICATIONS:**

Should the policy be adopted, it will apply to all new large-scale renewable energy projects (wind, solar, battery energy storage system [BESS]) and will guide both negotiation and administration of community benefit contributions.

**FINANCIAL IMPLICATIONS:**

The policy will result in ongoing revenue from renewable energy proponents. The fund will be managed by the community. There will be no costs involved with the Shire implementing this policy.

**STRATEGIC IMPLICATIONS:**

Shire of West Arthur Community Plan 2021-2031

Theme: Local Economy

Outcome: A growing, diverse business community

Strategy: Investigate opportunities for growth within the local economy

Theme: Leadership and Management

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

Strategy: Council will advocate on behalf of the community on issues that the community identifies as important

**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	Without the updated policy, and with no relevant state legislation to assist, the risk is that the renewable energy transition will bring challenges to the district without any accompanying benefits.
Risk Likelihood (based on history and with existing controls)	Likely (4)
Risk Consequence	Major (4)
Risk Rating (Prior to Treatment or Control): Likelihood x Consequence	High (16)
Principal Risk Theme	Inadequate Engagement Practices
Risk Action Plan (Controls or Treatment Proposed)	The implementation of the policy guarantees well-defined guidelines and sets community expectations

**VOTING REQUIREMENTS:**

Simple Majority

**OFFICER RECOMMENDATION:**

That Council:

- Adopt the amended F32 - Community Benefit Fund Policy as presented in Attachment 2.



<b>Policy Title</b>	<b>F32 – Renewable Energy Community Benefit Fund</b>
<b>Policy Type</b>	<b>Corporate Services</b>
<b>Responsible Officer</b>	<b>Chief Executive Officer</b>

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### Purpose

The Shire of West Arthur is dedicated to ensuring that large-scale renewable energy projects such as wind farms, solar farms, and battery energy storage systems (BESS) provide long lasting positive impacts for the local community. The Community Benefit Fund policy provides a structure for renewable energy proponents to share benefits with the local community, aligning with the Shire's strategic values and following Australia's best practices. This policy should be interpreted alongside the Shire's Wind Farms Local Planning Policy No. 5, which outlines Council's stance on siting of the facility, consultation, environmental concerns, and aviation issues related to renewable energy projects.

The Shire has emerged as a target location for renewable energy projects as Western Australia's need for renewable energy skyrockets in order to meet the State government's goal of net zero greenhouse gas emissions by 2050. As renewable energy projects progress, this policy ensures that developers collaborate with the community to create a benefit-sharing initiative that aligns with the Shire's strategic plan and leaves a positive legacy.

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### Scope

All large-scale renewable energy facilities (greater than 5MW) in the Shire of West Arthur are subject to this policy, including wind farms, solar farms, and battery storage systems (BESS).

During the design, approval, and operational stage of renewable energy projects, it is intended that Shire employees, Council, and developers reference this policy. The policy sets out expectations and conditions for negotiating community benefits and forming Community Benefit Funds. Council will consider this policy when evaluating development applications and any related agreements with proponents.

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### Definitions

**Large-scale projects** – The classification of a renewable energy project that exceeds 5 megawatts (MW).

**Proponent** – The owner, developer or operator of a large-scale renewable energy project in the Shire that uses solar, wind, or batteries. This covers any business or organisation requesting development approval for these kinds of initiatives.

**Community Benefit Fund (CBF)** – A fund where the proponent commits financial support for the good of the local community. Over the course of the project, contributions are made annually and support initiatives such as infrastructure upgrades, improvement of services, and strategic community projects.

**Life of the Project** – Unless otherwise specified, the anticipated operational lifespan of renewable energy facilities is estimated to be around 30 years. For as long as the project is in operation, CBF

contributions should be provided.

**First Nations Fund** – A specific portion of the Community Benefit Fund set aside to fund projects that assist the Indigenous populations and the traditional custodians of the district.

**Social License** – The continuous approval and acceptance of a project by stakeholders and the local community. Gaining a social license requires the proponent to engage with the community, share benefits, and act responsibly to foster goodwill and confidence.

**Customer Price Index (CPI)** – A quarterly measure of inflation applied to a Community Benefit Fund (CBF) on an annual basis to ensure the fund increases over time and maintains its real value.

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### Policy Statement

To guarantee that the entire community benefits from these developments, the Shire of West Arthur anticipates that all significant renewable energy projects will contribute to benefit sharing through a Community Benefit Fund (CBF). The policy establishes a uniform method for negotiating, calculating, overseeing, and distributing the fund.

The policy's guiding concepts include:

### Early Engagement & Commitment

According to best practice set out in the New South Wales Benefit Sharing Guidelines developed by that State's Department of Planning, developers are required to consult with the Shire at an early stage of their projects (before submitting a development application). This early engagement calls for developers and Councils to collaborate on benefit-sharing strategies, with the aim of providing the community with certainty by determining a mutually agreed financial contribution to the community before development approval. To guarantee enforcement of this agreement, the agreement should be formalised with a legal document, such as a voluntary planning agreement or memorandum of understanding.

### Calculating Community Benefit Funds (CBFs)

The capacity of the asset located in the Shire of West Arthur should be used to calculate the Community Benefit Fund at a rate per megawatt (MW) annually (or per MWh for storage). An appropriate benchmark rate for a Community Benefit Fund, according to best practices described in the New South Wales 2023 Benefit Sharing Guidelines, is \$1,050 per MW/year for wind energy, \$850 per MW/year for solar energy, and \$150 per MWh/year for standalone battery projects that are annually indexed to the Consumer Price Index (CPI) from the 24<sup>th</sup> of April 2025. This agreed contribution is anticipated to be made annually over the project's operational life (30 years), commencing at the beginning of commercial operations. The Consumer Price Index (CPI) guarantees that the fund will increase over time and offer a consistent flow of revenue for the community.

### Minimum Levels of Contribution

The above-mentioned expectations—\$1,050 per MW/year for wind energy, \$850 per MW/year for solar energy, and \$150 per MWh/year for standalone battery projects—must be met or surpassed by a proponent's contribution to the Community Benefit Fund (CBF). Higher contributions or other benefit-sharing strategies are welcome from proponents.

### **Governance of a Community Benefit Fund (CBF)**

It is recommended that a community board be established to manage the Community Benefit Fund (CBF) disbursement. Members of the local community, the president and CEO of the Shire, a representative from the windfarm company, and a financial, banking, and legal expert should all be on the board. The board's duties would include providing input on funding priorities and assessing grant applications and project concepts. It is anticipated that proponents would contribute annually to the board-managed fund. To guarantee that decisions are transparent, fair and consistent with the fund's goals, the board should enter into a formal agreement. While community representation guarantees that the needs of the community are met, the proponents' focal points for the distribution of a community benefit fund are taken into consideration with their position on the board. It is advised that reporting procedures be established to guarantee that the wider community are aware of the location of the distribution of funds and project outcomes.

### **First Nations Fund**

The expectation is that an Indigenous Nations sub-fund will be negotiated with the First Nations people. Typically, 5% of the yearly contributions to the Community Benefit Fund goes towards this fund. This fund is to acknowledge the First Nations people's rights and interest over the land. Alternative agreements such as employment, training opportunities, or cultural heritage and environmental protection provisions may also be formed. This fund should be formed in conjunction with Gnaala Karla Booja (GKB), the fund administrator, and the proponent.

### **Recommended Uses of Funds**

Funding for initiatives and activities that serve the public should be the Community Benefit Fund's primary focus. Alongside this, it must concentrate on projects that further the goals of the Shire's Economic Development Strategy. The CBF seeks to provide funding for projects that offer long-term sustainable benefits that leave a lasting legacy for the community, rather than concentrating on one-off expenditures. To identify priority areas for investment, the Shire has and will continue to engage with the community via a variety of channels. These areas may include but are not restricted to.

- The development of new community services
- Supporting community health services
- Sport and recreation infrastructure (including community co-located facility and swimming pool)
- Improvements and expansion of local businesses
- Increased and improved housing stock
- Improved road infrastructure
- Alternative industry development (diversification)

Like the community's priority areas, the objectives of the Shire's Economic Development Strategy provide guidance on where renewable energy developers should focus their efforts:

- A vibrant town centre and activated space within our townsite
- Built infrastructure that is well maintained and meets the needs of our community
- A growing and diverse business community
- A thriving visitor economy that leverages our natural and heritage assets
- Great economic resilience through industry diversification

- New industry development and diversified job opportunities
- Sufficient allocation of resources to successfully drive our strategy

### **Acknowledgement**

When contributing to the Community Benefit Fund (CBF), it is anticipated that the fund administrator will formally acknowledge the renewable energy proponent. This could be done through press releases or articles detailing the initiatives made possible by the grant. Acknowledgement of and invitations to activities pertaining to the CBF-funded initiatives may also fall under this category. In exchange, it is anticipated that the local community will share with the wider region the ways in which renewable energy has assisted the town.

This policy is a positive step for a proponent to obtain a social license, and assist with community acceptance whilst providing tangible, long-lasting benefits to the community. This policy may be reviewed as necessary to maintain compliance with best practices (proposed state legislation) and community standards.

### **Neighbourhood Benefit Schemes**

Neighbourhood Benefit Schemes (NBS), or an agreement of similar nature between individual land holders and the proponent are to have no impact on contributions towards a Community Benefit Fund (CBF).

Neighbourhood benefit schemes are not generalised and are on a project-by-project basis. They are designed to compensate neighbouring land holders directly impacted by the project. Various forms of neighbourhood benefits could be considered by a developer. These include:

- Minor capital works and enhancements, and
- Neighbourhood subsidies e.g. investment/co-ownership opportunities

The Community Benefit Fund (CBF) aims to deliver residual benefits to the broader community rather than compensating individual landowners for the impact on their visual amenity.

Therefore:

Renewable energy proponents are encouraged to use both Neighbourhood Benefit Schemes (NBS) and Community Benefit Funds (CBF) to ensure that these projects have a lasting positive impact on the community

The Community Benefit Fund should be based on figures specified within this Policy

The Neighbourhood Benefit Scheme (NBS) will not reduce or offset the agreed Community Benefit Fund that a proponent agrees upon

### **Sources:**

Shire of West Arthur - [Key Principles for Effective Renewable Energy in the Shire of West Arthur](#)

Shire of West Arthur Local Planning Policy No.5 – Wind Farms (2025) LPP\_No\_5\_- Wind\_Farms\_-\_27\_March\_2025\_-\_V2.pdf



## Appendices:

### *Advocacy Statement: Renewable Energy Guidelines and Framework for Western Australian Local Governments*

Together with other Western Australian Local Governments, the Shire of West Arthur has formed the Local Government Renewable Energy Leadership Alliance (RELA) to advocate to the state government for the adoption of a comprehensive framework and guidelines for the renewable energy industry. RELA is committed to ensuring that the renewable energy transition is equitable, community-focused, and beneficial for all stakeholders involved.

To accomplish this, RELA proposes that the State Government framework be built around the **Five Key Advocacy Priorities** and the **Three Cornerstones for Collaboration** within this document. The advocacy stance emphasises the importance of developing a trusting connection between the State Government, renewable energy proponents and the community. By working together, we can ensure that the transition to renewable energy meets both the State Government's energy targets and the long-term needs of our community.

### **The 3 Cornerstones for Collaboration**

The renewable energy transition in regional Western Australia must be built on trust and collaboration among three key groups:

1. *Community*: Local communities should have a voice in renewable energy developments impacting their areas. Their values, needs, and aspirations must guide project planning and implementation.
2. *Government*: State and local governments play a crucial role in creating frameworks and policies that ensure fairness, consistency, and long-term benefits for all involved. Policies must empower, not replace, local government capacities.
3. *Industry*: Renewable energy developers must engage transparently with local communities and governments, contributing to projects that respect community needs and environmental integrity.

### **5 Key Advocacy Priorities**

#### *Priority 1. Consistency in Setbacks, Zoning, and Standards*

Develop clear guidelines recognised at a state-wide level for renewable energy projects taking into consideration setbacks, zoning and environmental requirements. This will guarantee that the community's, landowners', and proponents' interests are taken into consideration. These guidelines should cover end of life, environmental factors, visual appearance, and the effects on human health. This will guarantee the preservation of farming communities' multigenerational relationships and rural landscape.

#### *Priority 2. Comprehensive Community Engagement Framework*

The establishment of a state-mandated framework for community engagement is necessary to guarantee a seamless transition to renewable energy. The state-mandated framework should promote:

- Open and honest communication between proponents, the local government, residents and nearby neighbours
- The inclusion of indigenous communities and other relevant stakeholders

- Procedures for resolving disputes that consider land-use and cultural sensitivities

*Priority 3. Legacy Housing and Infrastructure Solutions*

Instead of providing the local community with temporary transient worker accommodations (TWA), promote the development of housing that leaves legacy infrastructure. To help the local community satisfy its demands, the housing solutions must be long-term and sustainable. Renewable energy projects should have a long-term positive impact on local infrastructure, including housing, water, sewerage, and roads. Creating affordable housing that supports long-term regional growth, aligns with the state government housing targets, and lessens the need for short-term housing, will enhance communities.

*Priority 4. Community Benefit Funds (CBF)*

A uniform framework for Community Benefit Funds that guarantees the local community, not just landowners, will directly benefit from the switch to renewable energy. The CBF model should be based on project capacity, (\$1,050 per MW/year for wind energy, \$850 per MW/year for solar energy, and

\$150 per MWh/year for standalone battery projects) which should be linked annually to the Consumer Price Index (CPI), to provide a reliable flow of benefits to the community. A community board should be formed to administer the fund. The fund should focus on supporting initiatives that serve the public, whilst contributing to objectives within the Shire's Economic Development Strategy.

*Priority 5. Payment in Lieu of Rates (PiLoR)*

Referencing Victoria's model, a statewide PiLoR framework for renewable energy (specifically wind farm) projects, being introduced to secure revenue for the host Local Government. This initiative ensures that.

- The Local Government has sufficient revenue to sustain critical infrastructure and services affected by renewable energy developments
- Ensures transparency and fairness, balancing the financial needs of both the Local Government and the proponent

The State Government has the potential to assist with the renewable energy transition by establishing a high standard for renewable energy development within Western Australia. The framework must consider renewable energy targets, as well as the safeguarding of our regional communities. The 3 Cornerstones for Collaboration and the 5 Key Advocacy Priorities should serve as a foundation for this.

If the community is to transition to renewable energy, we must ensure that it supports existing agricultural practices whilst contributing to the economic development of the community. The transition must ensure that it has a long-term positive impact on the community.

<b>History</b>	Adopted 24 April 2025
<b>Delegation</b>	Nil
<b>Relevant Legislation</b>	<i>Local Government Act 1995</i>
<b>Related Documentation</b>	Key Principles for Effective Renewable Energy in the Shire of West Arthur LP – 5 – Wind farms

<b>Policy Title</b>	<b>F32 – Renewable Energy Community Benefit Fund</b>
<b>Policy Type</b>	<b>Corporate Services</b>
<b>Responsible Officer</b>	<b>Chief Executive Officer</b>



### Purpose

The Shire of West Arthur is dedicated to ensuring that large-scale renewable energy projects such as wind farms, solar farms, and battery energy storage systems (BESS) provide long lasting positive impacts for the local community. The Community Benefit Fund policy provides a structure for renewable energy proponents to share benefits with the local community, aligning with the Shire's strategic values and following Australia's best practices. This policy should be interpreted alongside the Shire's Wind Farms Local Planning Policy No. 5, which outlines Council's stance on siting of the facility, consultation, environmental concerns, and aviation issues related to renewable energy projects.

The Shire has emerged as a target location for renewable energy projects as Western Australia's need for renewable energy skyrockets in order to meet the State government's goal of net zero greenhouse gas emissions by 2050. As renewable energy projects progress, this policy ensures that developers collaborate with the community to create a benefit-sharing initiative that aligns with the Shire's strategic plan and leaves a positive legacy.

### Scope

All large-scale renewable energy facilities (nameplate capacity greater than 5MW) in the Shire of West Arthur are subject to this policy, including wind farms, solar farms, and battery storage systems (BESS).

During the design, approval, and operational stage of renewable energy projects, it is intended that Shire employees, Council, and developers reference this policy. The policy sets out expectations and conditions for negotiating community benefits and forming Community Benefit Funds. Council will consider this policy when evaluating development applications and any related agreements with proponents.

### Definitions

**Large-scale projects** – The classification of a renewable energy project that exceeds 5 megawatts (MW).

**Nameplate capacity** – The rated output capacity of a generator measured in megawatts (MW) for wind and solar energy, or in megawatt-hours for battery storage. This capacity serves as the foundation for determining Community Benefit Fund (CBF) contributions.

**Proponent** – The owner, developer or operator of a large-scale renewable energy project in the

Shire that uses solar, wind, or batteries. This covers any business or organisation requesting development approval for these kinds of initiatives.

**Community Benefit Fund (CBF)** – A fund where the proponent commits financial support for the good of the local community. Over the course of the project, contributions are made annually and support initiatives such as infrastructure upgrades, improvement of services, and strategic community projects.

**Life of the Project** – Unless otherwise specified, the anticipated operational lifespan of renewable energy facilities is estimated to be around 30 years. For as long as the project is in operation, CBF contributions should be provided.

**First Nations Fund** – A specific portion of the Community Benefit Fund set aside to fund projects that assist the Indigenous populations and the traditional custodians of the district.

**Social License** – The continuous approval and acceptance of a project by stakeholders and the local community. Gaining a social license requires the proponent to engage with the community, share benefits, and act responsibly to foster goodwill and confidence.

**Consumer Price Index (CPI)** – A quarterly measure of inflation applied to a Community Benefit Fund (CBF) on an annual basis to ensure the fund increases over time and maintains its real value.

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### Policy Statement

To guarantee that the entire community benefits from these developments, the Shire of West Arthur anticipates that all significant renewable energy projects will contribute to benefit sharing through a Community Benefit Fund (CBF). The policy establishes a uniform method for negotiating, calculating, overseeing, and distributing the fund.

The policy's guiding concepts include:

### Early Engagement & Commitment

According to best practice set out in the New South Wales Benefit Sharing Guidelines developed by that State's Department of Planning, developers are required to consult with the Shire at an early stage of their projects (before submitting a development application). This early engagement calls for developers and Councils to collaborate on benefit-sharing strategies, with the aim of providing the community with certainty by determining a mutually agreed financial contribution to the community before development approval. To guarantee enforcement of this agreement, the agreement should be formalised with a legal document, such as a voluntary planning agreement or memorandum of understanding.

### Calculating Community Benefit Funds (CBFs)

The nameplate capacity of the asset located in the Shire of West Arthur should be used to calculate the Community Benefit Fund at a rate per megawatt (MW) annually (or per MWh for storage). An appropriate benchmark rate for a Community Benefit Fund, according to best practices described in the New South Wales 2023 Benefit Sharing Guidelines, is \$1,050 per MW/year for wind energy, \$850 per MW/year for solar energy, and \$150 per MWh/year for standalone battery projects that are



annually indexed to the Western Australian Consumer Price Index (CPI) from the 24<sup>th</sup> of April 2025. This agreed- contribution is anticipated to be made annually over the project's operational life (30 years), commencing at the beginning of commercial operations. The Consumer Price Index (CPI) guarantees that the fund will increase over time and offer a consistent flow of revenue for the community.

#### **Minimum Levels of Contribution**

The above-mentioned expectations—\$1,050 per MW/year for wind energy, \$850 per MW/year for solar energy, and \$150 per MWh/year for standalone battery projects—must be met or surpassed by a proponent's contribution to the Community Benefit Fund (CBF). Higher contributions or other benefit-sharing strategies are welcomed by proponents. The Shire's preference is to calculate Community Benefit Fund (CBF) contributions on nameplate capacity. Should the state government introduce state policies or regulations which indicate higher contribution levels, then the higher contribution will take precedence.

#### **Governance of a Community Benefit Fund (CBF)**

It is recommended that a community board be established to manage the Community Benefit Fund (CBF) disbursement. Members of the local community, the president and CEO of the Shire, a representative from the windfarm company, and a financial, banking, and legal expert should all be on the board. The board's duties would include providing input on funding priorities and assessing grant applications and project concepts. It is anticipated that proponents will contribute annually to the board-managed fund. To guarantee that decisions are transparent, fair and consistent with the fund's goals, the board should enter into a formal agreement with the developer. While community representation guarantees that the needs of the community are met, the proponents' focal points for the distribution of a community benefit fund are taken into consideration with their position on the board. It is advised that reporting procedures be established to guarantee that the wider community is aware of the location of the distribution of funds and project outcomes.

#### **First Nations Fund**

The expectation is that an Indigenous Nations sub-fund will be negotiated with the First Nations people. Typically, 5% of the yearly contributions to the Community Benefit Fund go towards this fund. This fund is to acknowledge the First Nations people's rights and interest over the land. Alternative agreements such as employment, training opportunities, or cultural heritage and environmental protection provisions may also be formed. This fund should be formed in conjunction with Gnaala Karla Booja (GKB), the fund administrator, and the proponent.

#### **Recommended Uses of Funds**

When establishing a community benefit fund, it is essential to consider local knowledge. Residents can assist in identifying challenges that the community frequently encounters, understanding local priorities, and discovering opportunities for mutual benefits. Funding for initiatives and activities that serve the public should be the Community Benefit Fund's primary focus. Alongside this, it must concentrate on projects that further the goals of the Shire's Economic Development Strategy. The CBF seeks to provide funding for projects that offer long-term sustainable benefits that leave a lasting legacy for the community, rather than concentrating on one-off expenditures. To identify priority areas for investment, the Shire has and will continue to engage with the community via a variety of channels. As the communities' needs are changing, it is important that the use of the fund is able to change accordingly. These priority areas may include but are not restricted to.

- The development of new community services
- Supporting community health services
- Sport and recreation infrastructure (including community co-located facility and swimming pool)
- Improvements and expansion of local businesses
- Increased and improved housing stock
- Improved road infrastructure
- Alternative industry development (diversification)

Like the community's priority areas, the objectives of the Shire's Economic Development Strategy provide guidance on where renewable energy developers should focus their efforts:

- A vibrant town centre and activated space within our townsite
- Built infrastructure that is well maintained and meets the needs of our community
- A growing and diverse business community
- A thriving visitor economy that leverages our natural and heritage assets
- Great economic resilience through industry diversification
- New industry development and diversified job opportunities
- Sufficient allocation of resources to successfully drive our strategy

#### **Acknowledgement**

When contributing to the Community Benefit Fund (CBF), it is anticipated that the fund administrator will formally acknowledge the renewable energy proponent. This could be done through press releases or articles detailing the initiatives made possible by the grant. Acknowledgement of and invitations to activities pertaining to the CBF-funded initiatives may also fall under this category. In exchange, it is anticipated that the local community will share with the wider region the ways in which renewable energy has assisted the town.

This policy is a positive step for a proponent to obtain a social license, and assist with community acceptance whilst providing tangible, long-lasting benefits to the community. This policy may be reviewed as necessary to maintain compliance with best practices (proposed state legislation) and community standards.

#### **Neighbourhood Benefit Schemes**

Neighbourhood Benefit Schemes (NBS), or an agreement of similar nature between individual land holders and the proponent are to have no impact on contributions towards a Community Benefit Fund (CBF).

Neighbourhood benefit schemes are not generalised and are on a project-by-project basis. They are designed to compensate neighbouring land holders directly impacted by the project. A developer could consider various forms of neighbourhood benefits. These include:

- Minor capital works and enhancements, and
- Neighbourhood subsidies e.g. investment/co-ownership opportunities

The Community Benefit Fund (CBF) aims to deliver residual benefits to the broader community rather than compensating individual landowners for the impact on their visual amenity.

Therefore:

- Renewable energy proponents are encouraged to use both Neighbourhood Benefit Schemes (NBS) and Community Benefit Funds (CBF) to ensure that these projects have a lasting positive impact on the community;
- The Community Benefit Fund should be based on figures specified within this Policy;
- The Neighbourhood Benefit Scheme (NBS) will not reduce or offset the agreed Community Benefit Fund that a proponent agrees upon.

**Sources:**

Shire of West Arthur - [Key Principles for Effective Renewable Energy in the Shire of West Arthur](#)

<https://www.westarthur.wa.gov.au/documents/760/shire-of-west-arthur-policy-manual> - LP.5  
Wind Farms (2025)

**Appendices:***Advocacy Statement: Renewable Energy Guidelines and Framework for Western Australian Local Governments*

Together with other Western Australian Local Governments, the Shire of West Arthur has formed the Local Government Renewable Energy Leadership Alliance (RELA) to advocate to the state government for the adoption of a comprehensive framework and guidelines for the renewable energy industry. RELA is committed to ensuring that the renewable energy transition is equitable, community-focused, and beneficial for all stakeholders involved.

To accomplish this, RELA proposes that the State Government framework be built around the **Five Key Advocacy Priorities** and the **Three Cornerstones for Collaboration** within this document. The advocacy stance emphasises the importance of developing a trusting connection between the State Government, renewable energy proponents and the community. By working together, we can ensure that the transition to renewable energy meets both the State Government's energy targets and the long-term needs of our community.

**The 3 Cornerstones for Collaboration**

The renewable energy transition in regional Western Australia must be built on trust and collaboration among three key groups:

1. *Community*: Local communities should have a voice in renewable energy developments impacting their areas. Their values, needs, and aspirations must guide project planning and implementation.
2. *Government*: State and local governments play a crucial role in creating frameworks and policies that ensure fairness, consistency, and long-term benefits for all involved. Policies must empower, not replace, local government's capacities.
3. *Industry*: Renewable energy developers must engage transparently with local communities and governments, contributing to projects that respect community needs and environmental integrity.

**5 Key Advocacy Priorities***Priority 1. Consistency in Setbacks, Zoning, and Standards*

Develop clear guidelines recognised at a state-wide level for renewable energy projects taking into consideration setbacks, zoning and environmental requirements. This will guarantee that the community's, landowners', and proponents' interests are taken into consideration. These guidelines should cover end of life, environmental factors, visual appearance, and the effects on human health. This will guarantee the preservation of farming communities' multigenerational relationships and rural landscape.

*Priority 2. Comprehensive Community Engagement Framework*

The establishment of a state-mandated framework for community engagement is necessary to guarantee a seamless transition to renewable energy. The state-mandated framework should promote:

- Open and honest communication between proponents, the local government,

residents and nearby neighbours

- The inclusion of indigenous communities and other relevant stakeholders
- Procedures for resolving disputes that consider land-use and cultural sensitivities

*Priority 3. Legacy Housing and Infrastructure Solutions*

Instead of providing the local community with temporary transient worker accommodations (TWA), promote the development of housing that leaves legacy infrastructure. To help the local community satisfy its demands, the housing solutions must be long-term and sustainable. Renewable energy projects should have a long-term positive impact on local infrastructure, including housing, water, sewerage, and roads. Creating affordable housing that supports long-term regional growth, aligns with the state government housing targets, and lessens the need for short-term housing, will enhance communities.

*Priority 4. Community Benefit Funds (CBF)*

A uniform framework for Community Benefit Funds that guarantees the local community, not just landowners, will directly benefit from the switch to renewable energy. The CBF model should be based on project capacity, (\$1,050 per MW/year for wind energy, \$850 per MW/year for solar energy, and

\$150 per MWh/year for standalone battery projects) which should be linked annually to the Consumer Price Index (CPI), to provide a reliable flow of benefits to the community. A community board should be formed to administer the fund. The fund should focus on supporting initiatives that serve the public, whilst contributing to objectives within the Shire's Economic Development Strategy.

*Priority 5. Payment in Lieu of Rates (PiLoR)*

Referencing Victoria's model, a statewide PiLoR framework for renewable energy (specifically wind farm) projects, being introduced to secure revenue for the host Local Government. This initiative ensures that.

- The Local Government has sufficient revenue to sustain critical infrastructure and services affected by renewable energy developments
- Ensures transparency and fairness, balancing the financial needs of both the Local Government and the proponent

The State Government has the potential to assist with the renewable energy transition by establishing a high standard for renewable energy development within Western Australia. The framework must consider renewable energy targets, as well as the safeguarding of our regional communities. The 3 Cornerstones for Collaboration and the 5 Key Advocacy Priorities should serve as a foundation for this.

If the community is to successfully transition to renewable energy, we must ensure that it supports existing agricultural practices whilst contributing to the economic development of the community. The transition must ensure that it has a long-term positive impact on the community.

<b>History</b>	Adopted 24 April 2025
<b>Delegation</b>	Nil
<b>Relevant Legislation</b>	<i>Local Government Act 1995</i>
<b>Related Documentation</b>	Key Principles for Effective Renewable Energy in the Shire of West Arthur LP – 5 – Wind farms

**11.5 PROPOSED MAJOR LAND TRANSACTION - LOT 309 BURROWES STREET WEST**

<b>Location:</b>	<b>Shire of West Arthur</b>
<b>Applicant:</b>	<b>Shire of West Arthur</b>
<b>Author:</b>	<b>Tahnee-Lee Lubcke, Projects Officer</b>
<b>Authorising Officer:</b>	<b>Vin Fordham Lamont, Chief Executive Officer</b>
<b>Date:</b>	<b>09/09/2025</b>
<b>Disclosure of Interest:</b>	<b>Nil</b>
<b>Attachments:</b>	<b>1. Shire of West Arthur - Major Land Transaction Business Plan</b>

**SUMMARY:**

Council is requested to consider adopting the attached business plan and authorising the Chief Executive Officer to advertise it to seek feedback from the public on the proposed transaction in line with section 3.59 of the *Local Government Act 1995*.

**BACKGROUND:**

Pursuant to section 3.59 of the *Local Government Act 1995*, the Shire of West Arthur is obligated to prepare a Major Land Transaction Business Case prior to entering a Major Land Transaction concerning Lot 309, Burrowes Street West. A Major Land Transaction, as defined by the Act, refers to the acquisition, disposal, or development of land that is not exempt under the Act, and where the value exceeds \$2million or 10% of the Local Government's operating expenditures incurred from its municipal fund in the previous financial year.

The Business plan should include an overall assessment of the transaction including the:

- Expected effect on provision of facilities and services by the Local Government and other persons providing facilities and services in the district
- Expected financial effect on the Local Government
- Expected effect on matters referred to in the Local Government's current plan prepared under section 5.56 of the Act, and
- The ability of the Local Government to manage the undertaking

The Shire of West Arthur is proposing to subdivide Lot 309, Burrowes Street West into 22 separate lots. The proposal details the Shire intentions of building 3 houses on the grouped housing lots, lot 1 or lot 13, to be used for Shire staff whilst the remainder of the lots are to be sold to the public. It is expected that the release of these lots will assist with addressing the housing shortage the town is currently facing. The community's population will grow and consequently, this will boost school enrolments and provide support to local businesses.

**COMMENT:**

It is probable that if funding cannot be obtained for the development of Shire staff housing, the Shire will need to secure a loan to facilitate the construction. The proposal put forth may be subject to changes as we approach the building phase and as the current market conditions evolve.

**CONSULTATION:**

Shire of West Arthur Chief Executive Officer  
Shire of West Arthur Planning Consultant  
Local Real Estate Agent  
Shire's strategic planning documents

**STATUTORY ENVIRONMENT:**

Local Government Act 1995;

Local Government (Financial Management) Regulations 1996;

Planning and Development Act 2005 – Governs land use planning and development in Western Australia;

Planning and Development (Local Planning Schemes) Regulations 2015 – Provides for the preparation and adoption of local planning policies

**POLICY IMPLICATIONS:**

Nil

**FINANCIAL IMPLICATIONS:**

This transaction will lead to ongoing costs related to the construction of housing. According to preliminary estimates provided by prefabricated modular home builders, the Shire anticipates needing to secure a loan amounting to roughly \$1,500,000 to construct three staff houses. The total revenue for the Shire will be derived from the sale of the remaining lots. Given the current market conditions and the demand for serviced lots within the Shire, it is projected that the Shire will generate approximately \$900,000 from these lot sales. Since the Shire has successfully obtained funding from the Housing Support Program streams 1 and 2, there will be no expenses incurred during the planning, design, and headworks phases of the project.

**STRATEGIC IMPLICATIONS:**

Shire of West Arthur Strategic Community Plan – Towards 2031

Outcome 2.2 - A growing, diverse business community

- Promote the Shire to people outside the area as a fantastic place to live, work and visit
- Investigate opportunities for growth within the local economy

Shire of West Arthur Corporate Business Plan 2021-2025

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

- Housing – ensure teaching staff have access to quality accommodation through the provision of housing leased to Government Regional Officers Housing
- Investigate issues associated with housing and identify opportunities to provide additional housing or upgrade existing housing within the Darkan townsite where financially viable

Outcome 4.2 – Shire staff are well trained, motivated and customer focused

- Improve the quality of staff housing to assist to attract and retain 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 the Local Government Act 1995 and failing to provide transparency to the local community.
Risk Likelihood (based on history and with existing controls)	Likely (4)
Risk Consequence	Major (4)
Risk Rating (Prior to Treatment or Control): Likelihood x Consequence	High (16)
Principal Risk Theme	Compliance failure
Risk Action Plan (Controls or Treatment Proposed)	The implementation of the document ensures that the community's concerns considered regarding the Major Land Transaction and ensures compliance with s3.59 of the Local Government Act.

**VOTING REQUIREMENTS:**

Simple Majority

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**OFFICER RECOMMENDATION:**

That Council, pursuant to s3.59 of the *Local Government Act 1995*, ADOPT the Major Land Transaction Business Plan as presented in Attachment 1 for advertising.



**Business Plan – Major Land Transaction**  
**Residential Subdivision (including**  
**headworks) at Lot 309 (22) Burrowes**  
**Street West, Darkan**  
**AUGUST 2025**



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## Introduction

This Business Plan has been prepared by Council regarding a proposal to enter a major land transaction. Council is proposing to undertake a 22-lot subdivision of 22 (Lot 309) Burrowes Street West, Darkan. The Lot is currently owned by the Shire of West Arthur. Upon completion of the subdivision, approximately 2-3 lots will remain in ownership of the Shire whilst the remaining lots created will be sold in freehold tenure.

The following Business Plan has been formulated in compliance with section 3.58 – Disposal of property and section 3.59 – Commercial enterprises by local governments as outlined in the *Local Government Act 1995*.

**land transaction** means an agreement, or several agreements for a common purpose, under which a local government is to —

- (a) acquire or dispose of an interest in land; or
- (b) develop land;

**major land transaction** means a land transaction other than an exempt land transaction if the total value of —

- (a) the consideration under the transaction; and
- (b) anything done by the local government for achieving the purpose of the transaction,

is more, or is worth more, than the amount prescribed for the purposes of this definition;

The document aims to offer community members the chance to review this proposal and provide feedback before Council makes any decisions. It is a legal obligation for Local Government to announce its intention to engage in a major land transaction or any significant trading activity through Statewide advertising, inviting public submissions. The submissions received during the public consultation period will be considered by Council before any decision is made.



## Background

### Site Summary

Item	Description
Lot Details	Lot 309 on Deposited Plan 191521, comprised in Certificate of Title Volume 2074 Folio 722
Address	22 Burrowes Street West, Darkan
Distance from town centre	0.60km
Site Area	3.7470ha

The land in question is designated as Residential according to the Shire of West Arthur Local Planning Scheme No. 2. This zoning was sanctioned by the Minister for Planning on April 27, 2006.

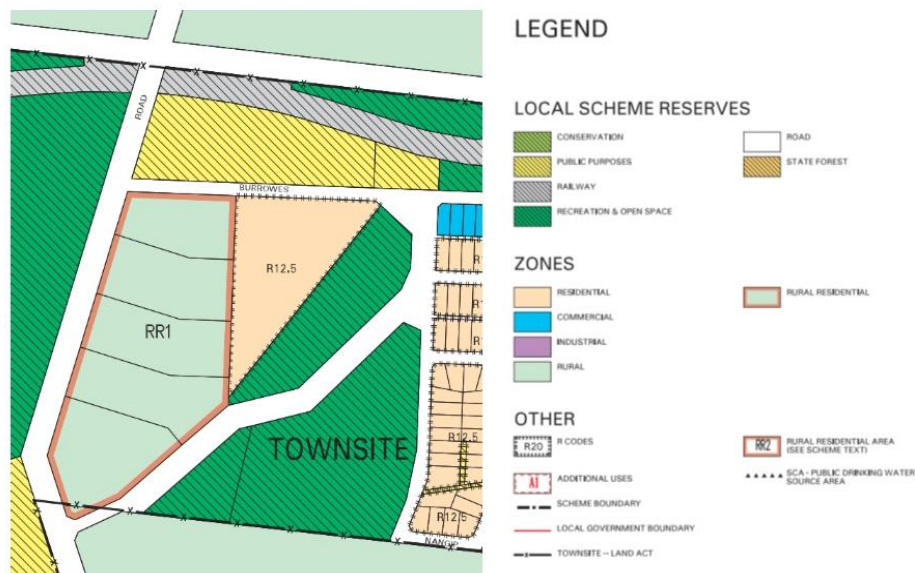


Figure 1: Local Planning Scheme No. 2 Zoning

Part 4, section 4.2 – Objectives of the Zones outlined the objectives of the Residential zone as follows.

- To provide for the predominant form of residential development to be single houses.
- To provide for diversity of lifestyle choice with a range of dwelling types.
- To achieve a high standard of residential development.

- To allow for the establishment of non-residential uses which are compatible with the predominant residential use and which will not adversely affect local amenities.

The proposed subdivision will align with strategic documents prepared by the Shire of West Arthur in consultation with key stakeholders, businesses, and residents of the West Arthur community.

- Outcome 2.2 of the *Shire of West Arthur Community Plan – Towards 2031* – A growing, diverse business community – promote the Shire to people outside the area as a fantastic place to live, work and visit.
- Outcome 1.2 of the *Shire of West Arthur Corporate Business Plan 2021-2025* – Support available for people of all ages and abilities – Investigate issues associated with housing and identify opportunities to provide additional housing or upgrade existing housing within the Darkan townsite where financially viable.
- Section 3 – Local Housing Plans and Housing Investment Concepts (Shire of West Arthur) of the *4WDL Key Worker Housing Strategy 2023/2024* – address key worker housing shortage by installing 8 dwellings to address the immediate demand, with an additional 5-13 dwellings being installed to address the short-term demand. Lot 309 Burrowes Street West has been deemed an appropriate site for these developments.
- Section 6 of the *Shire of West Arthur Economic Development Strategy 2023-2033* – Housing and Land Affordability

The upcoming subdivision is intended to support uses such as residential development for individual homes located near Darkan's town centre. The reasoning for this proposal is that, despite approximately 12.3% of residences being unoccupied in the Shire, a considerable portion of these 'unoccupied dwellings' consist of abandoned farm properties, with very few semi-vacant homes in the townsite. Numerous families have been compelled to leave the district due to the difficulty of securing housing. The economic development of the Shire is being hindered by the insufficient availability of housing, which results in challenges related to staff retention and attraction.

## Proposal Details

### Design

The site for consideration is Shire-owned land located opposite the Darkan Swimming Pool. Lot 309 (22) Burrowes Street West has a total land development area of 37,470m<sup>2</sup>. The proposed subdivision will yield 22 residential and group housing lots ranging from 951m<sup>2</sup> to 4002m<sup>2</sup> in size. A road reserve will commence at Burrowes Street West and extend along the eastern side of the boundary, where it will intersect with another that

will run parallel to the southern boundary approximately 45 metres in, providing access back onto the main street.

The approved plan comprising of 22 lots, is detailed in the table below:

Lot No.	Area (m <sup>2</sup> )
1	4002
2	1000
3	1000
4	1000
5	1029
6	1162
7	1118
8	1096
9	1364
10	1004
11	1006
12	1006
13	3303
14	1192
15	1317
16	1001
17	1001
18	1001
19	1001
20	1153
21	1008
22	951

### Infrastructure and Servicing

The servicing work in the project includes earthworks, road construction, and water and power connections. Given that existing water and power services are located along the front of the block, an extension of these services is necessary to adequately service the site. Western Power is tasked with service connections, network management, maintenance, and operations of power within the Shire. Western Power will oversee the power connection to the site. Water Corporation will handle the connection of water to the town's water main. The Shire will be responsible for waste management and road construction. Furthermore, additional infrastructure, including fencing and landscaping, will be the owner's responsibility.



## Project Objectives

### Expected Effect on Local Governments Planning for the Future

In 2023, the Shire recorded a total of 334 dwellings, with 12.3% of these being unoccupied, the majority of which are deemed uninhabitable. Additionally, 29% of the houses in the Shire are occupied by a single individual. Due to the submission of no residential building approvals between 2017 and 2021, there is currently a significant demand for housing in Darkan, yet the availability remains low. These circumstances have consequential effects on local businesses, including loss of labour and economic opportunities.

The proposed development aims to enhance the availability of housing in Darkan while simultaneously supporting the Shire's economic development by facilitating better access to housing for key workers. This initiative is expected to alleviate worker shortages, promote population growth and retention, enhance community wellbeing and social cohesion, and contribute to the housing objectives set by the state.

Investing in the development of this subdivision offers the opportunity of passive income to the Shire. In contrast to other investments, the development of these lots offers the potential for a steady cash flow from rental income or proceeds from the sale of the lots. This consistent income stream will contribute to the Shire's financial stability over time.

## Financial Considerations

To fulfill its National Housing Accord objective of building 1.2 million new homes over a five-year period commencing on July 1, 2024, the Australian government has announced the launch of its Housing Support Program. The Shire of West Arthur applied for stream 1 of the Housing Support Program and was successfully granted funding, along with five other local governments in the Wheatbelt region. For the planning and servicing of Lot 186 Burrowes Street (Bowling Green) and Lot 309 Burrowes Street West, the Shire received \$176,765 in funding.

Furthermore, the Shire was informed that its application for stream 2 of the Housing Support Program had been approved. This approval includes \$2,273,878 allocated for headworks and connections, site works, internal services, and contingencies for Lot 309 Burrowes Street West. There are no other identified upfront costs that the Shire will be required to contribute to advance this project.

### Expected Net Income

Following a discussion with a real estate agent that services the West Arthur Shire, it is anticipated that a parcel of land measuring approximately 1000m<sup>2</sup> will be sold for

approximately \$40,000-\$50,000. The most recent block sold in the townsite of Darkan sold for \$42,000. Should the Shire choose to omit the two grouped housing lots (Lot 1 and Lot 13) from consideration, where they intend to develop, this would suggest that the revenue generated for the Shire from the sale of the lots would total \$900,000.

Throughout this development phase, the Shire does not intend to build and lease accommodation to the public; rather, it seeks to create housing exclusively for its personal use. Housing for Shire staff is significantly subsidized, meaning that the rent paid by staff merely covers the expenses related to housing maintenance. Consequently, the only revenue generated from this transaction would stem from the sale of the other lots.

### Expected Project Costs

The estimated project costs are as follows:

#### Housing Support Program – Stream 1

Planning Action Item	Funding received
WAPC Planning Application	\$5,400
Deposited Plan & Clearance Fees	\$1,900
Civil Engineer & Fees	\$79,765
Subdivision Electrical Engineering Design	\$15,000
Planning Services	\$5,000
Surveyor	\$40,700
Feature Survey	\$3,000
Geotechnical Engineering Report	\$6,000
Bushfire Management Plan (BAL Assessment)	\$3,000
Western Power Application Fee	\$495.00

#### Housing Support Program – Stream 2

Planning Action Item	Funding received
Headworks and Connections (Power extension & connection, water extension & connection)	\$430,000.00
Site Works and Internal Services (Earthworks, road construction & internal site servicing)	\$1,229,765.00
Contingency (20% regional weighting, 12% cost contingency & 5% design and professional fees)	\$614,113.00

## Risk Assessment

Although the development of housing in the Shire offers a magnitude of benefits, it is also important to acknowledge the risks associated with the proposal. This plan identifies the associated risks.

Risk	Action to Mitigate
Market Risk	Ensure that the blocks are adequately advertised on a multitude of platforms.
Finance Risk	Follow the Shire's Procurement Policy. Obtain multiple quotes prior to the commencement of work.
Construction Risk (cost overruns, delays)	Efficient project planning and management. Regular meetings to review the current stage of the project. To avoid delays with external bodies such as Western Power, ensure prompt responses to their information requests.
Environmental/heritage constraints	If necessary, consult with the Department of Planning, Lands & Heritage/Department of Biodiversity, Conservation and Attractions.
Legislative/compliance risks	The Shire of West Arthur will manage legislative and compliance risks associated with the residential subdivision by ensuring that all planning, procurement, financial management and reporting obligations under the Local Government Act 1995, relevant State planning frameworks, and the conditions of the Federal Government's Housing Support Program are strictly followed. Independent legal and statutory advice will be sought where required, and transparent governance processes will be maintained to demonstrate accountability and compliance at each stage of the project.

## Expected Effect on the Provision of Facilities and Services by the Shire

The subdivision will be overseen by skilled professional personnel at the Shire. The Shire Projects Officer, with the support of the CEO, will coordinate the project.



Other Shire of West Arthur services involved in the project:

- Works & Services Department – road design, earthworks, and maintenance
- Planning & Building Services – planning services, and building services
- Environmental Health Officers – septic appliances

The benefits of access to more housing include increased productivity in the job market, reduced health care expenses, decreased domestic violence rates, the development of human capital, lower costs associated with crime, and educational advantages. By introducing housing, the community's population will grow, which will consequently enhance school enrolment and provide support to local businesses.

## Expected Effect on Other Persons Providing Facilities and Services

This project aligns closely with State Government agency service provision by ensuring lots are developed in a manner consistent with existing and planned capacity for essential services. The subdivision design will be progressed in consultation with key agencies such as Water Corporation (water and wastewater), Western Power (electricity supply), Main Roads WA (road access), and the Departments of Education and Health (schooling and community health services). Early engagement with these agencies will confirm service availability, identify any infrastructure upgrades required, and support coordinated planning so that new residents can access reliable utilities and community facilities. This approach helps integrate the subdivision into the wider State service delivery framework and ensures growth in Darkan occurs in a sustainable, supported way.

### Impact on Existing Businesses

Several businesses within the Shire have previously indicated that the lack of sufficient housing in Darkan is hindering their business expansion. Upon the project's completion, contractors and local businesses will reap the benefits of the introduction of new housing. This development is expected to significantly mitigate worker shortages, thereby leading to an increase in economic activity. Such support will assist these businesses in achieving growth, resilience, and sustainability. The development will enhance access to affordable housing, create additional employment opportunities, and potentially lower travel costs. Overall, this will positively impact the community's quality of life.

A range of service providers, including Western Power and Water Corporation, will participate in the project during both the initial planning phases and the later headworks and connection phases.

## Expected Financial Effect on the Shire

### Long-term Financial Projections

As part of the Shire's due diligence responsibilities, a comprehensive cost-benefit analysis and economic impact assessment has been conducted. A consultant (see Appendix 1) has executed the cost-benefit analysis using a two-stage methodology. It is crucial to emphasise that this development will no longer be a two-stage approach as initially planned. The findings of this report indicate that the economic and social advantages surpass the projected costs of the project. For each dollar invested in the project, benefits amounting to \$2.78 are generated. The present value of benefits, deducting the present value of costs, stands at \$4.6 million, signifying a net positive impact on both the community and the economy as a result of this project.

### Potential Liabilities

Indicative figures given from a prefab modular home builder have been in the vicinity of \$400,000-\$500,000 for a 3-bedroom, 2-bathroom transportable home. Whilst a 2-bedroom, 2-bathroom home has been in the vicinity of \$300,000-\$350,000. To enable the commencement of this project, it will be necessary to secure a loan for the construction of housing at this site. As a result, the Shire will bear the responsibility for repaying the loan in years ahead. For the initial stage of construction, the Shire plans to build 3 houses.

## Effect on Matters Referred to in the Shire's Strategic Community Plan and Corporate Business Plan

The Shire of West Arthur's Strategic Community Plan – Towards 2031 and Corporate Business Plan 2021-2025 detail objectives and strategies set by Council, based on input from the community, for the coming years.

### Corporate Business Plan 2021-2025

The Corporate Business Plan identified the following related outcomes and response:

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

- Housing – ensure teaching staff have access to quality accommodation through the provision of housing leased to Government Regional Officers Housing
- Investigate issues associated with housing and identify opportunities to provide additional housing or upgrade existing housing within the Darkan townsite where financially viable

Outcome 4.2 – Shire staff are well trained, motivated and customer focused

- Improve the quality of staff housing to assist to attract and retain staff

### Strategic Community Plan – Towards 2031

Additionally, the Community Plan – Towards 2031 has identified the following related outcomes and response:

#### Outcome 2.2 – A growing, diverse business community

- Promote the Shire to people outside the area as a fantastic place to live, work and visit
- Investigate opportunities for growth within the local economy

The objectives for land use planning outlined in the Shire's Local Planning Scheme No. 2 regarding residential land use stipulate that new developments are required to offer a variety of lifestyle options, with single residences being the primary housing type. This proposal meets these criteria through the development of standard dwellings (20 lots) and group dwellings (2 lots). A high-quality residential development should be inclusive, affordable, and well-connected to the town's services. The lots will be available for sale upon the completion of headworks and connections, thus facilitating the construction of housing. The lots are situated approximately 600 metres from the Darkan town centre.

## Ability of the Shire to Manage the Undertaking

Approval for the subdivision has been granted by the West Australian Planning Commission (WAPC) and is valid for a duration of 3 years, expiring on the 4th of July 2028. The WAPC is required to endorse the clearance of all conditions before it can issue its final approval. Shire staff are actively working to fulfill all subdivision conditions.

The Shire boasts a qualified and experienced team capable of overseeing the proposed subdivision. Essential individuals contributing to the project's success include the Shire's Chief Executive Officer, Projects Officer, and Manager Works & Services.

To address additional project components that exceed in-house expertise, the Shire will engage external consultants/contractors including Building Surveyors, Planning Consultant, Environmental Health Officers, all of whom possess high-level expertise.

## Public Consultation Process

Section 3.59 of the Local Government Act 1995 mandates that the Local Government publicise its intention to engage in any Major Land Transaction or Major Trading

Undertaking. This is to be done through State-wide advertising, seeking public submissions upon this intent.

Submissions collected during the six-week public consultation period must be considered by the Council before any decisions are made on this issue. All public submissions will be compiled into a report that will be presented to the Council as part of an Ordinary Council Meeting, where they will be formally reviewed.

### Submissions

Submissions can be made to the Shire by emailing [shire@westarthur.wa.gov.au](mailto:shire@westarthur.wa.gov.au) or by post to Shire of West Arthur, PO Box 112, Darkan WA 6392.

### Promotions and Advertising

The anticipated purchasers attracted to the development will comprise both existing and prospective residents. The lots for sale will be advertised through the following communication channels.

- Posters
- Newsletter (The Bleat)
- Facebook
- Council's website
- Real Estate Agents
- State public notice

### Recommendation

- Proposed resolution for Council to adopt the Business Plan (following public advertising period and consideration of submissions).

### Appendices



Appendix 1 Cost Benefit Analysis

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**BURROWES STREET  
RESIDENTIAL LAND  
SUB-DIVISION  
COST BENEFIT ANALYSIS**

Client: Shire of West Arthur  
Title: BURROW STREET RESIDENTIAL LAND  
SUB-DIVISION COST BENEFIT ANALYSIS  
Version: Draft B  
Date: Monday, 5 February 2024

[econisis.com.au](http://econisis.com.au)



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Prepared for:

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## VERSION CONTROL

VERSION	PURPOSE	AUTHOR	REVIEWER	APPROVER	APPROVAL DATE
DraftA	Draft for internal review	CT	MW	MW	01/02/2024
DraftB	Draft for client review	CT	MW	MW	02/02/2024

## APPROVAL FOR ISSUE

APPROVER	CONTACT	SIGNATURE	DATE
Mark Wallace PRINCIPAL	T: 0431 676 254 E: mark.wallace@econisis.com.au		Monday, 5 February 2024

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**EXECUTIVE SUMMARY****Introduction**

- This report evaluates a development plan to ease the housing shortage in the Shire of West Arthur. The plan subdivides an existing lot on Burrowes Street West in Darkan, creating 22 residential freehold lots. This report analyses the costs and benefits of this project to the West Arthur economy and community to assess the project's value for money.

**Project Profile**

- The Shire of West Arthur is a local government area in the Wheatbelt region of WA. It is approximately 200km south-east of Perth and covers an area of 2,834 square kilometres. The seat of government is in the township of Darkan, which is also the location of the proposed housing subdivision.
- The population of West Arthur LGA in 2022 was 797. The population has been slowly decreasing since peaking at 911 in 2002. WA Tomorrow forecasts predict that the population will continue to slowly decrease, with Band C predictions of a population of 745 at 2031.
- 2021 census data shows that West Arthur and Darkan have an older population than the rest of WA. Darkan has a median age of 52, compared to WA's median age of 38.
- The unemployment rate in West Arthur has stayed at approximately 2.5% since March 2020, which is the earliest available data. This is significantly lower than the WA unemployment rate which was 5.7% in March 2020 and fell to 3.5% in June 2023.
- The vast majority of employees in West Arthur work in the farming industry, followed by public administration and safety and education. Business registrations in West Arthur remained relatively constant, with 199 in 2022.
- In the 2022-23 financial year, West Arthur approved \$420,000 of non-residential buildings and \$19,500 of residential buildings. The entirety of the residential approvals were alterations or additions to existing buildings.
- Housing availability in regional and remote areas plays a critical role in supporting the attraction and retention of key workers. This supports the use of "worker productivity" values in monetising the opportunity cost associated with the non-delivery of the housing needed in subject communities. This reflects the fact that without the required housing, the economic and social activity associated with the accommodated workers will not be realised in the region. The average worker in the WA public sector has an annual productivity value of \$126,781.
- The plan for Lot 309 Burrowes Street West in Darkan is to subdivide the Lot into 22 residential broadacre freehold lots. This development will take place in two stages; with 10 lots being developed in the first stage and 12 lots in the second stage. In this cost benefit assessment, it has been assumed that Stage 1 will take place in 2025 and Stage 2 in 2026.

**Cost Benefit Analysis**

- A CBA is the most commonly used, and most comprehensive, of the economic evaluation techniques. Essentially, a CBA compares the monetised benefits and costs of a Project to evaluate the desirability of a Project.
- Econisis has identified numerous key benefits for consideration in the Benefit Statement and wider cost benefit analysis:
  - Construction Supply Chain Benefits
  - Direct Economic Contribution of New Key Worker Households

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- Household Expenditure Benefit
- Social Benefit of Housing Access
- Housing Market Normalisation
- Overall, the benefits of the project are approximately \$7.2m at the 7% discount rate. This ranges from \$5.5m at the 10% discount rate to \$9.7m at 4%.
- The largest expected benefit is the economic contribution of new key workers, accounting for \$5.54m at the 7% discount rate. Other benefits are the household expenditure-based economic impacts (\$0.8m), the social benefits of housing access (\$0.57m), housing market normalisation (\$0.18m) and construction supply chain benefits (\$0.14m).
- Comparing the present value of benefits to that of costs, Econisis estimates the project will yield a net present value of between \$6.9m over 20 years at the 4% discount rate and \$3.1m at the 10% discount rate.
- The benefit cost ratios ranged from 3.46 at the 4% discount rate to 2.25 at the 10% discount rate.

Table 1 Summary of Cost Benefit Analysis Results

Summary	4%	7%	10%
<b>Costs</b>	\$2.8	\$2.6	\$2.5
<b>Benefits</b>	\$9.7	\$7.2	\$5.5
<b>NPV</b>	<b>\$6.9</b>	<b>\$4.6</b>	<b>\$3.1</b>
<b>BCR</b>	<b>3.46</b>	<b>2.78</b>	<b>2.25</b>

- Three sensitivity tests of the program were undertaken. They found that the project's BCR will increase significantly with more key workers than the conservative 1 per household assumption and moderately if maintenance costs are 2% rather than 3% per annum. The program's BCR also remains above 2.0 even if the subdivided lots take 5 years to be taken up by households rather than the assumed 2 years.

## Economic Impact Assessment

- At the core of an Economic Impact Assessment is Input–Output (IO) tables. IO tables are part of the national accounts by the ABS and provide detailed information about the supply and use of products in the Australian economy, and the structure of and inter–relationships between Australian industries. Econisis has undertaken an Impact Assessment for the WA State economy, focused solely on Simple Multipliers.
- Econisis estimates that project will generate a total of \$3.1m in direct and indirect economic outputs, along with \$0.7m in incomes and contribute \$1.3m to the local economy, during the construction phase. This will support a total of 3.3 direct and indirect FTE construction jobs.

## Conclusion

- The project would provide a host of benefits to the region, with the project estimated to have a net present value between \$6.9m and \$3.1m. The main benefit is the significantly increased economic contributions of key workers. Current housing shortages are preventing key workers from moving into the area, and increasing housing supply would allow for these workers to enter the 4WDL workforce. These new workers would produce significant value added to the local economy, estimated to be between \$4.19m and \$7.52m.
- This evaluation finds that the sum of these economic and social benefits outweighs the estimated cost of the project. This is reflected in the high NPV and BCR values. At the standard 7% discount rate, the NPV of the project is \$4.6m and the BCR is 2.78. This means that for every dollar spent on the project, there are \$2.78 of benefits produced. The present value of

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the benefits less the present value of the costs is \$4.6m, representing a net positive value to the community and economy.



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## 1 INTRODUCTION

This section provides an overview of the background, purpose and scope of the report.

### 1.1 Background and Context

The Wheatbelt Development Commission (WDC), in partnership with the 4WDL Shires, engaged JE Planning Services and Econisis to analyse key worker housing needs and challenges and highlight opportunities to stimulate housing development and investment in the 4WDL region.

Key worker housing supply and affordability challenges are increasingly common across regional areas in Australia, impacting the ability to attract and retain key workers. The combination of small labour markets, flat and declining populations, comparatively low median housing market prices, and development feasibility issues require coordinated government intervention.

The Key Worker Housing Analysis (KWA) for the 4WDL region presented evidence to confirm the extent of the housing shortage in the Shires of Williams, Wagin, West Arthur, Woodanilling, Lake Grace and Dumbleyung. The KWA included a Regional Housing Economic Analysis that identified and tested the key feasibility of local government-led housing delivery, ownership and management models across Australia.

Aggregating data across local government areas in stalled regional markets aimed to create sufficient scale for commercially feasible housing development, together with government investment intervention to fund the 'failed market' gap. The KWA established the scale of demand for purpose-built and appropriate key worker housing, revealing a lack of accommodation to support lone, small and aged households. The expansive land area of the 4WDL region, combined with the comparatively small size of many communities, impacts the viability (and interest) of private housing construction and supply.

This report evaluates a project within the 4WDL region for the Shire of West Arthur. The project is a development plan to ease the housing shortage by creating 22 residential freehold lots by subdividing an existing lot on Burrowes Street West in Darkan. This report specifically analyses the costs and benefits of this project to the West Arthur economy and community to assess the project's value for money.

### 1.2 Report Purpose and Structure

Econisis was engaged to prepare a WA compliant Cost Benefit Analysis and Economic Impact Assessment.

This report is comprised of the following key sections:

- **Introduction** - This section provides an overview of the report, its purpose and structure.
- **Project Context and Profile** – This section gives an overview of the general profile of the Shire, key economic indicators, and overview of the Project.
- **Cost Benefit Analysis** - This section provides the methodology, assumptions, and summary of the results of the CBA.
- **Economic Impact Assessment** - This section provides a summary of the economic impact assessment methodology, assumptions and results, for the Project.
- **Conclusions and Findings** – This section summarises the findings and outcomes of the analysis.

### 1.3 Statistical Geography

The statistical geography used in this report is the LGA of West Arthur.

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Figure 1 Map of West Arthur LGA

1.4 Glossary and Abbreviations

The following table outlines key terms and abbreviations used throughout this report.

Table 2 Table of Key Terms and Abbreviations

Term/Abbreviation	Definition
\$m	Millions of dollars
ABS	Australian Bureau of Statistics
ATAP	Australian Transport Assessment and Planning
BCR	Benefit Cost Ratio
CBA	Cost Benefit Analysis
EIA	Economic Impact Assessment
EOI	Expression of Interest
FTE	Full Time Equivalent
GRP	Growing Regions Program
GVA	Gross Value Added
LGA	Local Government Area
NPV	Net Present Value
WA	Western Australia



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## 2 PROJECT PROFILE

This section gives an overview of the context of the Project, including a profile of the Shire, key economic indicators and details of the elements of the Plan.

### 2.1 About West Arthur

The Shire of West Arthur is a local government area in the Wheatbelt region of WA. It is approximately 200km south-east of Perth and covers an area of 2,834 square kilometres. The seat of government is in the township of Darkan, which is also the location of the proposed housing subdivision. The Shire's economy is largely dominated by the wool and sheep industries, as well as timber, grain, forestry, beef, pigs, cattle hide tanning, engineering and earthmoving.

West Arthur was first settled by Europeans in the 1850s when the main Perth to Albany road was built by convict labour.<sup>1</sup> The first settlements were between the Arthur and Beaufort Rivers. Pastoralists settled in the area, being granted grazing licences as early as 1854. The township became a bustling centre with a police barracks and gaol built in 1866, the Mount Pleasant Inn in 1855, a post office, a blacksmith, a doctor, and a trading post.

The opening of the Great Southern Railway in 1899 diverted trade away from West Arthur, but the area was rejuvenated by connecting railways lines to Collie. The township of Darkan was established in 1907 and became a busy central town centre.

### 2.2 Economic Indicators

#### 2.2.1 Population Estimates and Projections

The population of West Arthur LGA in 2022 was 797<sup>2</sup>. The population has been slowly decreasing since peaking at 911 in 2002. WA Tomorrow forecasts predict that the population will continue to slowly decrease, with Band C predictions of a population of 745 at 2031<sup>3</sup>.

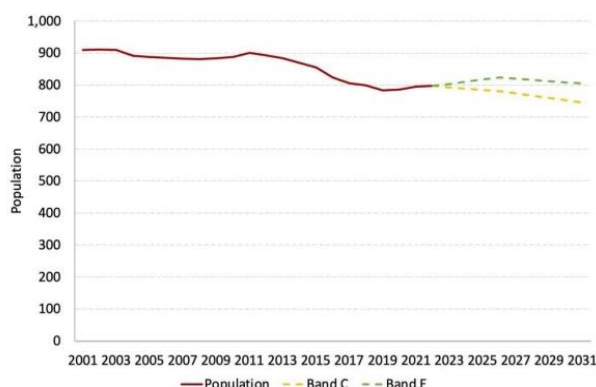


Figure 2 Historical and Projected Population, West Arthur LGA, 2001 to 2031

<sup>1</sup> Shire of West Arthur (2024) History. Accessed at <https://www.westarthur.wa.gov.au/about/history.aspx>

<sup>2</sup> <https://www.abs.gov.au/statistics/people/population/regional-population/latest-release#data-downloads>

<sup>3</sup> <https://www.wa.gov.au/government/document-collections/western-australia-tomorrow-population-forecasts>

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2.2.2 Census Profile

2021 census data shows that West Arthur and Darkan have an older population than the rest of WA. Darkan has a median age of 52, compared to WA's median age of 38<sup>4</sup>.

**Table 3 Census Socioeconomic Profile, 2021, West Arthur LGA, Darkan, Outer Regional Aus (WA) and WA**

Indicators	West Arthur LGA	Darkan	Outer Regional Aus (WA)	Western Australia
<b>Headline</b>				
Population	773	194	184,237	2,660,026
Median Age	50	52	43	38
Average Household Size	2.2	1.8	2.4	2.5
Share of Population 0-14 (%)	17.1%	22.2%	18.6%	19.0%
Share of Population 65+ (%)	23.4%	22.7%	20.2%	16.1%
Born in Australia	76.6%	58.8%	73.0%	62.0%
<b>Share of People Attending Educational Institutions</b>				
Pre-School	5	0	2,870	45,452
Primary	57	11	14,304	222,555
Primary - Government	23.3%	11.6%	18.5%	19.3%
Primary - Catholic	1.9%	0.0%	4.8%	4.5%
Primary - other non-Government	0.0%	0.0%	3.1%	3.6%
Secondary	30	3	11,528	175,841
Secondary - Government	12.9%	4.3%	14.0%	12.7%
Secondary - Catholic	1.9%	0.0%	4.2%	4.5%
Secondary - other non-Government	0.0%	0.0%	3.1%	4.6%
Tertiary	15	3	6,547	172,239
Tertiary - Vocational education (including TAFE and private training providers)	4.3%	5.8%	7.3%	7.4%
Tertiary - University of other higher education	4.8%	0.0%	4.8%	13.9%
<b>Weekly Incomes</b>				
Personal	\$804	\$638	\$767	\$848
Family	\$1,708	\$1,312	\$1,939	\$2,214
Household	\$1,325	\$966	\$1,475	\$1,815
<b>Share of Household</b>				
Couple family without children	37.1%	30.9%	31.4%	28.0%
Couple family with children	24.1%	8.6%	25.9%	32.0%
One parent family	5.9%	0.0%	10.0%	11.0%
Other family	1.6%	0.0%	0.9%	1.0%
Lone Person Households	29.1%	46.8%	29.2%	25.0%
Group Households	2.7%	3.9%	2.6%	3.0%

<sup>4</sup> <https://abs.gov.au/census/find-census-data/quickstats/2021/LGA58890>

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Indicators	West Arthur LGA	Dark an	Outer Regional Aus (WA)	Western Australia
<b>Dwelling Occupancy</b>				
Occupied	88.0%	73.3%	81.2%	89.1%
Unoccupied	12.3%	23.8%	18.8%	10.9%
<b>Dwelling Type</b>				
Separate house	97.3%	91.9%	89.5%	79.7%
Semi-detached, row or terrace house, townhouse etc	2.0%	8.1%	8.0%	13.0%
Flat or apartment	0.0%	0.0%	0.9%	6.5%
Other dwelling	0.0%	0.0%	1.2%	0.6%
<b>Tenure</b>				
Owned outright	51.9%	41.9%	36.0%	29.2%
Owned with a mortgage	18.4%	21.6%	32.1%	40.0%
Rented	16.0%	27.0%	26.7%	27.3%
Other tenure type	11.3%	5.4%	3.2%	2.1%
Tenure type not stated	3.4%	0.0%	2.0%	1.4%

## 2.2.3 Unemployment

The unemployment rate in West Arthur has stayed at approximately 2.5% since March 2020, which is the earliest available data<sup>5</sup>. This is significantly lower than the WA unemployment rate which was 5.7% in March 2020 and fell to 3.5% in June 2023<sup>6</sup>.

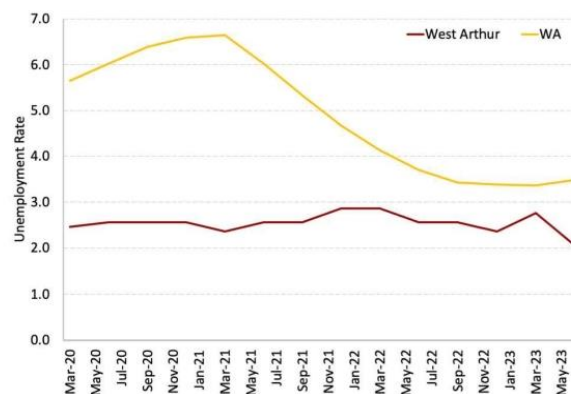


Figure 3 Unemployment Rate, West Arthur and WA, March 2020 to June 2023

<sup>5</sup> <https://www.jobsandskills.gov.au/work/small-area-labour-markets>

<sup>6</sup> <https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-australia-detailed/latest-release>

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2.2.4 Employment

The vast majority of employees in West Arthur work in the farming industry, followed by public administration and safety and education.

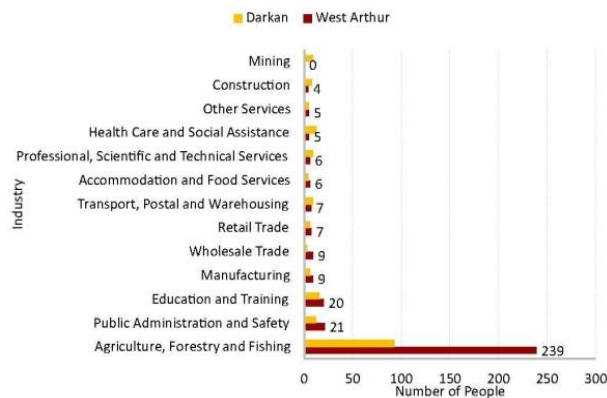


Figure 4 Industries by Employee Numbers, West Arthur and Darkan, 2021

The most common occupation in West Arthur is managers, followed by labourers, technicians and trade workers<sup>7</sup>. Almost all of these workers are in the Agriculture, Forestry and Fishing industry, indicating that the majority of West Arthur's economy is farming businesses.

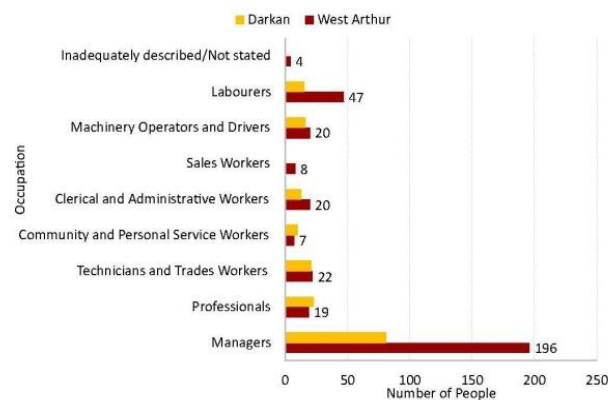


Figure 5 Occupations in West Arthur, 2021

<sup>7</sup> <https://abs.gov.au/census/find-census-data/community-profiles/2021/LGA58890>

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2.2.5 Business Registrations

Business registrations in West Arthur remained relatively constant, with 199 in 2022<sup>8</sup>.

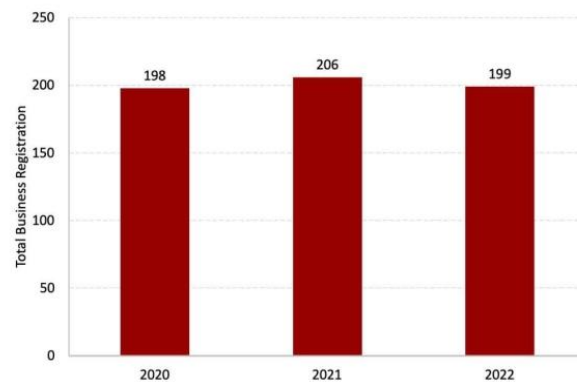


Figure 6 Business Registrations for West Arthur LGA, 2020 to 2022

West Arthur's economy is dominated by farming, with 138 businesses in the Agriculture, Forestry and Fishing industry. The other industries with the most businesses are the Rental, Hiring and Real Estate services, Retail Trade and Transport, Postal and Warehousing.

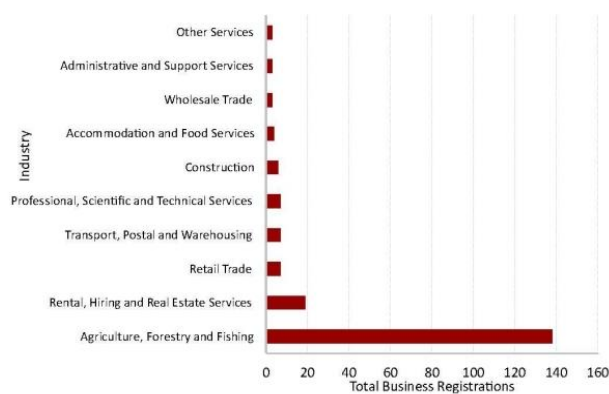


Figure 7 Business Registrations by Industry, West Arthur, 2022

<sup>8</sup> <https://www.abs.gov.au/statistics/economy/business-indicators/counts-australian-businesses-including-entries-and-exits/latest-release>

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## 2.2.6 Future Development

As part of the Regional Development Assistance Program, there are two lots for light industrial land available in Darkan. The two lots are located close to the town centre on Growden Place and are on sale for being market price at \$46,500 each<sup>9</sup>.

West Arthur has acquired funding under the Local Roads and Community Infrastructure (LRCI) Program for a number of projects<sup>10</sup>.

Table 4 Projects in West Arthur Receiving Funding from the LRCI

Project	Details	LRCI Round 1
Bowelling Duranillin, Darkan South, Moodiarrup-Changerrup roads - Centre line	Centre white line (Bowelling Dura - 36km; Moodiarrup Changerrup - 10km; Darkan South 10km).	40,000
Bunce King Road Bridge - Repairs	Project Modified due to weather constraints	35,000
Growden Place - Road Upgrades	Reseal and drainage. Material component only. Shire to cover labour and plant.	30,150
Lake Towerrinning Reseal entrance road and car parks	Reseal	25,000
Darkan Swimming Pool Shade structure	Replace shade covering on pool shade structure	4,500
Lake boat ramp	Install cement matting at the end of the boat ramp to prevent sand blow out.	6,000
Lake Towerrinning Jetties	Major refurbishment works to one jetty and minor repairs to the other. Cost could be more. Possibly recreation reserve to partially fund.	110,000
Arthur River Hall Kitchen	Install a new kitchen in the old section of Arthur River Hall	14,000
Health and Resource Centre - Kitchen modifications	Modifications to kitchen in Health and Resource Centre to enable registration for food premises for catering	2,500
Darkan Sports Ground Seating	6 bench seats, 4 picnic tables.	8,800
Darkan Town Hall - kitchen	Additional fixtures and fittings for senior meals (oven, replace sink with something higher)	3,500
Moodiarrup Hall - Ceiling	Replace ceiling in supper room and kitchen	12,000
Darkan Railway Reserve Pump track	Construct new pump track	32,000
Darkan Caravan Park - Refurbishment Nissen Hut	Preservation and basic upgrade to allow use by visiting groups and cultural purposes	16,744
Darkan Sports Ground - Fountain	Water fountain plumbed at footy oval	4,000
Moodiarrup Complex - Ceiling	50% of cost to replace ceiling. Balance to be covered by Moodiarrup Complex. Saves Shire funding from renewal reserve. Total estimated cost	6,000

<sup>9</sup> <https://developmentwa.com.au/projects/industrial-and-commercial/darkan-ia/land-for-sale>

<sup>10</sup> <https://www.westarthur.wa.gov.au/your-community/local-road-community-infrastructure-program-updates.aspx>

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	\$ 12000 plus air conditioner ducting of up to \$1500.	
Lake playground	Play structure, Retaining and fencing	16,500

### 2.3 West Arthur Housing Market

88% of dwellings in West Arthur are occupied and 73.3% in Darkan. The vast majority of dwellings in both localities are separate houses, with a small number of semi-detached/townhouses (2% in West Arthur and 8.1% in Darkan).

Table 5 Dwelling Type and Occupancy Rates, West Arthur LGA and Darkan, 2021 Census

Census Indicators	West Arthur LGA	Darkan
<b>Dwelling Occupancy</b>		
Occupied	88.0%	73.3%
Unoccupied	12.3%	23.8%
<b>Dwelling Type</b>		
Separate house	97.3%	91.9%
Semi-detached, row or terrace house, townhouse etc	2.0%	8.1%
Flat or apartment	0.0%	0.0%
Other dwelling	0.0%	0.0%

In West Arthur, the composition of dwellings is mostly separate houses. In 2016, there were 326 occupied houses which fell to 285 in 2021. This could mean the houses were vacated or demolished.

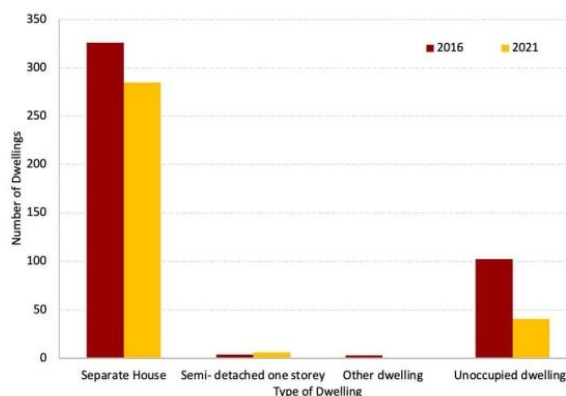


Figure 8 Types of Dwellings, West Arthur, 2016 and 2021

In Darkan, the figures are almost identical, with vast majority of dwellings being separate houses and a small number of semi-detached one-storey homes.



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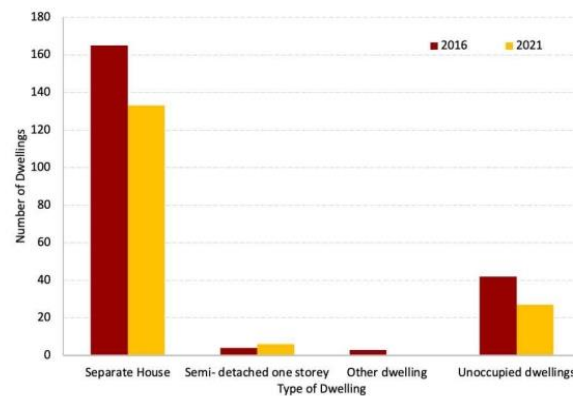


Figure 9 Types of Dwellings, Darkan, 2016 and 2021

Of West Arthur's separate houses, the types of households are mainly couples with and without children and lone person households.

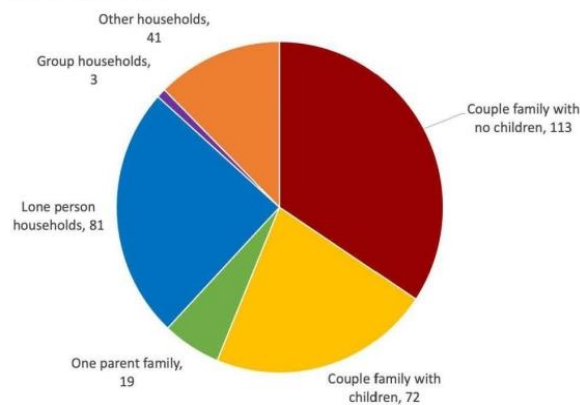


Figure 10 Household Composition of Separate Houses, West Arthur, 2021

There is limited information about housing sales in Darkan. The available data states that sales growth has reduced by 23.3%, the median sales price is \$165,000 and the average time on market is 23 days<sup>11</sup>.

<sup>11</sup> <https://reiwa.com.au/suburb/darkan/>



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2.3.1 Building Approvals

In the 2022-23 financial year, West Arthur approved \$420,000 of non-residential buildings and \$19,500 of residential buildings<sup>12</sup>. The entirety of the residential approvals were alterations or additions to existing buildings.

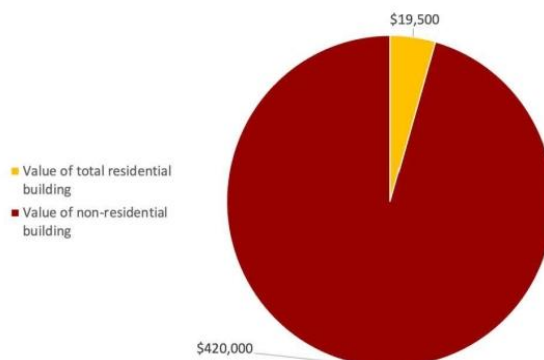


Figure 11 Building Approvals, West Arthur, 2022-23

In the June quarter 2023, there were only non-residential subdivision applications to WAPC for West Arthur. Of these, 3 had been lodged by a developer, 5 were being assessed by WAPC, 2 were conditionally approved and 2 had final approval.<sup>13</sup>

## 2.4 Role of Housing in Key Worker Attraction and Retention

Housing availability in regional and remote areas plays a critical role in supporting the attraction and retention of key workers. This supports the use of "worker productivity" values in monetising the opportunity cost associated with the non-delivery of the housing needed in subject communities. This reflects the fact that without the required housing, the economic and social activity associated with the accommodated workers will not be realised in the region.

### 2.4.1 What is Worker Productivity?

Worker productivity is the Gross Value Added per Worker in an economy. Gross Value Added is the value of all value adding activity in the economy and accounts for the vast majority of Gross Product (Regional, State or Domestic).

By dividing GVA by the number of workers in an economy, the relative productivity of an individual worker can be estimated. This same approach can be adopted for individual industries using Industry Value Added and the workers within that industry. This approach provides greater level of detail, recognising the different levels of economic productivity associated with different industries.

Using REMPLAN data for Western Australia, Econisis has provided the following worker productivity estimates by industry and for the economy as a whole.

<sup>12</sup> <https://www.abs.gov.au/statistics/industry/building-and-construction/building-approvals-australia/latest-release#data-downloads>

<sup>13</sup> <https://www.wa.gov.au/government/document-collections/planning-and-development-statistics>

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Table 6 Worker Productivity, Western Australia, 2021<sup>14</sup>

Industry sector	GVA	Workers	Worker Productivity
Accommodation & Food Services	\$4,799,749,445	89,363	\$53,711
Administrative & Support Services	\$5,350,859,121	42,251	\$126,645
Agriculture, Forestry & Fishing	\$4,904,099,902	31,176	\$157,304
Arts & Recreation Services	\$2,024,573,626	22,117	\$91,539
Construction	\$22,692,770,872	121,303	\$187,075
Education & Training	\$13,871,962,665	119,759	\$115,832
Electricity, Gas, Water & Waste Services	\$7,153,527,101	15,908	\$449,681
Financial & Insurance Services	\$12,681,254,944	29,233	\$433,799
Health Care & Social Assistance	\$19,958,837,715	186,114	\$107,240
Information Media & Telecommunications	\$3,131,017,914	10,442	\$299,848
Manufacturing	\$12,788,822,016	72,002	\$177,618
Mining	\$144,061,817,298	105,960	\$1,359,587
Other Services	\$4,349,487,922	52,983	\$82,092
Professional, Scientific & Technical Services	\$15,185,953,841	94,061	\$161,448
Public Administration & Safety	\$15,205,184,273	80,903	\$187,943
Rental, Hiring & Real Estate Services	\$30,614,580,989	19,497	\$1,570,220
Retail Trade	\$9,806,432,828	119,926	\$81,771
Transport, Postal & Warehousing	\$11,343,321,158	62,352	\$181,924
Wholesale Trade	\$7,237,711,213	33,449	\$216,380
<b>Average</b>	<b>\$347,161,964,844</b>	<b>1,308,799</b>	<b>\$265,252</b>
<b>Average Net Real Estate and Mining</b>	<b>\$193,293,714,718</b>	<b>1,082,913</b>	<b>\$178,494</b>
<b>Education, Health, Public Admin/Safety Only Average</b>	<b>\$49,035,984,652</b>	<b>386,776</b>	<b>\$126,781</b>

Overall the average worker in WA produces \$265,252 worth of value added each year.

However, this figure is inflated by a small number of high value adding sectors, namely Mining and Rental, Hiring and Real Estate Services. Removing these and the worker productivity value falls to \$178,494 per worker.

Additionally, this estimate continues to include a combination of both public and private sector industries. To get a proxy of public sector, the average worker productivity values of Education and Training, Health Care and Social Assistance and Public Administration and Safety industries can be taken. This reduces the worker productivity value to \$126,781.

These values are for Western Australia as a whole to reflect the data available from sources such as REMPLAN and the ABS.

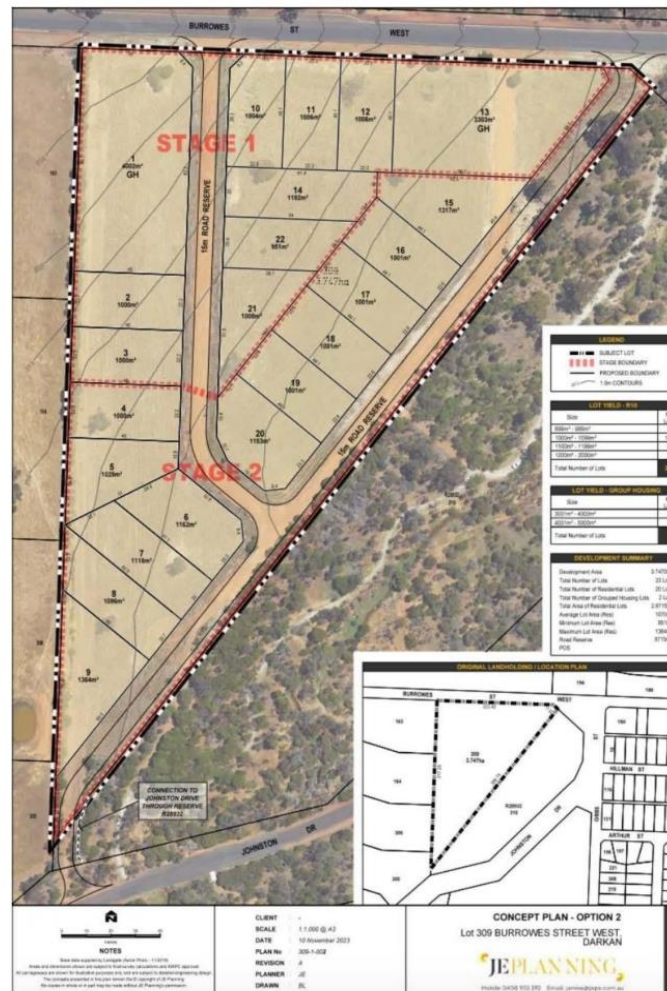
## 2.5 Summary of Plan

The plan for Lot 309 Burrowes Street West in Darkan is to subdivide the Lot into 22 residential broadacre freehold lots. This development will take place in two stages; with 10 lots being developed in the first stage and 12 lots in the second stage. In this cost benefit assessment, it has been assumed that Stage 1 will take place in 2025 and Stage 2 in 2026.

<sup>14</sup> REMPLAN (2023) Economic and Employment, Western Australia accessed at <https://app.rempian.com.au/eda-westernaustralia/economy/industries/employment?state=Gv2szleixMC6yQN u3wVNqteKmG0SDHdFP7nrl2js3pOpNfP7yhRfBIGG2qINAZ>

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**Figure 12 Development Layout and Proposed Staging**

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### 3 COST BENEFIT ANALYSIS

This section outlines the CBA methodology utilised, assumptions, benefits assessed and results of the CBA.

#### 3.1 Methodology

A CBA is the most commonly used, and most comprehensive, of the economic evaluation techniques. Essentially, a CBA compares the monetised benefits and costs of a Project to evaluate the desirability of a Project. A CBA provides little value if it is conducted without a base case in which to compare options. For this report, the Concept Scenarios are therefore analysed based on only the incremental, or additional, benefits and costs with respect to a base case. This approach is the most appropriate to assess the net economic benefits that accrue from the two development options.

The CBA steps include:

- Identify the quantifiable benefits that can be monetised;  
Calculate the value (in monetary terms) of the quantified incremental benefits and capital costs in net present value (NPV) terms using the discount rates;
- Calculate the benefit cost ratio (BCR) – the total present value of all net benefits compared to the present value of capital costs to determine the ratio to which incremental net benefits exceed (or undershoot) incremental costs related with the upgrade; and
- Undertake a sensitivity assessment.

##### 3.1.1 Discount Rates

Discounting is the reverse of adding (or compounding) interest. It reduces the monetary value of future costs and benefits back to a common time dimension – the base date. Discounting satisfies the view that people prefer immediate benefits over future benefits (social time preference), and it also enables the opportunity cost to be reflected (opportunity cost of capital). Recognising the potential for multiple audiences for the business cases, real discount rates of 4, 7 and 10% have been applied. This complies with recommendations set by the Office of Impact Analysis (OIA) at the Federal Government level and WA Treasury Project Evaluation Guideline and Standard Business Case template.

Modelling of quantifiable benefits and costs are developed over a 20-year timeframe (post construction phase).

##### 3.1.2 Cost of Capital Approach

The cost benefit assessment undertaken in this report represents a “cost of capital” assessment. This approach focuses primarily on the up-front capital costs of the Project with reduced consideration of ongoing operational costs (beyond whole of lifecycle maintenance cost impacts).

The reason for this approach is twofold:

- Firstly, it reflects the stage of the Project design and concept that the Cost Benefit Assessment is testing – early-stage concepts typically have a capital cost estimate but may not have detailed cash flow or maintenance cost estimates. As such, the “cost of capital” approach does not consider ongoing cashflow consideration which includes discounting any financial revenues that could be secured by the Project to offset unknown operational costs;
- Secondly, this economic business case specifically seeks to develop or address the validity of potential capital investment in the Project. As such, evidence is required, through the CBA, of the potential return on investment (in the form of economic and social benefits) to inform this capital decision.



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## 3.1.3 Comparison with the Base Case

For these assessments, Econisis has undertaken a cost benefit assessment of the net additional benefits and costs above and beyond the base case for the Project. NPVs and BCRs generated as part of the Cost Benefit Analysis are reflective of the net increase in economic and social benefits beyond the status quo in each location and for the Project.

## 3.2 Assumptions

Econisis has made the following general assumptions applicable across the Project.

Table 7 Key Assumptions

Assumption	Details
Annual Maintenance Cost	3% of the capital costs
Supply Chain Multiplier	7.1% <sup>15</sup>
Average Worker Productivity WA, Education, Health, Public Admin/Safety Industries Only	\$126,781 <sup>16</sup>
Number of Key Workers per Household	1
Attribution Rate of Productivity to Land Development	25%
Average Household Yearly Expenditure	\$33,000 <sup>17</sup>
GVA to Expenditure Conversion Rate	50%
Enhanced Labour Market Productivity per Household	\$3,770 <sup>18</sup>
Health Cost Savings per Household	\$2,832 <sup>19</sup>
Reduced Domestic Violence per Household	\$2,462 <sup>20</sup>
Enhanced Human Capital per Household	\$1,838 <sup>21</sup>
Reduced Costs of Crime per Household	\$84 <sup>22</sup>
Education Benefits per Household	\$168 <sup>23</sup>
Annual Value of Normalisation of Housing Market	1% of capital cost
Attribution Rate of Normalisation to Land Development	50%

## 3.3 Benefits Statement

The following table provides a statement of the benefits assessed as part of this cost benefit analysis. It includes a list of the benefit, their description and method of calculation.

Table 8 Benefits Statement

Benefit	Theme/Description	Method of Calculation
Construction Supply Chain Benefits	Benefits to the WA and regional construction industry of the non-residential capital investment.	The first round GVA economic multiplier of the capital expenditure of the project of 7.1%. This is based on a WA specific regionalised input/output transaction table. This was applied to the capital expenditure of the program of \$2,069,040.

<sup>15</sup> Based on WA specific regionalised input/output table of non-residential capital expenditure.

<sup>16</sup> REMPLAN (2021) Economic and Employment, Western Australia accessed at <https://app.rempian.com.au/eda-westernaustralia/economy/industries/employment?state=Gv2szleXMC6yQN u3wVNqteKmG0SDHdfP7nrl2js3pOpNfp7yhRfBfGG2qINAZ>

<sup>17</sup> Market Info 2022 (Market Data Systems)

<sup>18</sup> SGS Economics and Planning (2022) Give Me Shelter. Accessed at [https://sgsep.com.au/assets/main/SGS-Economics-and-Planning\\_Give-Me-Shelter.pdf](https://sgsep.com.au/assets/main/SGS-Economics-and-Planning_Give-Me-Shelter.pdf)

<sup>19</sup> See above.

<sup>20</sup> See above.

<sup>21</sup> See above.

<sup>22</sup> See above.

<sup>23</sup> See above.

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Benefit	Theme/Description	Method of Calculation
<b>Direct Economic Contribution of New Key Worker Households</b>	The key workers moving into the houses will be able to be work in the region. This benefit measures their productivity by working in the local economy.	The relative productivity of an individual worker was calculated by dividing the GVA of the Education, Health and Public Safety/Admin industries in WA by the number of workers in these industries. This was multiplied by the 22 dwellings, assuming that there would be occupants in 50% of the homes in the first year after construction and the other 50% in the second year.  It was assumed that there will be 1 key worker per household. An attribution rate of 25% was applied to account for other factors contributing to a worker's productivity e.g. the company they work for.
<b>Household Expenditure Benefit</b>	The contribution to the local economy of the new households spending at local businesses.	An average household's retail related expenditure is \$33,000 per year <sup>24</sup> . This was applied to the 22 new households from the year of assumed occupancy and a GVA to expenditure conversion rate of 50% was applied. An attribution rate of 25% was applied to account for the role of land development in contributing to this.
<b>Social Benefit of Housing Access</b>	The social benefits of housing access include enhanced labour market productivity, health cost savings, reduced domestic violence, enhanced human capital, reduced costs of crime, and education benefits.	These social benefits were quantified and collated by SGS Economics in their 2022 'Give Me Shelter' report. The combined total of these benefits per household is \$11,914 <sup>25</sup> . This was applied to the 22 new households from the year of assumed occupancy. An attribution rate of 25% was applied to account for the role of land development in contributing to this.
<b>Housing Market Normalisation</b>	Benefit relating to housing market normalisation due to no functioning housing market currently.	The construction cost of the homes was multiplied by 1% each year from the year of assumed occupancy.

The assumptions and calculation methods for the CBA are regarded as conservative and highly defensible.

### 3.4 CBA Results

This section provides an overview of the present value and composition of costs and benefits for the Project. It includes an outline of the Benefit Cost Ratios and Net Present Value results for each Project.

#### 3.4.1 Capital and Maintenance Costs

The provided costs were split into categories. Econisis has assumed that the Local Government Statutory Fees and Charges, Water Corporation Fees and Charges, and the Professional Services Fees will all be incurred in 2025, the first year of the project. These costs amount to \$263,160. Given the information that 10 lots will be developed in Stage 1 in 2025 and 12 in Stage 2 in 2026, the remaining Infrastructure Works costs are proportionately split between 2025 and 2026. This results in costs for 2025 being \$1,091,160 and for 2026 being \$977,880.

The evaluation estimates the present value of costs to range from \$2.5m at the 10% discount rate to \$2.8m at the 4% discount rate. The majority of this is the capital cost, with the remainder an annual maintenance cost of 3%.

<sup>24</sup> Market Info 2022 (Market Data Systems)

<sup>25</sup> SGS Economics and Planning (2022) Give Me Shelter. Accessed at [https://sgsep.com.au/assets/main/SGS-Economics-and-Planning\\_Give-Me-Shelter.pdf](https://sgsep.com.au/assets/main/SGS-Economics-and-Planning_Give-Me-Shelter.pdf)

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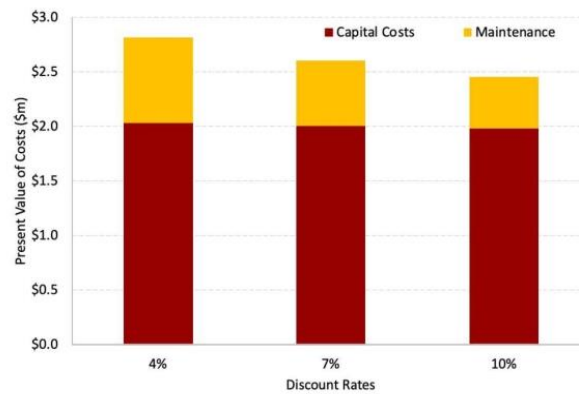


Figure 13 Present Value of Costs by Discount Rate

#### 3.4.2 Value of Benefits

Overall, the benefits of the project are approximately \$7.2m at the 7% discount rate. This ranges from \$5.5m at the 10% discount rate to \$9.7m at 4%.

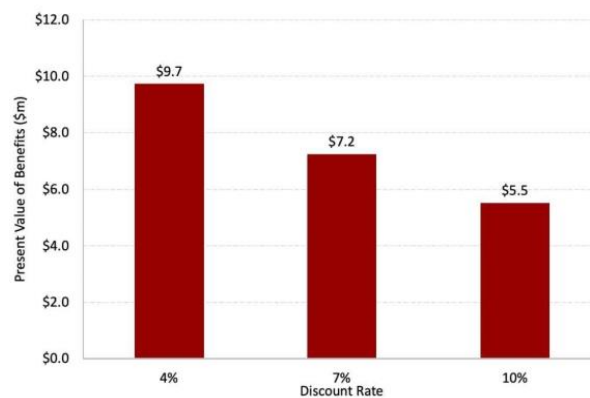


Figure 14 Present Value of Benefits by Discount Rate

The largest expected benefit is the economic contribution of new key workers, accounting for \$5.54m at the 7% discount rate. This is to be expected, as the purpose of the housing is to introduce new key workers into the West Arthur economy. Other benefits are the household expenditure-based economic impacts (\$0.8m), the social benefits of housing access (\$0.57m), housing market normalisation (\$0.18m) and construction supply chain benefits (\$0.14m).

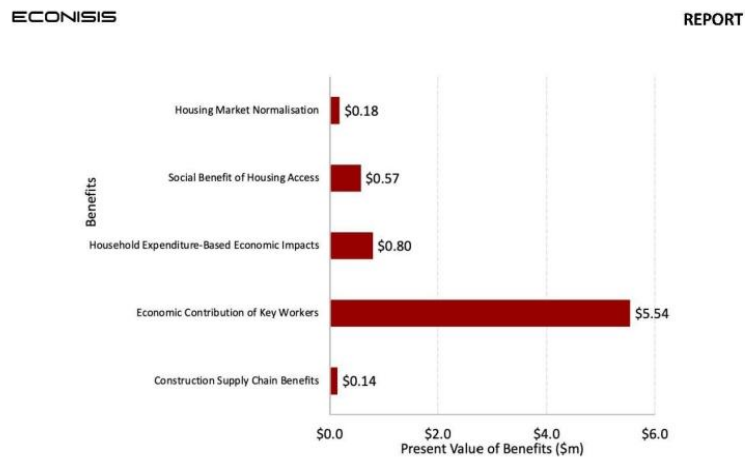


Figure 15 Present Value of Benefits (\$m) at the 7% Discount Rate

Each benefit can be categorised as either social or economic. 90% of the benefits of this project are economic and 10% are social. This is due to the significant value of key worker contribution benefits to the local economy.

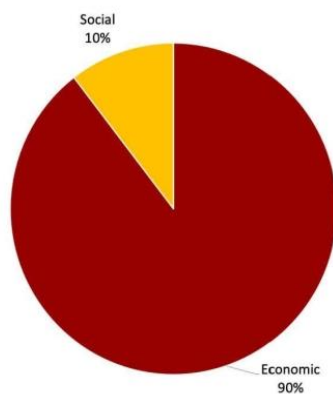


Figure 16 Composition of Benefits at the 7% Discount Rate

### 3.4.3 Results

Comparing the present value of benefits to that of costs, Econisis estimates the project will yield a net present value of between \$6.9m over 20 years at the 4% discount rate and \$3.1m at the 10% discount rate. All net present value estimates are above \$0, meaning that the present value of the benefits is greater than that of the costs across all discount rates.



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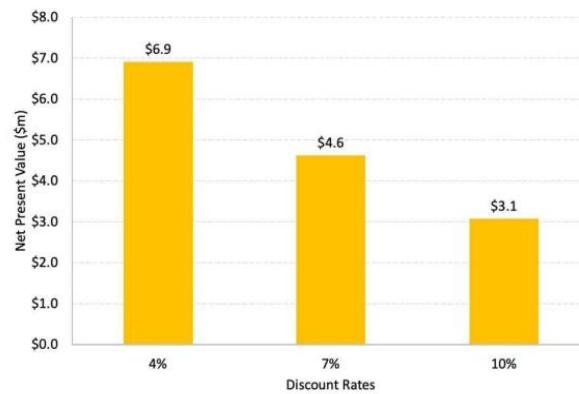


Figure 17 Net Present Value by Discount Rate

The benefit cost ratios ranged from 3.46 at the 4% discount rate to 2.25 at the 10% discount rate. Any BCR above 1.0 is regarded as positive, with BCRs at or approaching 3.0 particularly positive. This reflects the fact that benefits that accrue in the future have a higher degree of uncertainty, and while this is addressed to an extent by the discount rates, a higher BCR provides the project a greater “buffer” that it will indeed yield benefits greater than the costs. In this instance, the predominantly economic nature of the assets means that the 7% discount rate is most relevant. This yields a BCR of 2.78, meaning that for every \$1 of costs the project yields \$2.78 of benefits.

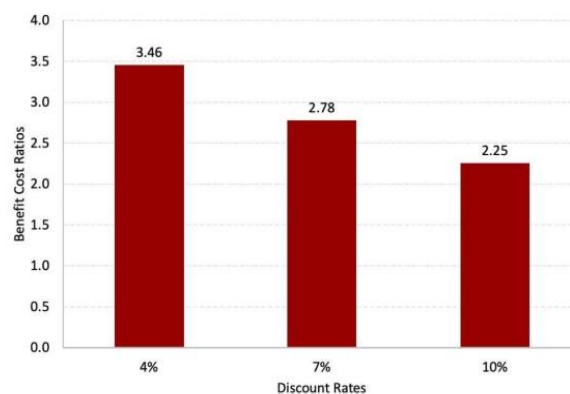


Figure 18 Benefit Cost Ratio by Discount Rate

The below table summarises the results of the cost benefit analysis.

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Table 9 Summary of Cost Benefit Analysis Results

Summary	4%	7%	10%
Costs	\$2.8	\$2.6	\$2.5
Benefits	\$9.7	\$7.2	\$5.5
NPV	\$6.9	\$4.6	\$3.1
BCR	3.46	2.78	2.25

3.4.4 Sensitivity Tests

Three sensitivity tests of the program were undertaken which examined:

- Test 1 – Increase key workers per household from 1 to 1.25
- Test 2 – Lower maintenance costs to 2% per annum
- Test 3 – Take up of lots takes 5 years instead of 2 years

The results of the BCRs for the main scenario and the three Sensitivity Tests are outlined below.

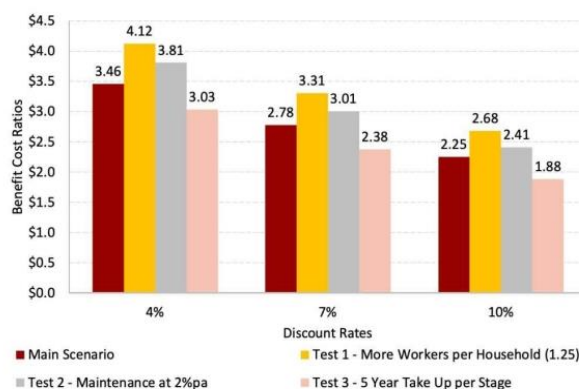


Figure 19 BCRs by Scenario/Sensitivity Test

Test 1 resulted in a higher BCR of 3.31 at the 7% discount rate. This shows that if more than 1 key worker lives in each of the new lots, the benefit of the project would be significantly increased. The assumption of 1 key worker per lot is conservative and it is likely that it would be higher.

Test 2 resulted in a moderately higher BCR of 3.01 at the 7% discount rate. This reflects that a lower maintenance cost of 2% of capital cost per year rather than 3% would have a moderate effect on increasing the BCR. The 3% estimate of maintenance costs was chosen to ensure cost estimates remain conservative.

Test 3 lowers the BCR to 2.38 at the 7% discount rate. This scenario is where instead of all of the lots becoming occupied over a two-year period, it instead takes five years. This is quite a large change however the effect on the BCR is only moderate, still remaining well above 2.0. Therefore, if the demand for the lots is smaller than expected and it takes several years to sell them all, the benefits of the project to the economy will still be large.

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## 4 ECONOMIC IMPACT ASSESSMENT

This section provides a summary of the economic impact assessment methodology, assumptions and results, for the Project.

### 4.1 Methodology and Approach

At the core of an Economic Impact Assessment is Input–Output (IO) tables. IO tables are part of the national accounts by the ABS and provide detailed information about the supply and use of products in the Australian economy, and the structure of and inter–relationships between Australian industries.

IO tables are converted, through statistical analysis, into a series of Economic Multipliers. These Multipliers represent the relationship between the direct activity (expenditure or production) associated with a Project and the wider economy.

The results of an EIA are generally presented as both direct effects, that is effects from the direct activity of the Project or event, and indirect effects, which are additional effects from further rounds of spending in the supply chain. A third or consumption effect, resulting from rounds of consumer spending generated by the additional income in the region can also be calculated.

There are two broad levels of Multipliers that can be utilised for Impact Assessments:

1. **Simple Multipliers** – including the Direct or Initial Effect, First Round and Industry Supply Chain effects.
2. **Total Multipliers** – including the Simple Multipliers plus subsequent Induced Production and Household Consumptions effects.

Impact Assessments can assess:

- **Output** - the actual dollar amount spent on the Project in the Region.
- **Income** - the number of wages and salaries paid to labour.
- **Employment** - the full-time equivalent (FTE) per annum employment generated by the Project; and
- **Value Added** - the value added to materials and labour expended on the Project.

Econisis has undertaken an Impact Assessment for the WA state economy, focused solely on **Simple Multipliers**. For the WA economic impacts, this entailed the following tasks:

1. Transaction tables were developed from National IO tables for the WA State economy. For the WA economy, the Regional Transaction Table was calculated by applying employment-based location quotients for the Region, based on the results of the 2016/2021 Census of Population and Housing. This has the effect of excluding spending on imports to the Region since they generate no local economic activity.
2. Economic Multipliers were then generated for WA economy across 119 industry categories defined by the ABS.
3. Construction and operational expenditure and production associated with the development were allocated across 119 industry categories.
4. Economic impacts associated with the Project are calculated.

#### 4.1.1 Criticisms of Impact Assessments

Economic Impact Assessments based on IO-tables and Economic Multipliers have been criticised by Government and academia. Econisis recognises Economic Multipliers are based on limited

## ECONISIS

## REPORT

assumptions that can result in multipliers being a biased estimator of the benefits or costs of a Project.

Shortcomings and limitations of multipliers for economic impact analysis include:

- **Lack of supply-side constraints:** The most significant limitation of economic impact analysis using multipliers is the implicit assumption that the economy has no supply-side constraints. That is, it is assumed that extra output can be produced in one area without taking resources away from other activities, thus overstating economic impacts. The actual impact is likely to be dependent on the extent to which the economy is operating at or if it is near capacity.
- **Fixed prices:** Constraints on the availability of inputs, such as skilled labour, require prices to act as a rationing device. In assessments using multipliers, where factors of production are assumed to be limitless, this rationing response is assumed not to occur. Prices are assumed to be unaffected by policy and any crowding out effects are not captured.
- **Fixed ratios for intermediate inputs and production:** Economic impact analysis using multipliers implicitly assumes that there is a fixed input structure in each industry and fixed ratios for production. As such, impact analysis using multipliers can be seen to describe average effects, not marginal effects. For example, increased demand for a product is assumed to imply an equal increase in production for that product. In reality, however, it may be more efficient to increase imports or divert some exports to local consumption rather than increasing local production by the full amount.
- **No allowance for purchasers' marginal responses to change:** Economic impact analysis using multipliers assumes that households consume goods and services in exact proportions to their initial budget shares. For example, the household budget share of some goods might increase as household income increases. This equally applies to industrial consumption of intermediate inputs and factors of production.
- **Absence of budget constraints:** Assessments of economic impacts using multipliers that consider consumption induced effects (type two multipliers) implicitly assume that household and government consumption is not subject to budget constraints.
- **Not applicable for small regions:** Multipliers that have been calculated from the national IO table are not appropriate for use in economic impact analysis of Projects in small regions. For small regions multipliers tend to be smaller than national multipliers since the inter-industry linkages are normally relatively shallow. Inter-industry linkages tend to be shallow in small regions as they usually do not have the capacity to produce the wide range of goods used for inputs and consumption, instead importing a large proportion of these goods from other regions.

### 4.1.2 Adjustments to Improve EIA Reliability

Despite this, IO tables and Economic Multipliers remain popular due to their ease of use and communication of results. Econisis has undertaken a number of steps and made appropriate adjustments to the EIA methodology to address and mitigate these concerns.

Econisis has only used **Simple Multipliers** in the Assessment. This has the effect of discounting Household Consumption impacts from the assessment. By doing so, only those industries with a first round or supply chain connection are considered. This has the effect of making the results of the EIA conservative and suitable to inform decision making.

Additionally, Econisis has developed economic multipliers for the **WA economy only**. This has the effect of internalising and limiting the extent of the economic impact outside of the State.

Econisis regards the use of Economic Multipliers as part of this Assessment as appropriate and reliable. The results of the assessment are conservative, defensible and suitable for informing decision making.

ECONISIS

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## 4.2 Summary of Results

### 4.2.1 Construction Phase

Econisis has allocated the construction costs for the subdivision across the following sectors of the WA economy:

- Heavy and Civil Engineering Construction
- Professional, Scientific and Technical Services
- Public Administration and Regulatory Services.

Based on these industries, Econisis estimates that project will generate a total of \$3.1m in direct and indirect economic outputs, along with \$0.7m in incomes and contribute \$1.3m to the local economy, during the construction phase.

**Table 10 Summary of Economic Impact, Construction Phase, Total Impact**

Summary	Initial Impact	First Round Impact	Industry Support Impact	Total Impact (Simple Multipliers)
Output (\$m)	\$2.0	\$0.8	\$0.4	\$3.1
Income (\$m)	\$0.5	\$0.2	\$0.1	\$0.7
Employment (FTEs)	2.4	0.6	0.3	3.3
Gross Value Added (\$m)	\$0.8	\$0.3	\$0.2	\$1.3

This will support a total of 3.3 direct and indirect FTE construction jobs.



## ECONISIS

## REPORT

## 5 CONCLUSIONS

This section summarises the findings and conclusions of the report.

### 5.1 Summary of Findings

In response to the housing shortage in the 4WDL region, the Shire of West Arthur is subdividing Lot 309 Burrowes Street in Darkan into 22 residential freehold lots. This report assessed the costs and benefits of the project to evaluate its value for money.

The project would provide a host of benefits to the region, with the project estimated to have a net present value between \$6.9m and \$3.1m. The main benefit is the significantly increased economic contributions of key workers. Current housing shortages are preventing key workers from moving into the area, and increasing housing supply would allow for these workers to enter the 4WDL workforce. These new workers would produce significant value added to the local economy, estimated to be between \$4.19m and \$7.52m.

Another benefit is the household expenditure from these new workers and their households. Increased housing supply brings new families to the region who will spend at local businesses, stimulating the economy. This is estimated to generate between \$0.61m and \$1.06m. There are also social benefits to providing housing supply which include enhanced productivity, health savings, and reduced crime, among others. These benefits are estimated to be between \$0.44m and \$0.76m. Other benefits to the project include the initial construction supply chain benefits, and a normalisation of the local housing market.

This evaluation finds that the sum of these economic and social benefits outweighs the estimated cost of the project. This is reflected in the high NPV and BCR values. At the standard 7% discount rate, the NPV of the project is \$4.6m and the BCR is 2.78. This means that for every dollar spent on the project, there are \$2.78 of benefits produced. The present value of the benefits less the present value of the costs is \$4.6m, representing a net positive value to the community and economy.

In addition, sensitivity tests find that an increase in the assumed number of key workers per household or a decrease in the assumed annual maintenance cost will increase the value of the project. Importantly, sensitivity testing on the time it would take for the developed lots to become occupied finds that even if the lots take 5 years to gain full occupancy, rather than the assumed 2 years, the project would retain a high BCR of 2.3.

Econisis estimates that project will generate a total of \$3.1m in direct and indirect economic outputs, along with \$0.7m in incomes and contribute \$1.3m to the local economy, during the construction phase. This will support a total of 3.3 direct and indirect FTE construction jobs.

## ECONISIS



### Contact

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## Appendix 2 Engineering Order of Costs



Project #: 06041.09

**Engineering Order of Costs**  
**Lot 309 Burrowes St West, Darkan - Subdivision**

22 lots

Item	Description	Detail	Amount	GST applicable	GST
<b>1.0</b>	<b>Local Government Statutory Fees and Charges (GST exclusive)</b>				
1.1	WAPC planning application	\$3340 plus \$79 per lot (2-100 lots) - rounded	\$ 5,100.00	No	\$ -
1.2	Deposited plan fees	\$445 plus fee per lot (2-100 lots) - rounded	\$ 900.00	No	\$ -
1.3	Clearance fees	\$73 per lot for the first 5 lots and then \$39 per lot - rounded	\$ 1,000.00	No	\$ -
1.4	Council Engineering supervision fees	1.0% of R4D construction estimate - rounded	\$ 9,765.00	No	\$ -
1.5	Council Engineering maintenance bond (refundable)	0% of R4D construction estimate - rounded	\$ 37,585.00	No	\$ -
1.6	Public Open Space contribution (cash in lieu)	Not included	\$ -	No	\$ -
1.7	Council Developer Contributions fees	Estimated \$1500/lot	\$ 33,000.00	No	\$ -
<b>2.0</b>	<b>Water Corporation Fees and charges</b>				
2.1	Water contributions	Standard infrastructure charge for water: \$2.49/Wat (20 new) - rounded	\$ 49,400.00	No	\$ -
2.2	Drainage contributions	Standard infrastructure charge for drainage: \$0.54/d (0 new) - rounded	\$ -	No	\$ -
2.3	Water Corporation maintenance bond (refundable)	Not included	\$ -	No	\$ -
<b>3.0</b>	<b>Infrastructure Works</b>				
3.1	Construction (Earthworks, Roads, Drainage, Water only)	Developer funded construction - refer breakdown attached	\$ 1,008,200.00	Yes	\$ 100,820.00
3.2	Construction cost Contingency	20% surplus on construction works estimate	\$ 201,640.00	Yes	\$ 20,164.00
3.3	Electrical Services	Refer to: 06010.09 - SE24003-R-01 Servicing Report (Rev A)	\$ 395,000.00	Yes	\$ 39,500.00
3.4	Communications Services	Refer to: 06010.09 - SE24003-R-01 Servicing Report (Rev A)	\$ 55,000.00	Yes	\$ 5,500.00
<b>4.0</b>	<b>Professional Services Fees</b>				
4.1	Town Planning	WAPC/Council application - estimate	\$ 5,000.00	Yes	\$ 500.00
4.2	Surveyor	Subdivision fees including peg & repeg - estimate	\$ 25,000.00	Yes	\$ 2,500.00
4.3	Feature Survey	Feature Survey	\$ 10,000.00	Yes	\$ 1,000.00
4.4	Acoustic Engineer	Not included	\$ -	Yes	\$ -
4.5	Traffic Engineer	Not included	\$ -	Yes	\$ -
4.6	Flora & Fauna	Not included	\$ -	Yes	\$ -
4.7	Arboret	Not included	\$ -	Yes	\$ -
4.8	Archaeological & Heritage	Not included	\$ -	Yes	\$ -
4.9	Landscape Architecture	Not included	\$ -	Yes	\$ -
4.10	Geotechnical Engineer	Inspection, testing and reporting	\$ 8,000.00	Yes	\$ 800.00
4.11	Civil Engineer	Design, Tender and Contract Administration	\$ 70,000.00	Yes	\$ 7,000.00
4.12	Electrical Engineer	estimate	\$ 15,000.00	Yes	\$ 1,500.00
4.13	Structural Engineer	Not included	\$ -	Yes	\$ -
4.14	Project Manager	Not included	\$ -	Yes	\$ -
<b>5.0</b>	<b>Reimbursements</b>				
5.1	Council roadworks maintenance bonds		\$ -	No	\$ -
<b>6.0</b>	<b>Total</b>				
	Subtotal		\$ 1,992,040.00		
	GST		\$ 176,084.00		
	Total		\$ 2,069,040.00		

**Assumptions, Exclusions and Clarifications**

1. An 'engineering order of cost' is an opinion only. No liability is accepted by DWA for any variance in actual costs. If a more accurate cost estimate is required, a qualified Quantity Surveyor should be commissioned.
2. The costing is based on the proposed subdivision of Lot 309 Burrowes St West, Darkan, to be subdivided into 22 lots. Refer to attached plan showing outline of proposed lots.
3. This construction costing is a preliminary estimate only, based on rates extracted from Rawlinsons Australian Construction Handbook 2023 and is only within an accuracy of plus or minus 20%, and therefore a 20% contingency is allowed.
4. The costing is based on the entire project undertaken as a single contract.
5. A 6m wide road has been assumed for the subdivision with a 15m wide road reserve.
6. The following items are excluded:
  - a) Gravel/sewer reticulation
  - b) Any earthworks other than within the road reserve
  - c) Fencing, landscaping, site re-vegetation
  - d) Excavation in rock
  - e) Construction of retaining walls
  - f) Upgrade of Burrowes St and Johnston Dr



Project #: 06041.09

**Engineering Order of Costs**  
**Lot 309 Burrowes St West, Darkan - Subdivision**



Item	Description	Unit	Qty	Rate	Price
<b>1.0 General</b>					
1.1	Comply with Conditions of Contract	Item	1	\$5,000.00	\$5,000.00
1.2	Insurances and CTF Levy	Item	1	\$10,000.00	\$10,000.00
1.3	Site establishment, site stabilisation, dust control - mobilisation, fortnightly site meetings and de-mobilisation of equipment, project management	Item	1	\$35,000.00	\$35,000.00
1.4	Location and protection of all existing services within & adjacent to the site	Item	1	\$5,000.00	\$5,000.00
1.5	Survey control and setout	Item	1	\$15,000.00	\$15,000.00
1.6	Submit Traffic Management to Local Authority	Item	1	\$5,000.00	\$5,000.00
1.7	Traffic Management for the duration of the works.	Item	1	\$10,000.00	\$10,000.00
<b>Subtotal General:</b>					<b>\$86,000.00</b>

<b>Construction</b>		Unit	Qty	Rate	Price
<b>2.0 Siteworks and Earthworks</b>					
2.1	Remove and dispose of existing vegetation within road reserve	Item	1	\$10,000.00	\$10,000.00
2.2	Remove topsoil and stockpile 4265m <sup>2</sup> x 150mm average thickness (Road Reserve only)	m <sup>3</sup>	1422	\$18.50	\$26,307.00
2.3	Cut to subgrade for road pavement and verges	m <sup>3</sup>	1762.2	\$29.30	\$51,693.00
<b>Subtotal Siteworks and Earthworks</b>					<b>\$88,000.00</b>

<b>3.0 Roadworks</b>					
3.1	Sub-grade preparation for roadworks, compact to 92% MMDD	m <sup>2</sup>	4895	\$6.93	\$33,924.40
3.2	In situ density testing of subgrade by registered NATA testing organisation	Item	1	\$3,500.00	\$3,500.00
3.3	Supply materials, place and compact road base course 250 thick, trim to line and level	m <sup>2</sup>	4895	\$22.62	\$110,724.90
3.4	In situ density testing of base course by registered NATA testing organisation	Item	1	\$3,500.00	\$3,500.00
3.5	Supply and install primer seal to full width of road formation.	m <sup>2</sup>	4265	\$12.83	\$54,719.95
3.5	Supply, lay and compact 30mm Thick Black Asphalt, SMA 7, M.B.50. Tie into existing	m <sup>2</sup>	4265	\$35.05	\$149,486.25
3.7	Install kerbing, tie into existing kerb	m	1260	\$45.00	\$56,700.00
3.8	Backfill kerb and grade verges	m <sup>2</sup>	4585	\$10.50	\$48,142.50
<b>Subtotal Roadworks:</b>					<b>\$460,700.00</b>

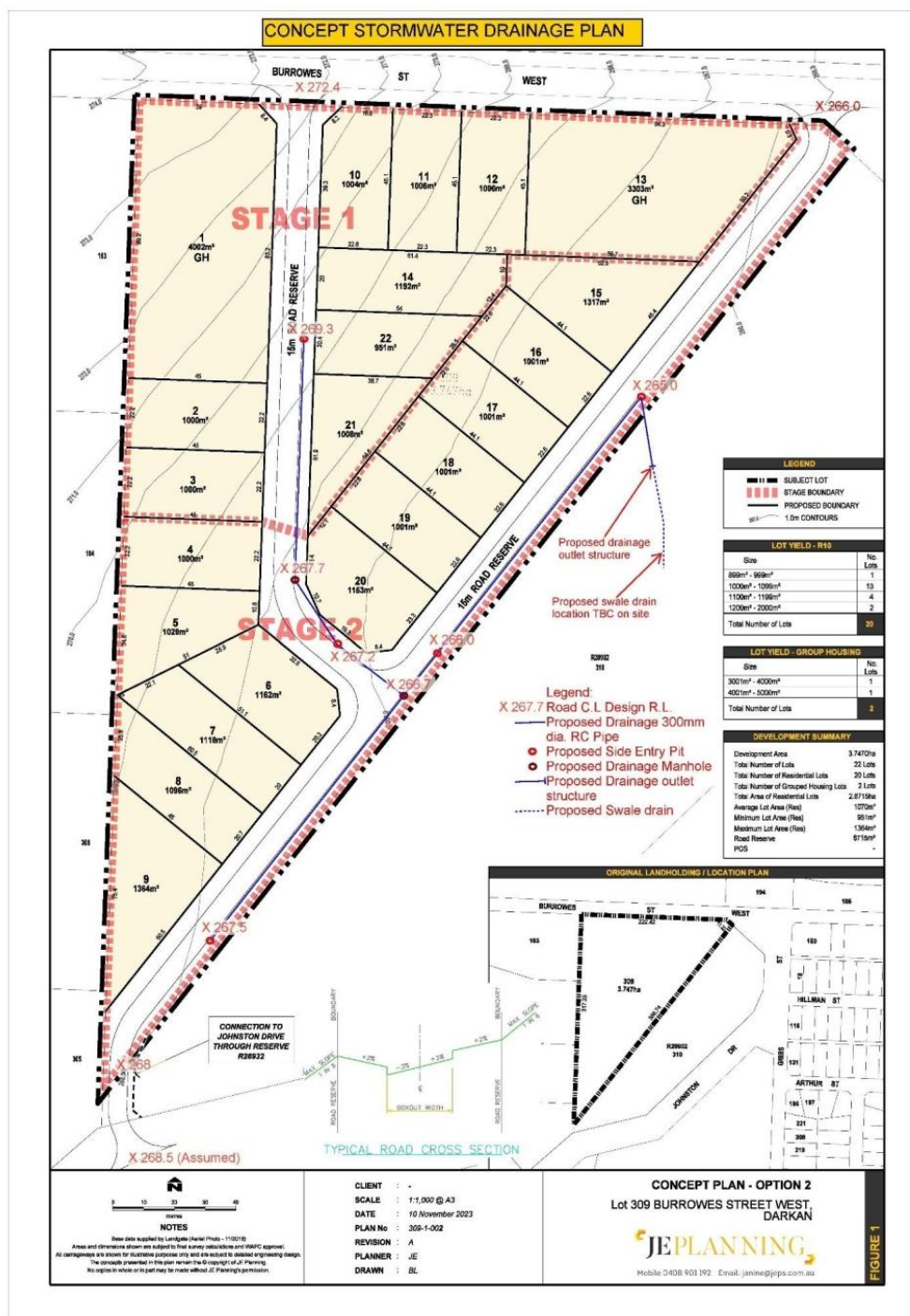
4.0 Stormwater Drainage				
4.1	Supply, excavate, install and backfill manholes	Item	2	\$4,550.00
4.2	Supply, excavate, install and backfill Side Entry Pits	No.	5	\$4,850.00
4.3	Supply, excavate, lay and backfill with sand 300mm dia. RC stormwater drainage pipe	m	375	\$200.00
4.4	Supply and install drainage headwall	No.	1	\$10,000.00
4.5	Supply and install swale Chain in.c stone pitching	No.	1	\$25,000.00
4.6	Supply and install timber bollards along reserve boundary	m	384	\$105.00
4.7	Provide "As-Constructed" information of completed stormwater drainage	Item	1	\$3,500.00
4.8	Provide compaction test results	Item	1	\$3,400.00
Subtotal Drainage:				\$189,600.00

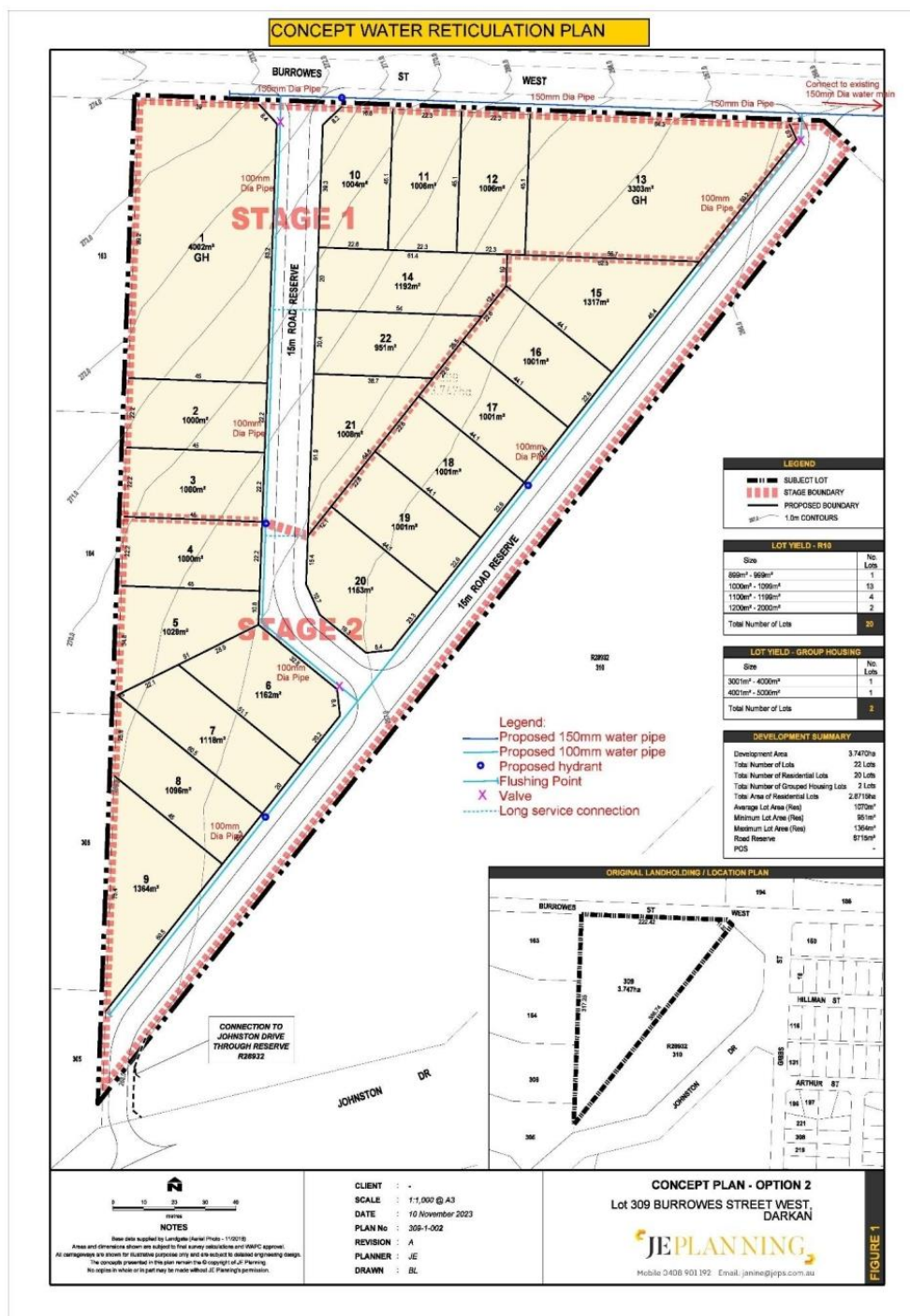
5.0 Water Reticulation				
5.1	Excavate, supply, install and backfill with sand DN100 PVC water main	m	584	\$110.00
5.2	Excavate, supply, install and backfill with sand DN150 PVC water main	m	245	\$185.00
5.3	Supply and install fittings to Water Corporation requirements, including hydrants, valves, bends, reducers and tees as shown on drawings.	No.	1	\$40,000.00
5.4	Install long dual service connections and connect with the new main.	No.	2	\$2,000.00
5.5	Install short single and dual service connections and connect with the new mains.	No.	18	\$1,000.00
5.6	Connect to existing water main	Item	1	\$4,000.00
5.7	Pressure testing	Item	1	\$1,500.00
5.8	Water disinfectant	Item	1	\$1,800.00
5.9	Provide compaction test results	Item	1	\$3,500.00
6	Provide "As-Constructed" information of completed water reticulation	Item	1	\$2,500.00
Subtotal Water Reticulation:				\$184,900.00

TOTAL excluding GST	\$1,008,200.00
Contingency 20%	\$201,600.00
GST	\$120,980.00
<b>TOTAL</b>	<b>\$1,330,780.00</b>

#### Assumptions, Exclusions and Clarifications

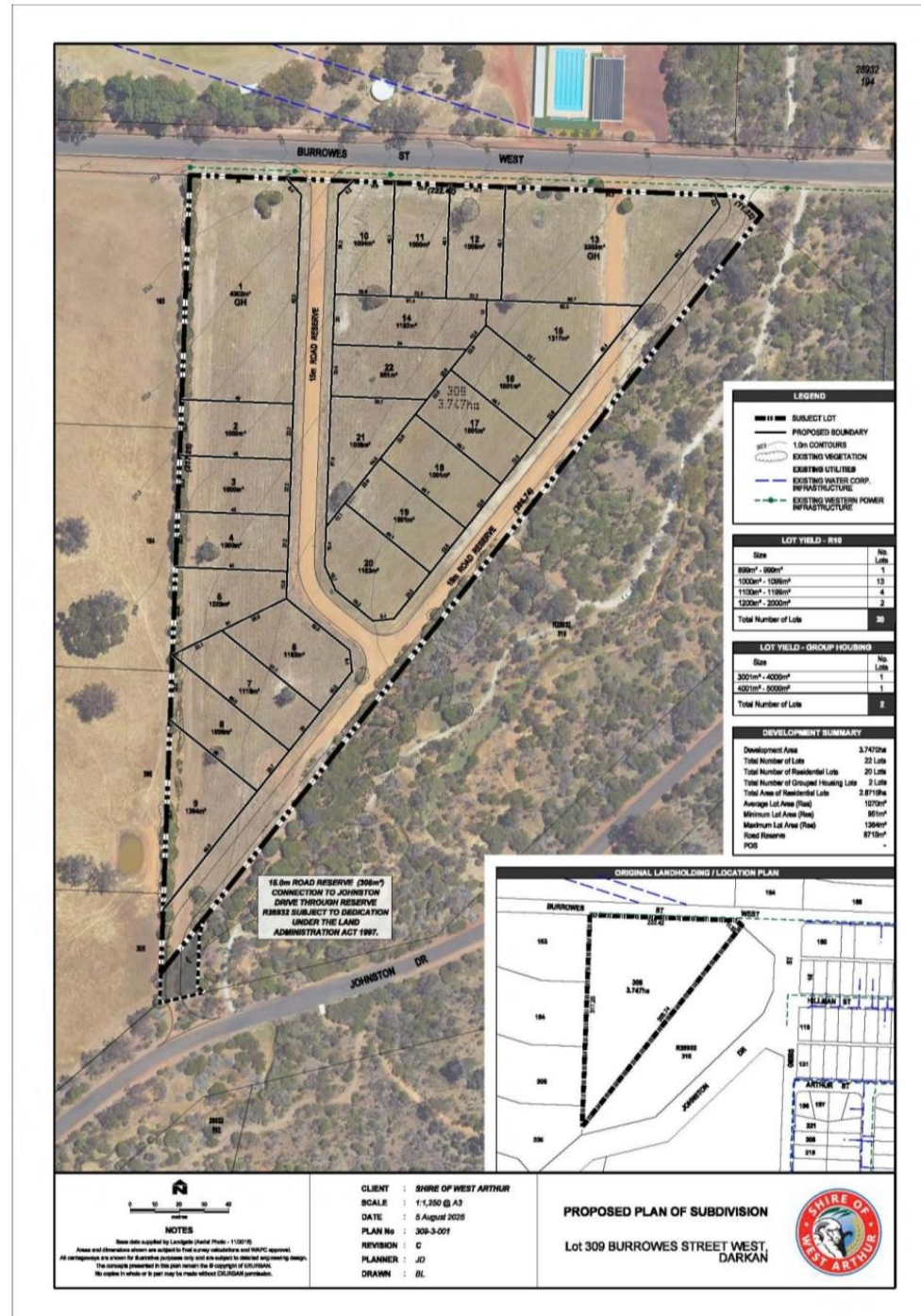
1. An "engineering order of cost" is an opinion only. No liability is accepted by DWA for any variance in actual costs. If a more accurate cost estimate is required, a qualified Quantity Surveyor should be commissioned.
2. The costing is based on the proposed subdivision of Lot 309 Burrowes St West, Darian, to be subdivided into 22 lots. Refer to attached plan showing outline of proposed lots.
3. This construction costing is a preliminary estimate only, based on rates extracted from Rawlinsons Australian Construction Handbook 2023 and is only within an accuracy of plus or minus 20%, and therefore a 20% contingency is allowed.
4. The costing is based on the entire project undertaken as a single contract.
5. A 6m wide road has been assumed for the subdivision with a 15m wide road reserve.
6. The following items are included:
  - a) Gravity sewer reticulation.
  - b) Power costs.
  - c) Any earthworks other than within the road reserve.
  - d) Fencing, landscaping, site re-vegetation.
  - e) Excavation in rock.
  - f) Construction of retaining walls.
  - g) Upgrade of Burrowes Street and Johnston Drive.







Appendix 3 Subdivision Concept Design



## 12 CORPORATE SERVICES

### 12.1 MONTHLY FINANCIAL REPORTS - JULY 2025 AND AUGUST 2025

**Location:** N/A  
**Applicant:** N/A  
**Author:** Melinda King, Manager Financial Reporting  
**Authorising Officer:** Rajinder S Sunner, Manager Corporate Services  
**Date:** 07/08/2025  
**Disclosure of Interest:** Nil

**Attachments:**

1. Monthly Financial Report August 2025
2. Monthly Financial Report July 2025

#### **SUMMARY:**

Council is requested to consider the financial reports for the period ending 31 July 2025 and 31 August 2025.

#### **BACKGROUND:**

The financial reports for the period ending 31 July 2025 and 31 August 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:**

No consultation 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 2025/26 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		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)

<b>Unlikely</b>	<b>2</b>	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
<b>Rare</b>	<b>1</b>	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 31 July 2025 and the period ending 31 August 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 31 August 2025**

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

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***Statements required by regulation***

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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 31 AUGUST 2025**

	Supplementary Information	Adopted Budget Estimates (a) \$	YTD Budget Estimates (b) \$	YTD Actual (c) \$	Variance* \$ (c) - (b)	Variance* % ((c) - (b))/(b)	Var.
<b>OPERATING ACTIVITIES</b>							
<b>Revenue from operating activities</b>							
General rates	10	2,252,484	0	0	0	0.00%	
Grants, subsidies and contributions	13	1,668,654	553,993	553,993	0	0.00%	
Fees and charges		406,331	54,291	51,911	(2,380)	(4.38%)	
Interest revenue		122,314	10,193	9,139	(1,054)	(10.34%)	▼
Other revenue		139,059	30,677	34,812	4,135	13.48%	▲
Profit on asset disposals	6	14,292	0	0	0	0.00%	
		<b>4,603,134</b>	<b>649,154</b>	<b>649,855</b>	<b>701</b>	<b>0.11%</b>	
<b>Expenditure from operating activities</b>							
Employee costs		(2,273,833)	(446,662)	(440,635)	6,027	1.35%	
Materials and contracts		(1,668,570)	(245,576)	(239,995)	5,581	2.27%	
Utility charges		(119,390)	(19,898)	(14,188)	5,710	28.70%	▲
Depreciation		(3,676,619)	(114,944)	(111,560)	3,384	2.94%	
Finance costs		(23,952)	0	0	0	0.00%	
Insurance		(157,053)	(78,527)	(79,161)	(634)	(0.81%)	
Other expenditure		(83,800)	0	0	0	0.00%	
Loss on asset disposals	6	(27,554)	0	0	0	0.00%	
		<b>(8,030,771)</b>	<b>(905,607)</b>	<b>(885,539)</b>	<b>20,068</b>	<b>2.22%</b>	
Non-cash amounts excluded from operating activities	Note 2(b)	3,689,881	114,944	111,560	(3,384)	(2.94%)	
<b>Amount attributable to operating activities</b>		<b>262,244</b>	<b>(141,509)</b>	<b>(124,124)</b>	<b>17,385</b>	<b>12.29%</b>	
<b>INVESTING ACTIVITIES</b>							
<b>Inflows from investing activities</b>							
Proceeds from capital grants, subsidies and contributions	14	4,428,614	14,277	13,596	(681)	(4.77%)	
Proceeds from disposal of assets	6	161,364	0	0	0	0.00%	
Proceeds from financial assets at amortised cost - self supporting loans		32,059	0	0	0	0.00%	
		<b>4,622,037</b>	<b>14,277</b>	<b>13,596</b>	<b>(681)</b>	<b>(4.77%)</b>	
<b>Outflows from investing activities</b>							
Payments for property, plant and equipment	5	(4,028,421)	(9,500)	(9,096)	404	4.25%	
Payments for construction of infrastructure	5	(1,662,428)	(25,000)	(24,805)	195	0.78%	
		<b>(5,690,849)</b>	<b>(34,500)</b>	<b>(33,901)</b>	<b>599</b>	<b>1.74%</b>	
<b>Amount attributable to investing activities</b>		<b>(1,068,812)</b>	<b>(20,223)</b>	<b>(20,305)</b>	<b>(82)</b>	<b>(0.41%)</b>	
<b>FINANCING ACTIVITIES</b>							
<b>Inflows from financing activities</b>							
Transfer from reserves	4	1,016,027	0	0	0	0.00%	
		<b>1,016,027</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	
<b>Outflows from financing activities</b>							
Repayment of borrowings	11	(91,151)	0	0	0	0.00%	
Transfer to reserves	4	(956,688)	(5,548)	(5,974)	(427)	(7.69%)	
		<b>(1,047,839)</b>	<b>(5,548)</b>	<b>(5,974)</b>	<b>(427)</b>	<b>(7.69%)</b>	
<b>Amount attributable to financing activities</b>		<b>(31,812)</b>	<b>(5,548)</b>	<b>(5,974)</b>	<b>(427)</b>	<b>(7.69%)</b>	
<b>MOVEMENT IN SURPLUS OR DEFICIT</b>							
Surplus or deficit at the start of the financial year		838,380	838,380	859,973	21,593	2.58%	▲
Amount attributable to operating activities		262,244	(141,509)	(124,124)	17,385	12.29%	▲
Amount attributable to investing activities		(1,068,812)	(20,223)	(20,305)	(82)	(0.41%)	
Amount attributable to financing activities		(31,812)	(5,548)	(5,974)	(427)	(7.69%)	
<b>Surplus or deficit after imposition of general rates</b>		<b>0</b>	<b>671,101</b>	<b>709,570</b>	<b>38,470</b>		▲

**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 31 AUGUST 2025**

	Supplementary Information	30 June 2025	31 August 2025
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	2,863,502	2,696,039
Trade and other receivables		440,981	442,801
Other financial assets		32,059	32,059
Inventories	8	102,097	102,097
Other assets	8	24,099	0
<b>TOTAL CURRENT ASSETS</b>		<b>3,462,738</b>	<b>3,272,996</b>
<b>NON-CURRENT ASSETS</b>			
Other financial assets		276,008	276,008
Property, plant and equipment		17,127,942	17,025,479
Infrastructure		115,214,688	115,239,492
<b>TOTAL NON-CURRENT ASSETS</b>		<b>132,618,638</b>	<b>132,540,979</b>
<b>TOTAL ASSETS</b>		<b>136,081,376</b>	<b>135,813,975</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	306,521	145,707
Other liabilities	12	30,198	144,838
Borrowings	11	91,151	91,151
Employee related provisions	12	364,897	365,758
<b>TOTAL CURRENT LIABILITIES</b>		<b>792,767</b>	<b>747,454</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	11	484,327	484,327
Employee related provisions		34,035	34,035
Other provisions		55,324	55,324
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>573,686</b>	<b>573,686</b>
<b>TOTAL LIABILITIES</b>		<b>1,366,453</b>	<b>1,321,140</b>
<b>NET ASSETS</b>		<b>134,714,923</b>	<b>134,492,835</b>
<b>EQUITY</b>			
Retained surplus		6,895,265	6,667,203
Reserve accounts	4	2,219,793	2,225,767
Revaluation surplus		125,599,865	125,599,865
<b>TOTAL EQUITY</b>		<b>134,714,923</b>	<b>134,492,835</b>

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

## NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD ENDED 31 AUGUST 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 17 September 2025



**SHIRE OF WEST ARTHUR  
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 AUGUST 2025**

**2 STATEMENT OF FINANCIAL ACTIVITY INFORMATION**

		Adopted Budget Opening 30 June 2025	Last Year Closing 30 June 2025	Year to Date 31 August 2025
<b>(a) Net current assets used in the Statement of Financial Activity</b>	<b>Supplementary Information</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Current assets</b>				
Cash and cash equivalents	3	2,863,502	2,863,502	2,696,039
Trade and other receivables		487,562	440,981	442,801
Other financial assets		32,059	32,059	32,059
Inventories	8	102,097	102,097	102,097
Other assets	8	3,936	24,099	0
		<b>3,489,156</b>	<b>3,462,738</b>	<b>3,272,996</b>
<b>Less: current liabilities</b>				
Trade and other payables	9	(354,531)	(306,521)	(145,707)
Other liabilities	12	(30,198)	(30,198)	(144,838)
Borrowings	11	(91,151)	(91,151)	(91,151)
Employee related provisions	12	(366,876)	(364,897)	(365,758)
		<b>(842,756)</b>	<b>(792,767)</b>	<b>(747,454)</b>
<b>Net current assets</b>		<b>2,646,400</b>	<b>2,669,971</b>	<b>2,525,542</b>
<b>Less: Total adjustments to net current assets</b>	Note 2(c)	<b>(1,808,020)</b>	<b>(1,809,998)</b>	<b>(1,815,972)</b>
<b>Closing funding surplus / (deficit)</b>		<b>838,380</b>	<b>859,973</b>	<b>709,570</b>

**(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) \$
<b>Non-cash amounts excluded from operating activities</b>				
<b>Adjustments to operating activities</b>				
Less: Profit on asset disposals	6	(14,292)	0	0
Add: Loss on asset disposals	6	27,554	0	0
Add: Depreciation		3,676,619	114,944	111,560
<b>Total non-cash amounts excluded from operating activities</b>		<b>3,689,881</b>	<b>114,944</b>	<b>111,560</b>

**(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 2025	Last Year Closing 30 June 2025	Year to Date 31 August 2025
		<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Adjustments to net current assets</b>				
Less: Reserve accounts	4	(2,219,793)	(2,219,793)	(2,225,767)
Less: Financial assets at amortised cost - self supporting loans	8	(32,059)	(32,059)	(32,059)
- Current financial assets at amortised cost - self supporting loans				0
- Land held for resale		(79,118)	(79,118)	(79,118)
Add: Current liabilities not expected to be cleared at the end of the year:				
- Current portion of borrowings	11	91,151	91,151	91,151
- Employee Benefit Provision		431,799	429,821	429,821
<b>Total adjustments to net current assets</b>	Note 2(a)	<b>(1,808,020)</b>	<b>(1,809,998)</b>	<b>(1,815,972)</b>

**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 31 AUGUST 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 2025-26 year is \$10,000 or 10.00% whichever is the greater.

Surplus or deficit at the start of the financial year

Variance is due to insurance and bushfire reimbursements relating to 2425 received post budget adoption.

21,593 2.58% ▲

**SHIRE OF WEST ARTHUR  
SUPPLEMENTARY INFORMATION  
FOR THE PERIOD ENDED 31 AUGUST 2025**

**1 KEY INFORMATION**

**Funding Surplus or Deficit Components**

<b>Funding surplus / (deficit)</b>				
	<b>Adopted Budget</b>	<b>YTD Budget (a)</b>	<b>YTD Actual (b)</b>	<b>Var. \$ (b)-(a)</b>
Opening	\$0.84 M	\$0.84 M	\$0.86 M	\$0.02 M
Closing	\$0.00 M	\$0.67 M	\$0.71 M	\$0.04 M
Refer to Statement of Financial Activity				

<b>Cash and cash equivalents</b>		
	<b>\$2.70 M</b>	<b>% of total</b>
Unrestricted Cash	\$0.47 M	17.4%
Restricted Cash	\$2.23 M	82.6%
Refer to 3 - Cash and Financial Assets		

<b>Payables</b>	
	<b>\$0.15 M</b>
Trade Payables	\$0.01 M
0 to 30 Days	36.3%
Over 30 Days	63.7%
Over 90 Days	63.7%
Refer to 9 - Payables	

<b>Receivables</b>	
	<b>\$0.37 M</b>
Rates Receivable	\$0.07 M
Trade Receivable	\$0.37 M
Over 30 Days	12.6%
Over 90 Days	14.8%
Over 90 Days	10.4%
Refer to 7 - Receivables	

**Key Operating Activities**

<b>Amount attributable to operating activities</b>			
<b>Adopted Budget</b>	<b>YTD Budget (a)</b>	<b>YTD Actual (b)</b>	<b>Var. \$ (b)-(a)</b>
\$0.26 M	(\$0.14 M)	(\$0.12 M)	\$0.02 M
Refer to Statement of Financial Activity			

<b>Rates Revenue</b>		
YTD Actual	\$0.00 M	% Variance
YTD Budget	\$0.00 M	0.0%
Refer to 10 - Rate Revenue		

<b>Grants and Contributions</b>		
YTD Actual	\$0.55 M	% Variance
YTD Budget	\$0.55 M	0.0%
Refer to 13 - Grants and Contributions		

<b>Fees and Charges</b>		
YTD Actual	\$0.05 M	% Variance
YTD Budget	\$0.05 M	(4.4%)
Refer to Statement of Financial Activity		

**Key Investing Activities**

<b>Amount attributable to investing activities</b>			
<b>Adopted Budget</b>	<b>YTD Budget (a)</b>	<b>YTD Actual (b)</b>	<b>Var. \$ (b)-(a)</b>
(\$1.07 M)	(\$0.02 M)	(\$0.02 M)	(\$0.00 M)
Refer to Statement of Financial Activity			

<b>Proceeds on sale</b>		
YTD Actual	\$0.00 M	%
Adopted Budget	\$0.16 M	0.0%
Refer to 6 - Disposal of Assets		

<b>Asset Acquisition</b>		
YTD Actual	\$0.02 M	% Spent
Adopted Budget	\$1.66 M	1.5%
Refer to 5 - Capital Acquisitions		

<b>Capital Grants</b>		
YTD Actual	\$0.01 M	% Received
Adopted Budget	\$4.43 M	0.3%
Refer to 5 - Capital Acquisitions		

**Key Financing Activities**

<b>Amount attributable to financing activities</b>			
<b>Adopted Budget</b>	<b>YTD Budget (a)</b>	<b>YTD Actual (b)</b>	<b>Var. \$ (b)-(a)</b>
(\$0.03 M)	(\$0.01 M)	(\$0.01 M)	(\$0.00 M)
Refer to Statement of Financial Activity			

<b>Borrowings</b>	
Principal repayments	\$0.00 M
Interest expense	\$0.00 M
Principal due	\$0.58 M
Refer to 11 - Borrowings	

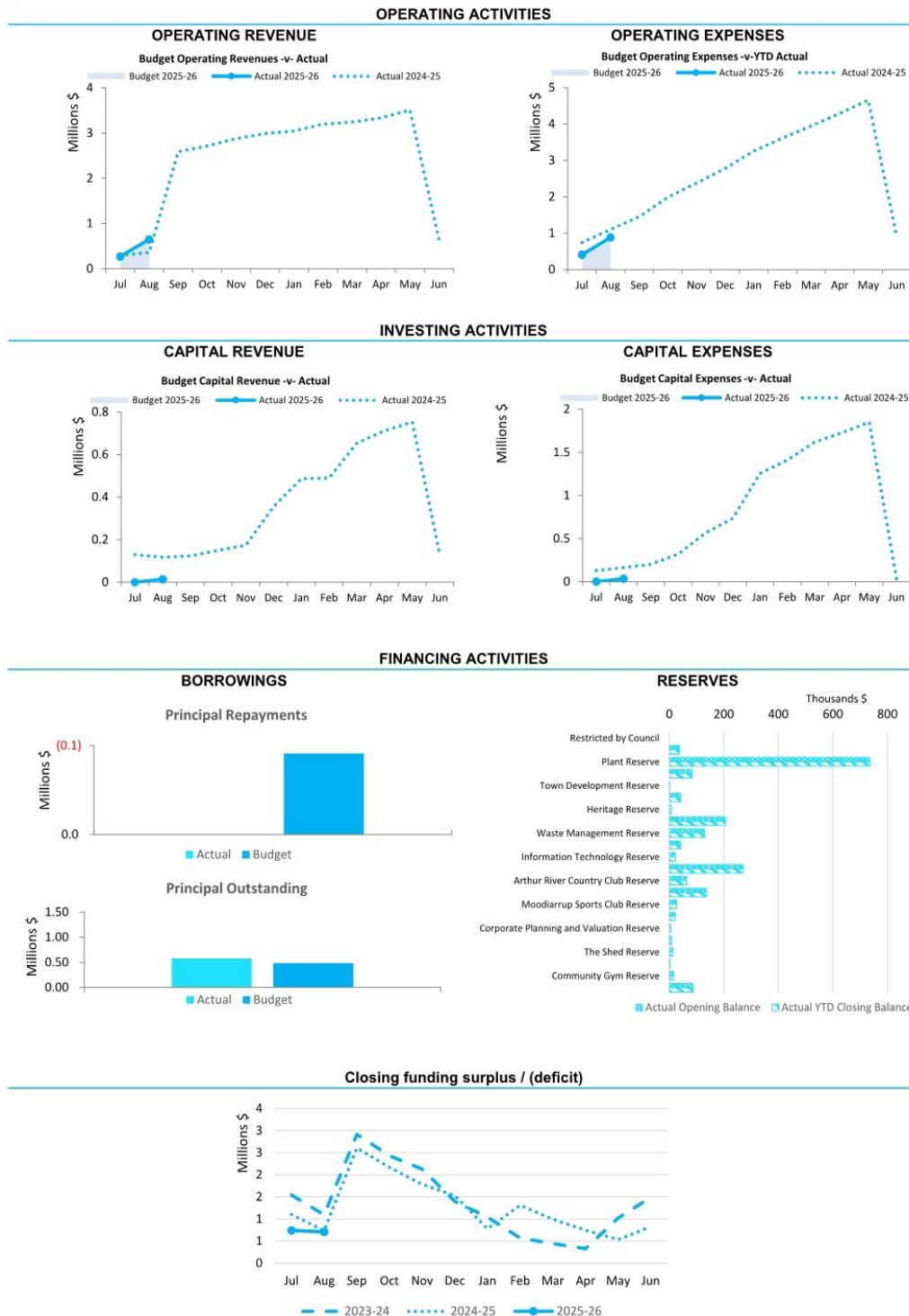
  

<b>Reserves</b>	
Reserves balance	\$2.23 M
Interest earned	\$0.01 M
Refer to 4 - Cash Reserves	

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

**SHIRE OF WEST ARTHUR  
SUPPLEMENTARY INFORMATION  
FOR THE PERIOD ENDED 31 AUGUST 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 31 AUGUST 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	266,773	0	266,773	0	NAB	0.01%	N/A
Municipal cash at bank - CM	Cash and cash equivalents	53,399	0	53,399	0	NAB	1.95%	N/A
Municipal cash at bank - at call	Cash and cash equivalents	150,000	0	150,000	0	WA Treasury	3.80%	N/A
Reserve - CM	Cash and cash equivalents	0	725,767	725,767	0	NAB	1.95%	N/A
Reserve	Cash and cash equivalents	0	1,500,000	1,500,000	0	NAB	4.10%	16/6/2026
Cash on hand	Cash and cash equivalents	100	0	100	0	CASH	0.00%	N/A
<b>Total</b>		<b>470,272</b>	<b>2,225,767</b>	<b>2,696,039</b>	<b>0</b>			
<b>Comprising</b>								
Cash and cash equivalents		470,272	2,225,767	2,696,039	0			
		<b>470,272</b>	<b>2,225,767</b>	<b>2,696,039</b>	<b>0</b>			

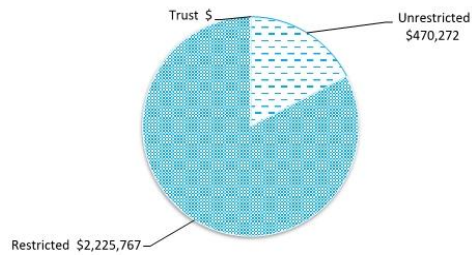
KEY INFORMATION

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 31 AUGUST 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 Transfers Out (-)	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Restricted by Council</b>										
Leave Reserve	37,034	1,243	40,000	0	78,277	37,034	100	0	0	37,134
Plant Reserve	735,456	24,675	200,000	(652,420)	307,711	735,456	1,979	0	0	737,435
Building Reserve	83,703	2,808	0	(80,000)	6,511	83,703	225	0	0	83,928
Town Development Reserve	1,728	58	0	0	1,786	1,728	5	0	0	1,733
Recreation Reserve	41,676	1,398	0	(16,000)	27,074	41,676	112	0	0	41,788
Heritage Reserve	7,437	250	0	0	7,687	7,437	20	0	0	7,457
Community Housing Reserve	205,439	6,893	12,000	0	224,332	205,439	553	0	0	205,992
Waste Management Reserve	128,158	4,300	0	0	132,458	128,158	345	0	0	128,503
Darkan Swimming Pool Reserve	41,361	1,388	0	(10,000)	32,749	41,361	111	0	0	41,472
Information Technology Reserve	22,166	744	0	0	22,910	22,166	60	0	0	22,226
Darkan Sport and Community Centre Reserve	270,835	9,087	40,000	0	319,922	270,835	729	0	0	271,564
Arthur River Country Club Reserve	64,240	2,155	6,000	0	72,395	64,240	173	0	0	64,413
Museum Reserve	136,563	4,582	0	(5,000)	136,145	136,563	368	0	0	136,931
Moodiarrup Sports Club Reserve	26,680	895	5,000	0	32,575	26,680	72	0	0	26,752
Landcare Reserve	21,626	726	0	(8,000)	14,352	21,626	58	0	0	21,684
Corporate Planning and Valuation Reserve	5,034	169	0	0	5,203	5,034	14	0	0	5,048
Kids Central Reserve	7,971	267	0	0	8,238	7,971	21	0	0	7,992
The Shed Reserve	13,455	451	0	0	13,906	13,455	36	0	0	13,491
Recreation Trails Reserve	2,827	95	0	0	2,922	2,827	8	0	0	2,835
Community Gym Reserve	15,098	507	0	(10,000)	5,605	15,098	41	0	0	15,139
Economic Development Reserve	86,456	3,303	0	(50,927)	38,832	86,456	233	0	0	86,689
Road Reserve	264,850	8,482	579,212	(183,680)	668,864	264,850	713	0	0	265,563
-	0	0	0	0	0	0	0	0	0	0
	<b>2,219,793</b>	<b>74,476</b>	<b>882,212</b>	<b>(1,016,027)</b>	<b>2,160,454</b>	<b>2,219,793</b>	<b>5,974</b>	<b>0</b>	<b>0</b>	<b>2,225,767</b>

**SHIRE OF WEST ARTHUR  
SUPPLEMENTARY INFORMATION  
FOR THE PERIOD ENDED 31 AUGUST 2025**

**INVESTING ACTIVITIES**

**5 CAPITAL ACQUISITIONS**

	Adopted		YTD Actual	YTD Actual Variance
	Budget	YTD Budget		
	\$	\$	\$	\$
<b>Capital acquisitions</b>				
Land - freehold land	3,164,890	9,500	9,096	(404)
Buildings - non-specialised	114,525	0	0	0
Furniture and equipment	6,000	0	0	0
Plant and equipment	743,006	0	0	0
<b>Acquisition of property, plant and equipment</b>	<b>4,028,421</b>	<b>9,500</b>	<b>9,096</b>	<b>(404)</b>
Infrastructure - roads	1,337,741	25,000	24,805	(195)
Infrastructure - Other	324,687	0	0	0
<b>Acquisition of infrastructure</b>	<b>1,662,428</b>	<b>25,000</b>	<b>24,805</b>	<b>(1,003)</b>
<b>Total capital acquisitions</b>	<b>5,690,849</b>	<b>34,500</b>	<b>33,901</b>	<b>(1,407)</b>
<b>Capital Acquisitions Funded By:</b>				
Capital grants and contributions	4,428,614	14,277	13,596	(681)
Other (disposals & C/Fwd)	161,364	0	0	0
Reserve accounts				
Plant Reserve	652,420	0	0	0
Building Reserve	80,000	0	0	0
Recreation Reserve	16,000	0	0	0
Darkan Swimming Pool Reserve	10,000	0	0	0
Museum Reserve	5,000	0	0	0
Landcare Reserve	8,000	0	0	0
Community Gym Reserve	10,000	0	0	0
Economic Development Reserve	50,927	0	0	0
Contribution - operations	268,524	20,223	20,305	82
<b>Capital funding total</b>	<b>5,690,849</b>	<b>34,500</b>	<b>33,901</b>	<b>(599)</b>

**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.

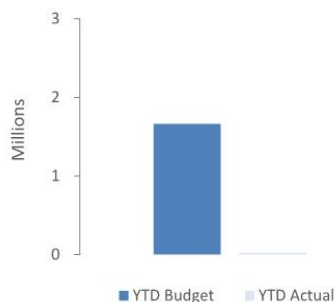
**Initial recognition and measurement for assets held at cost**

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**

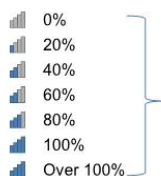


SHIRE OF WEST ARTHUR  
SUPPLEMENTARY INFORMATION  
FOR THE PERIOD ENDED 31 AUGUST 2025

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.

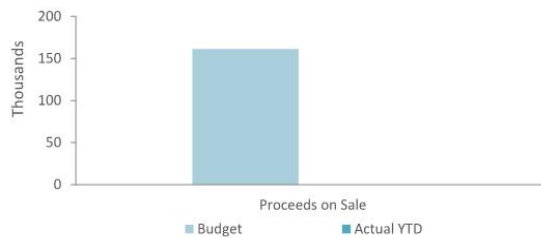
		Adopted		Variance	
Account Description		Budget	YTD Budget	YTD Actual	(Under)/Over
		\$	\$	\$	\$
	<b>Furniture</b>				0
	Replace Printer/Copier	(6,000)	0	0	0
		0	0	0	0
	<b>Land &amp; Buildings</b>				
	Staff house - King Street completion	(114,525)	0	0	0
			0	0	0
	Housing project head works HSP 1	(145,876)	(9,500)	(9,096)	(404)
	Housing project head works HSP 2	(2,992,014)	0	0	0
	Industrial Land Growden Place	(27,000)	0	0	0
			0	0	0
					0
	<b>Infrastructure</b>				
	Point to Point wireless - Darkan Hall	(9,954)	0	0	0
	Darkan Town Dam tank upgrade	(42,036)	0	0	0
	SOWA building water catchment	(37,438)	0	0	0
	Disaster ready - Darkan Town Hall	(91,371)	0	0	0
	Standpipe card readers	(86,242)	0	0	0
	Niche wall - Darkan Cemetary	(20,000)	0	0	0
	Darkan Gym replacement equipment	(10,000)	0	0	0
	Truck Parking Bay - Survey design	(10,743)	0	0	0
	Burrowes - Hillman back lane drainage	(16,903)	0	0	0
			0	0	0
					0
	<b>Plant &amp; Equipment</b>				
		0	0	0	0
		0	0	0	0
	6 Wheeler 3 way Tip and dolly	(349,420)	0	0	0
	Ute replacement	(50,000)	0	0	0
	Works manager vehicle replacement	(65,000)	0	0	0
	MCS vehicle replacement	(41,586)	0	0	0
	Roller	(90,000)	0	0	0
	Pip Jeter trailer	(120,000)	0	0	0
	Road counters	(27,000)	0	0	0
			0	0	0
			0	0	0
			0	0	0
			0	0	0
	<b>Roads</b>				
	Bowelling Duranillin Road	(348,838)	0	0	0
	Boyup Brook Road (Arthur River-Dinninup Road)	(265,203)	(1,000)	(1,039)	39
	Moodiarrup Changerup Road	(105,000)			
	Darkan Williams Road	(49,121)	0	0	0
	Bridge works Bokal North Road	(71,248)	0	0	0
	Bridge work Hughes Mill Road	(71,247)	0	0	0
	Bridge work Boyup Brook Arthur River Road	(8,460)	0	0	0
	Trigwell Bridge	(168,619)	0	0	0
	Stewart Street Memorial Drive	(94,751)	(19,000)	(19,305)	305
	Bokal North Road	(155,254)	(5,000)	(4,461)	(539)
			0	0	0
			0	0	0
		(5,690,849)	(34,500)	(33,901)	(599)

**SHIRE OF WEST ARTHUR  
SUPPLEMENTARY INFORMATION  
FOR THE PERIOD ENDED 31 AUGUST 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			
		\$	\$	\$	\$	\$	\$	\$	\$
	<b>Land - freehold land</b>								
	Industrial land Growden Place	64,059	50,000	0	(14,059)	0	0	0	0
	<b>Plant and equipment</b>								
	Holden Rodeo	0	2,000	2,000	0	0	0	0	0
	Toyota Hilux	0	2,000	2,000	0	0	0	0	0
	Toyota Hilux	0	2,000	2,000	0	0	0	0	0
	Works Manager Vehicle	40,381	47,000	6,619	0	0	0	0	0
	Cherry Picker	327	2,000	1,673	0	0	0	0	0
	MCS Vehicle	50,619	46,364	0	(4,255)	0	0	0	0
	Multi Roller	19,240	10,000	0	(9,240)	0	0	0	0
		<b>174,626</b>	<b>161,364</b>	<b>14,292</b>	<b>(27,554)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



SHIRE OF WEST ARTHUR  
SUPPLEMENTARY INFORMATION  
FOR THE PERIOD ENDED 31 AUGUST 2025

OPERATING ACTIVITIES

7 RECEIVABLES

Rates receivable

	30 Jun 2025	31 Aug 2025
Opening arrears previous years	280,916	218,668
Levied this year	2,114,496	0
Less - collections to date	(2,176,744)	(27,485)
Gross rates collectable	218,668	191,183
Allowance for impairment of rates receivable	(119,665)	(119,665)
<b>Net rates collectable</b>	<b>99,003</b>	<b>71,518</b>
% Collected	90.9%	12.6%



Receivables - general

	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	0	73,792	3,114	675	9,033	86,614
Percentage	0.0%	85.2%	3.6%	0.8%	10.4%	
<b>Balance per trial balance</b>						
Trade receivables						86,614
Other receivables						262,172
GST receivable						22,497
<b>Total receivables general outstanding</b>						<b>371,283</b>

Amounts shown above include GST (where applicable)

KEY INFORMATION

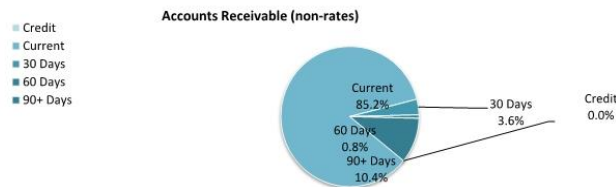
Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

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 31 AUGUST 2025**

**OPERATING ACTIVITIES**

**8 OTHER CURRENT ASSETS**

	Opening Balance 1 July 2025	Asset Increase	Asset Reduction	Closing Balance 31 August 2025
	\$	\$	\$	\$
<b>Other current assets</b>				
<b>Other financial assets at amortised cost</b>				
Financial assets at amortised cost - self supporting loans	32,059		0	32,059
<b>Inventory</b>				
Fuel and materials	22,979	0	0	22,979
Land held for resale	79,118			79,118
<b>Other assets</b>				
Prepayments	24,099	0	(24,099)	0
<b>Total other current assets</b>	<b>158,255</b>	<b>0</b>	<b>(24,099)</b>	<b>134,156</b>
<b>Amounts shown above include GST (where applicable)</b>				

**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 31 AUGUST 2025**

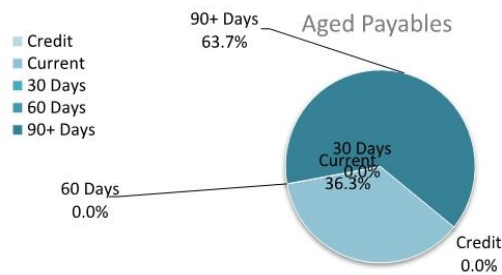
**OPERATING ACTIVITIES**

**9 PAYABLES**

<b>Payables - general</b>	<b>Credit</b>	<b>Current</b>	<b>30 Days</b>	<b>60 Days</b>	<b>90+ Days</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Payables - general	0	52,844	0	0	92,863	145,707
Percentage	0.0%	36.3%	0.0%	0.0%	63.7%	
<b>Balance per trial balance</b>						
Sundry creditors						11,643
Other payables						92,863
Accrued expenditure						564
Payroll deductions						36,214
Collections						4,423
<b>Total payables general outstanding</b>						<b>145,707</b>
<b>Amounts shown above include GST (where applicable)</b>						

**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 31 AUGUST 2025**

**OPERATING ACTIVITIES**

**10 RATE REVENUE**

**General rate revenue**

RATE TYPE	Rate in	Number of	Rateable	Rate	Budget	Total	Rate	YTD Actual	Total
	\$ (cents)	Properties	Value	Revenue	Interim	Revenue	Revenue	Interim	Revenue
				\$	\$	\$	\$	\$	\$
<b>Gross rental value</b>									
GRV Townsite	0.076930	96	1,067,506	82,123	0	82,123	0	0	0
GRV Commercial	0.076930	11	228,540	17,582	0	17,582	0	0	0
GRV Industrial	0.076930	5	105,960	7,921	0	7,921	0	0	0
GRV Other Townsite	0.076930	15	125,944	9,689	0	9,689	0	0	0
<b>Unimproved value</b>									
UV Rural	0.002883	369	704,777,000	2,031,872	0	2,031,872	0	0	0
<b>Sub-Total</b>		<b>496</b>	<b>706,304,950</b>	<b>2,149,187</b>	<b>0</b>	<b>2,149,187</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Minimum payment</b>									
<b>Minimum Payment \$</b>									
<b>Gross rental value</b>									
GRV Townsite	673	35	179,944	23,555	0	23,555	0	0	0
GRV Commercial	673	10	22,440	6,730	0	6,730	0	0	0
GRV Industrial	673	5	9,690	3,365	0	3,365	0	0	0
GRV Other Townsite	471	19	20,820	8,949	0	8,949	0	0	0
UV Rural	673	84	12,222,399	56,532	0	56,532	0	0	0
<b>Sub-total</b>		<b>153</b>	<b>12,455,293</b>	<b>99,131</b>	<b>0</b>	<b>99,131</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Amount from general rates</b>						<b>2,248,318</b>			<b>0</b>
Ex-gratia rates						4,166	0	0	0
<b>Total general rates</b>						<b>2,252,484</b>			<b>0</b>

SHIRE OF WEST ARTHUR  
SUPPLEMENTARY INFORMATION  
FOR THE PERIOD ENDED 31 AUGUST 2025

FINANCING ACTIVITIES

11 BORROWINGS

Repayments - borrowings

Information on borrowings		New Loans			Principal Repayments		Principal Outstanding		Interest Repayments	
Particulars	Loan No.	1 July 2025	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
		\$	\$	\$	\$	\$	\$	\$	\$	\$
Industrial Land	72	5,798	0	0	0	(5,798)	5,798	0	0	(86)
ERP	75	117,196	0	0	0	(27,499)	117,196	89,697	0	(5,216)
Loader	74	204,133	0	0	0	(25,795)	204,133	178,338	0	(9,145)
		327,127	0	0	0	(59,092)	327,127	268,035	0	(14,447)
<b>Self supporting loans</b>										
WA Cottage Homes	73	248,351	0	0	0	(32,059)	248,351	216,292	0	(9,505)
		248,351	0	0	0	(32,059)	248,351	216,292	0	(9,505)
<b>Total</b>		<b>575,478</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(91,151)</b>	<b>575,478</b>	<b>484,327</b>	<b>0</b>	<b>(23,952)</b>
Current borrowings		91,151					91,151			
Non-current borrowings		484,327					484,327			
		<b>575,478</b>					<b>575,478</b>			

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 31 AUGUST 2025**

**OPERATING ACTIVITIES**

**12 OTHER CURRENT LIABILITIES**

	Note	Opening Balance 1 July 2025	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 31 August 2025
		\$	\$	\$	\$	\$
<b>Other current liabilities</b>						
<b>Other liabilities</b>						
Capital grant/contributions liabilities		30,198	0	123,736	(9,096)	144,838
<b>Total other liabilities</b>		30,198	0	123,736	(9,096)	144,838
<b>Employee Related Provisions</b>						
Provision for annual leave		143,723	0	0	0	143,723
Provision for long service leave		220,807	0	0	0	220,807
Other leave provisions [describe]		367	0	861	0	1,228
<b>Total Provisions</b>		364,897	0	861	0	365,758
<b>Total other current liabilities</b>		395,095	0	124,597	(9,096)	510,596

Amounts shown above include GST (where applicable)

A breakdown of contract liabilities and associated movements is provided on the following pages at Note 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 31 AUGUST 2025

OPERATING ACTIVITIES

13 GRANTS, SUBSIDIES AND CONTRIBUTIONS

Provider	Unspent grant, subsidies and contributions liability					Grants, subsidies and contributions revenue		
	Liability	Increase in	Decrease in	Liability	Current	Adopted	YTD	YTD
	1 July 2025	Liability	Liability	31 Aug 2025	Liability	Budget	Budget	Revenue
	\$	\$	(As revenue)	\$	\$	\$	\$	\$
<b>Grants and subsidies</b>								
Grants Commission - General (WALGGC)	0	0	0	0	0	328,274	82,069	82,069
Grants Commission - Roads (WALGGC)	0	0	0	0	0	356,592	89,148	89,148
Grants Commission - Special Project Bridges	0	0	0	0	0	674,000	168,500	168,500
<b>Governance</b>								
National Australia Day Grant	0	0	0	0	0	0	0	0
DFES Grant - Operating	0	0	0	0	0	58,000	14,888	14,888
Mitigation funding	0	0	0	0	0	0	0	0
AWARE Disaster Recovery Funding	0	0	0	0	0	0	0	0
<b>Education &amp; Welfare</b>								
Council on the Ageing	0	0	0	0	0	0	0	0
<b>Health</b>								
Disability Grant	0	0	0	0	0	0	0	0
<b>Community Amenities</b>								
Protection of the Environment	0	0	0	0	0	7,200	0	0
Lake Towerrinning	0	0	0	0	0	20,000	0	0
Direct Road Grant	0	0	0	0	0	199,388	199,388	199,388
Footpath Plan	0	0	0	0	0	25,000		
	0	0	0	0	0	1,668,454	553,993	553,993
<b>Contributions</b>								
Contributions Minor	0	0	0	0	0	200	0	0
	0	0	0	0	0	200	0	0
<b>TOTALS</b>	0	0	0	0	0	1,668,654	553,993	553,993

**SHIRE OF WEST ARTHUR  
SUPPLEMENTARY INFORMATION  
FOR THE PERIOD ENDED 31 AUGUST 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	YTD Revenue
	1 July 2025		(As revenue)	31 Aug 2025	31 Aug 2025	Revenue	Budget	Actual
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Capital grants and subsidies</b>								
<b>Law, Order, Public Safety</b>								
Wi - Fi Grant	0	0	0	0	0	4,777	4,777	4,500
Disaster Ready Grant	0	0	0	0	0	73,097	0	0
<b>Transport</b>								
Roads to Recovery	0	0	0	0	0	569,579	0	0
Regional Road Group	0	0	0	0	0	479,361	0	0
WSFN	0	0	0	0	0	49,121	0	0
<b>Economic Services</b>								
Dwer Community Water	0	0	0	0	0	29,425	0	0
DWER Community Water tanks	0	0	0	0	0	26,026	0	0
DWER Standpipe readers						59,338	0	0
Housing Support Program Stream 1	0	123,736	(9,096)	114,640	0	145,876	9,500	9,096
Housing Support Program Stream 2	0	0	0	0	0	2,992,014	0	0
	<b>0</b>	<b>123,736</b>	<b>(9,096)</b>	<b>114,640.00</b>	<b>0.00</b>	<b>4,428,614</b>	<b>14,277</b>	<b>13,596</b>

**SHIRE OF WEST ARTHUR**  
**MONTHLY FINANCIAL REPORT**  
 (Containing the required statement of financial activity and statement of financial position)  
**For the period ended 31 July 2025**

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

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**SHIRE OF WEST ARTHUR**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD ENDED 31 JULY 2025**

	Supplementary Information	YTD Actual (c) \$
<b>OPERATING ACTIVITIES</b>		
<b>Revenue from operating activities</b>		
General rates	10	0
Grants, subsidies and contributions	13	214,276
Fees and charges		26,959
Interest revenue		4,783
Other revenue		25,956
Profit on asset disposals	6	0
		271,974
<b>Expenditure from operating activities</b>		
Employee costs		(215,290)
Materials and contracts		(130,479)
Utility charges		(8,542)
Depreciation		(55,780)
Finance costs		0
Insurance		(315)
Other expenditure		0
Loss on asset disposals	6	0
		(410,406)
Non-cash amounts excluded from operating activities	Note 2(b)	44,123
<b>Amount attributable to operating activities</b>		<b>(94,309)</b>
<b>INVESTING ACTIVITIES</b>		
<b>Inflows from investing activities</b>		
Proceeds from capital grants, subsidies and contributions	14	0
Proceeds from disposal of assets	6	0
Proceeds from financial assets at amortised cost - self supporting loans		0
		0
<b>Outflows from investing activities</b>		
Payments for property, plant and equipment	5	0
Payments for construction of infrastructure	5	0
		0
<b>Amount attributable to investing activities</b>		<b>0</b>
<b>FINANCING ACTIVITIES</b>		
<b>Inflows from financing activities</b>		
Transfer from reserves	4	0
		0
<b>Outflows from financing activities</b>		
Repayment of borrowings	11	0
Transfer to reserves	4	(3,474)
		(3,474)
<b>Amount attributable to financing activities</b>		<b>(3,474)</b>
<b>MOVEMENT IN SURPLUS OR DEFICIT</b>		
<b>Surplus or deficit at the start of the financial year</b>		<b>838,380</b>
Amount attributable to operating activities		(94,309)
Amount attributable to investing activities		0
Amount attributable to financing activities		(3,474)
<b>Surplus or deficit after imposition of general rates</b>		<b>740,597</b>

**KEY INFORMATION**

▲ ▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as

\* 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 :

**SHIRE OF WEST ARTHUR  
STATEMENT OF FINANCIAL POSITION  
FOR THE PERIOD ENDED 31 JULY 2025**

	Supplementary Information	30 June 2025	31 July 2025
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	2,863,502	2,448,282
Trade and other receivables		440,981	632,639
Other financial assets		32,059	32,059
Inventories	8	102,097	102,097
Other assets	8	3,936	0
<b>TOTAL CURRENT ASSETS</b>		<b>3,442,575</b>	<b>3,215,077</b>
<b>NON-CURRENT ASSETS</b>			
Other financial assets		278,671	278,671
Property, plant and equipment		17,127,440	17,071,660
Infrastructure		115,203,398	115,203,398
<b>TOTAL NON-CURRENT ASSETS</b>		<b>132,609,509</b>	<b>132,553,729</b>
<b>TOTAL ASSETS</b>		<b>136,052,084</b>	<b>135,768,806</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	307,950	176,625
Other liabilities	12	30,198	30,198
Borrowings	11	91,151	91,151
Employee related provisions	12	366,876	365,012
<b>TOTAL CURRENT LIABILITIES</b>		<b>796,175</b>	<b>662,986</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	11	484,327	484,327
Employee related provisions		45,692	34,035
Other provisions		55,324	55,324
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>585,343</b>	<b>573,686</b>
<b>TOTAL LIABILITIES</b>		<b>1,381,518</b>	<b>1,236,672</b>
<b>NET ASSETS</b>		<b>134,670,566</b>	<b>134,532,134</b>
<b>EQUITY</b>			
Retained surplus		6,850,908	6,709,002
Reserve accounts	4	2,219,793	2,223,267
Revaluation surplus		125,599,865	125,599,865
<b>TOTAL EQUITY</b>		<b>134,670,566</b>	<b>134,532,134</b>

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

## NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD ENDED 31 JULY 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 9 August 2025

**SHIRE OF WEST ARTHUR**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD ENDED 31 JULY 2025**

**2 STATEMENT OF FINANCIAL ACTIVITY INFORMATION**

		Last Year Closing 30 June 2025	Year to Date 31 July 2025
(a) Net current assets used in the Statement of Financial Activity			
		\$	\$
<b>Current assets</b>			
Cash and cash equivalents	3	2,863,502	2,448,282
Trade and other receivables		440,981	632,639
Other financial assets		32,059	32,059
Inventories	8	102,097	102,097
Other assets	8	3,936	0
		3,442,575	3,215,077
<b>Less: current liabilities</b>			
Trade and other payables	9	(307,950)	(176,625)
Other liabilities	12	(30,198)	(30,198)
Borrowings	11	(91,151)	(91,151)
Employee related provisions	12	(366,876)	(365,012)
		(796,175)	(662,986)
<b>Net current assets</b>		<b>2,646,400</b>	<b>2,552,091</b>
<b>Less: Total adjustments to net current assets</b>	Note 2(c)	(1,808,020)	(1,811,494)
<b>Closing funding surplus / (deficit)</b>		<b>838,380</b>	<b>740,597</b>

**(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*.

		YTD Budget (a)	YTD Actual (b)
		\$	\$
<b>Non-cash amounts excluded from operating activities</b>			
<b>Adjustments to operating activities</b>			
Less: Profit on asset disposals	6	0	0
Add: Loss on asset disposals	6	0	0
Add: Depreciation		0	55,780
- Employee provisions		0	(11,657)
<b>Total non-cash amounts excluded from operating activities</b>		<b>0</b>	<b>44,123</b>

**(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.

		Last Year Closing 30 June 2025	Year to Date 31 July 2025
		\$	\$
<b>Adjustments to net current assets</b>			
Less: Reserve accounts	4	(2,219,793)	(2,223,267)
Less: Financial assets at amortised cost - self supporting loans	8	(32,059)	(32,059)
- Current financial assets at amortised cost - self supporting loans			0
- Land held for resale		(79,118)	(79,118)
Add: Current liabilities not expected to be cleared at the end of the year:			
- Current portion of borrowings	11	91,151	91,151
- Employee Benefit Provision		431,799	431,799
<b>Total adjustments to net current assets</b>	Note 2(a)	<b>(1,808,020)</b>	<b>(1,811,494)</b>

**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 31 JULY 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 2025-26 year is \$10,000 or 10.00% whichever is the greater.

There is no reportable variance at 31 July 2025



SHIRE OF WEST ARTHUR  
SUPPLEMENTARY INFORMATION  
FOR THE PERIOD ENDED 31 JULY 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	22,000	0	22,000	0	NAB	0.01%	N/A
Municipal cash at bank - CM	Cash and cash equivalents	52,915	0	52,915	0	NAB	1.95%	N/A
Municipal cash at bank - at call	Cash and cash equivalents	150,000	0	150,000	0	WA Treasury	3.80%	N/A
Reserve - CM	Cash and cash equivalents	0	2,223,267	2,223,267	0	NAB	1.95%	N/A
Cash on hand	Cash and cash equivalents	100	0	100	0	CASH	0.00%	N/A
<b>Total</b>		<b>225,015</b>	<b>2,223,267</b>	<b>2,448,282</b>	<b>0</b>			
<b>Comprising</b>								
Cash and cash equivalents		225,015	2,223,267	2,448,282	0			
		<b>225,015</b>	<b>2,223,267</b>	<b>2,448,282</b>	<b>0</b>			

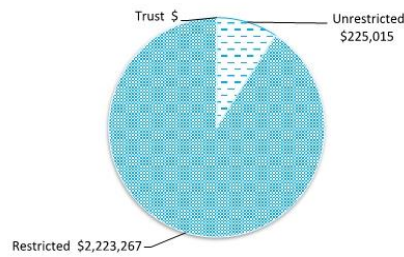
**KEY INFORMATION**

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 31 JULY 2025**

**4 RESERVE ACCOUNTS**

<b>Reserve name</b>	<b>Actual Opening Balance</b>	<b>Actual Interest Earned</b>	<b>Actual YTD Closing Balance</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Restricted by Council</b>			
Leave Reserve	37,034	58	37,092
Plant Reserve	735,456	1,151	736,607
Building Reserve	83,703	131	83,834
Town Development Reserve	1,728	3	1,731
Recreation Reserve	41,676	65	41,741
Heritage Reserve	7,437	12	7,449
Community Housing Reserve	205,439	322	205,761
Waste Management Reserve	128,158	201	128,359
Darkan Swimming Pool Reserve	41,361	65	41,426
Information Technology Reserve	22,166	35	22,201
Darkan Sport and Community Centre Reserve	270,835	424	271,259
Arthur River Country Club Reserve	64,240	101	64,341
Museum Reserve	136,563	214	136,777
Moodiarrup Sports Club Reserve	26,680	42	26,722
Landcare Reserve	21,626	34	21,660
Corporate Planning and Valuation Reserve	5,034	8	5,042
Kids Central Reserve	7,971	12	7,983
The Shed Reserve	13,455	21	13,476
Recreation Trails Reserve	2,827	4	2,831
Community Gym Reserve	15,098	24	15,122
Economic Development Reserve	86,456	135	86,591
Road Reserve	264,850	414	265,264
	<b>2,219,793</b>	<b>3,474</b>	<b>2,223,267</b>



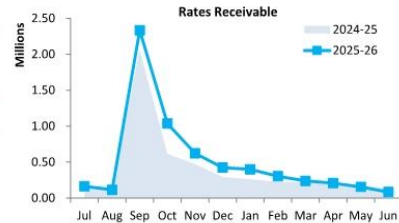
SHIRE OF WEST ARTHUR  
SUPPLEMENTARY INFORMATION  
FOR THE PERIOD ENDED 31 JULY 2025

OPERATING ACTIVITIES

7 RECEIVABLES

Rates receivable

	30 Jun 2025	31 Jul 2025
Opening arrears previous years	\$ 274,618	\$ 218,668
Levied this year	2,114,496	0
Less - collections to date	(2,170,446)	(15,611)
Gross rates collectable	218,668	203,057
Allowance for impairment of rates receivable	(119,665)	(119,665)
<b>Net rates collectable</b>	<b>99,003</b>	<b>83,392</b>
% Collected	90.8%	7.1%



Receivables - general

	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	0	194,786	2,527	654	9,340	207,307
Percentage	0.0%	94.0%	1.2%	0.3%	4.5%	
<b>Balance per trial balance</b>						
Trade receivables						207,307
Other receivables						316,578
<b>Total receivables general outstanding</b>						<b>549,247</b>

Amounts shown above include GST (where applicable)

KEY INFORMATION

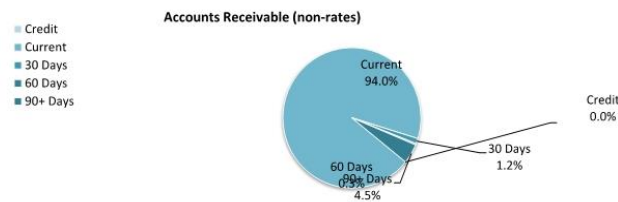
Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

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 31 JULY 2025**

**OPERATING ACTIVITIES**

**8 OTHER CURRENT ASSETS**

	Opening Balance 1 July 2025	Asset Increase	Asset Reduction	Closing Balance 31 July 2025
	\$	\$	\$	\$
<b>Other current assets</b>				
<b>Other financial assets at amortised cost</b>				
Financial assets at amortised cost - self supporting loans	32,059		0	32,059
<b>Inventory</b>				
Fuel and materials	22,979	0	0	22,979
Land held for resale	79,118			79,118
<b>Other assets</b>				
Prepayments	3,936	0	(3,936)	0
<b>Total other current assets</b>	<b>138,092</b>	<b>0</b>	<b>(3,936)</b>	<b>134,156</b>
<b>Amounts shown above include GST (where applicable)</b>				

**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 31 JULY 2025**

**OPERATING ACTIVITIES**

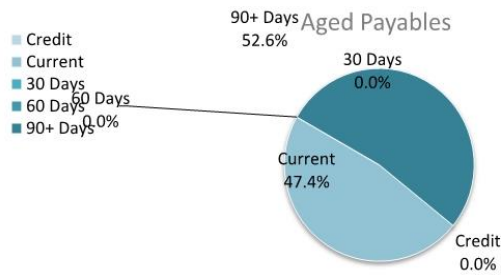
**9 PAYABLES**

<b>Payables - general</b>	<b>Credit</b>	<b>Current</b>	<b>30 Days</b>	<b>60 Days</b>	<b>90+ Days</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Payables - general	0	83,762	0	0	92,863	176,625
Percentage	0.0%	47.4%	0.0%	0.0%	52.6%	
<b>Balance per trial balance</b>						
Sundry creditors						15,487
Other payables						92,863
Prepaid rates						5,687
Income Received in Advance						5,473
Payroll deductions						52,692
Collections						4,423
<b>Total payables general outstanding</b>						<b>176,625</b>

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 31 JULY 2025**

**OPERATING ACTIVITIES**

**12 OTHER CURRENT LIABILITIES**

	Note	Opening Balance 1 July 2025	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 31 July 2025
		\$	\$	\$	\$	\$
<b>Other current liabilities</b>						
<b>Other liabilities</b>						
Capital grant/contributions liabilities		30,198	0	0	0	30,198
<b>Total other liabilities</b>		30,198	0	0	0	30,198
<b>Employee Related Provisions</b>						
Provision for annual leave		146,388	0	0	(2,665)	143,723
Provision for long service leave		220,082	11,657	0	(10,932)	220,807
Other leave provisions [describe]		406	0	76	0	482
<b>Total Provisions</b>		366,876	11,657	76	(13,597)	365,012
<b>Total other current liabilities</b>		<b>397,074</b>	<b>11,657</b>	<b>76</b>	<b>(13,597)</b>	<b>395,210</b>

Amounts shown above include GST (where applicable)

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

**12.2 ACCOUNTS FOR PAYMENT - AUGUST 2025**

<b>Location:</b>	<b>N/A</b>
<b>Applicant:</b>	<b>N/A</b>
<b>Author:</b>	<b>Kylie Whitaker, Finance Officer</b>
<b>Authorising Officer:</b>	<b>Rajinder S Sunner, Manager Corporate Services</b>
<b>Date:</b>	<b>17/07/2025</b>
<b>Disclosure of Interest:</b>	<b>Nil</b>
<b>Attachments:</b>	<b>1. Accounts For Payment Listing - August 2025</b> <b>2. Corporate Card Summary Statement - 26 July to 25 August 2025</b>

**SUMMARY:**

Council is requested to endorse payments of accounts for August 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 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		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	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 August 2025 Municipal Fund vouchers 12082025.1-12082025.44, 21082025.1-21082025.18, Licensing, Salaries and Wages, EFT Transfers and Direct Debits totalling \$429,707.00 listed (attached) as approved for payment.
2. note the attached Corporate Credit Card facility transaction summary from 26 July 2025 to 25 August 2025.



Shire of West Arthur  
Creditor Payments  
August 2025

Date	Reference	Detail	Amount
1/08/2025	Direct Debit	<b>Aware Super Clearing House</b>	12589.93
		Fortnightly Superannuation Contributions	
1/08/2025	Direct Debit	<b>Synergy</b>	226.04
		Moodiarrup Hall & Duranillin Water Supply Charge	
		& Consumption 18/4 - 20/6/2025	
4/08/2025	Direct Debit	<b>Synergy</b>	150.49
		Rees Road Supply Charge & Consumption 1/7 - 31/8/2025	
5/08/2025	Direct Debit	<b>Synergy</b>	1083.5
		CRC Supply Charge & Consumption 17/6 - 14/7/2025	
7/08/2025	Direct Debit	<b>Synergy</b>	136.28
		Lake Supply Charge & Consumption 3/5 - 20/6/2025	
14/08/2025	Direct Debit	<b>Aware Super Clearing House</b>	12442.54
		Fortnightly Superannuation Contributions	
18/08/2025	Direct Debit	<b>Rentfind Technologies Pty Ltd</b>	22
		Rent Find Monthly Fee	
21/08/2025	Direct Debit	<b>National Australia Bank</b>	52.73
		NAB Connect Fee Access & Usage	
21/08/2025	Direct Debit	<b>Water Corporation</b>	2217.19
		18 Gibbs, 15 Nangip, Rail Reserve House, 52 Hillman,	
		1/10 Hillman, 10 King, 2/12 Hillman, 25 Nangip,	
		4/12 Hillman, 8 Hillman, 22 Hillman, 31 Arthur	
		Supply Charge & Consumption 5/6 - 4/8/2025	
21/08/2025	Direct Debit	<b>Water Corporation</b>	723.32
		6 Hillman Supply Charge & Consumption 5/6 - 4/8/2025	
21/08/2025	Direct Debit	<b>Telstra</b>	45
		Mobile, Landlines & Data for Shire facilities to 1/8/25	
22/08/2025	Direct Debit	<b>Synergy</b>	1545.86
		Streetlights Consumption 25/6-24/7/25	
25/08/2025	Direct Debit	<b>Synergy</b>	462.45
		Town Dam Loc 4573 Darkan Road South &	
		Loc 4537 Darkan Road Supply Charge	
		& Consumption 16/5-24/7/25	
25/08/2025	Direct Debit	<b>Telstra</b>	2914.98
		Mobile, Landlines & Data for Shire facilities to 1/8/25	
26/08/2025	Direct Debit	<b>Synergy</b>	124.06
		Dura. School Supply Charge & Consumption 16/5 - 15/7/25	
26/08/2025	Direct Debit	<b>Water Corporation</b>	270.39
		Darkan Hall, Caravan Park, Footy Oval, Cemetery,	
		22 Horwood Supply Charge & Consumption 5/6 - 4/8/2025	
27/08/2025	Direct Debit	<b>NAB Credit Card</b>	3612.6
		See attached statement	
28/08/2025	Direct Debit	<b>Water Corporation</b>	50.43
		2/10 Hillman Supply Charge 1/7 - 31/8/2025	
29/08/2025	Direct Debit	<b>National Australia Bank</b>	65.68
		Merchant Fee	

Shire of West Arthur  
Creditor Payments  
August 2025

Date	Reference	Detail	Amount
29/08/2025	Direct Debit	<b>National Australia Bank</b>	37
		Account Fee 086724 508314385	
29/08/2025	Direct Debit	<b>National Australia Bank</b>	10
		Account Fee	
29/08/2025	Direct Debit	<b>Motorpass</b>	13.54
		Management Fees - Arthur River & Darkan Fuel Card	
29/08/2025	Direct Debit	<b>Synergy</b>	97.78
		Dura. Hall Supply Charge & Consumption 29/5 - 15/7/2025	
29/08/2025	Direct Debit	<b>Water Corporation</b>	50.43
		11 King Street Supply Charge 29/5 - 15/7/2025	
28/08/2025	Eft	<b>Salaries and Wages</b>	66385.7
		Payroll	
14/08/2025	Eft	<b>Salaries and Wages</b>	64853.5
		Payroll	
12/08/2025	12082025.1	<b>Air Liquide</b>	57.28
		Cylinder Fee - Large	
12/08/2025	12082025.2	<b>AMPAC Debt Recovery (WA)</b>	4509.92
		Rate Recovery A985 etc	
12/08/2025	12082025.3	<b>Ashantra Pty Ltd atf The Nicholas Family Trus</b>	69
		Seniors Meals - fish	
12/08/2025	12082025.4	<b>Australia Post</b>	116.85
		August 2025 Postage	
12/08/2025	12082025.5	<b>Australia's Golden Outback</b>	350
		AGO - Annual Membership	
12/08/2025	12082025.6	<b>Bell Sharon</b>	337.58
		Reimbursement for seniors meals & coffee for office	
12/08/2025	12082025.7	<b>BGL Solutions Pty Ltd</b>	935
		Soil test recommendations for Football Oval	
12/08/2025	12082025.8	<b>Bookeasy Australia Pty Ltd</b>	220
		Caravan Park Booking System - July 2025	
12/08/2025	12082025.9	<b>Bunbury Machinery</b>	2733.7
		PM7 & PM8 Parts	
12/08/2025	12082025.10	<b>Central Garage</b>	295.24
		Female 8pin, male 8pin & freight for Case Excavator	
12/08/2025	12082025.11	<b>Collie Mowers &amp; More</b>	192.8
		Autocut x 4	
12/08/2025	12082025.12	<b>Cook Tyler</b>	2.5
		Reimbursement for Zucchini for seniors meals	
12/08/2025	12082025.13	<b>Country Water Solutions</b>	1110.34
		Travel & assessment of water pump - Town Dam	
12/08/2025	12082025.14	<b>Dash Theresa</b>	171.72
		Caravan Park Refund	
12/08/2025	12082025.15	<b>David Wills and Associates</b>	10403.25
		Civil Design & Documentation & electrical	
		& communication design - proposed subdivision at	
		Lot 309 Burrowes St	

Shire of West Arthur  
Creditor Payments  
August 2025

Date	Reference	Detail	Amount
12/08/2025	12082025.16	<b>Exurban Rural and Regional Planning</b>	3378.44
		Town Planning Consultancy Services July 2025	
12/08/2025	12082025.17	<b>Fleays Store</b>	49.5
		Office Refreshments July 2025	
12/08/2025	12082025.18	<b>Fordham Lamont Vin</b>	87
		Reimbursement for 2 x padlocks for sea container at 10 King St	
12/08/2025	12082025.19	<b>Fuel Distributors of WA</b>	482.04
		Fuel for Executive vehicles	
12/08/2025	12082025.20	<b>Jason Signmakers</b>	970.2
		Plastic flexible guide posts, manual drive flexible guide posts & pallet for North Cordering project	
12/08/2025	12082025.21	<b>LGISWA</b>	132520
		2025-2026 Insurance Premiums	
12/08/2025	12082025.22	<b>Local Government Professionals Aus WA</b>	660
		Staff members x 2 Attendance Verbal Judo	
12/08/2025	12082025.23	<b>Mcleods Lawyers Pty Ltd</b>	740.88
		Legal Fees - Lot 5 Stewart Rd Composting & DDSC Lease	
12/08/2025	12082025.24	<b>MZ Construction</b>	110
		Refund of overpayment of chalet booking	
12/08/2025	12082025.25	<b>Officeworks</b>	698.93
		Office stationery	
12/08/2025	12082025.26	<b>Pathwest Laboratory Medicine WA</b>	49.5
		Pre-Employment Drug Test for staff member	
12/08/2025	12082025.27	<b>Pederick Engineering</b>	1245.42
		Parts & Repairs	
12/08/2025	12082025.28	<b>QHSE Integrated Solutions Pty Ltd T/AS</b>	656.7
		Skytrust intelligence System Monthly Subscription	
12/08/2025	12082025.29	<b>Roslyn King (Cleaning Contractor)</b>	8916.67
		Cleaning Contractor July 2025	
12/08/2025	12082025.30	<b>SOS Office Equipment</b>	150.49
		Photocopier Billing Job July 2025	
12/08/2025	12082025.31	<b>South Boddington Gold Pty Ltd</b>	41.92
		Rate Refund	
12/08/2025	12082025.32	<b>South West Isuzu</b>	616.28
		Mirror assembly lh 2018 Isuzu Giga & Seat Belt for 2017 Isuzu Prime Mover	
12/08/2025	12082025.33	<b>Sprys Meat Market</b>	263.99
		Seniors Meals - meat	
12/08/2025	12082025.34	<b>St Luke's Family Practice</b>	2860
		Darkan Clinic Doctor Service Fees - July 2025	
12/08/2025	12082025.35	<b>Statewide Bearings</b>	39.6
		Gates Cog Belt for Gianni Ferrari Ride On Mower	
12/08/2025	12082025.36	<b>Tachbrook Pty Limited</b>	199.12
		Rate Refund	

Shire of West Arthur  
Creditor Payments  
August 2025

Date	Reference	Detail	Amount
12/08/2025	12082025.37	<b>Team Global Express</b>	124.39
		South West Isuzu, Stewart & Heaton, Express Print & Filters Plus Freight	
12/08/2025	12082025.38	<b>The Great Awakening Cafe</b>	577.5
		Council Catering - June 25 & July 25 OCM	
12/08/2025	12082025.39	<b>Tre Cuori P/L T/as InCasa Country Aged Care &amp;</b>	265
		Refund of overpayment of debtor invoice	
12/08/2025	12082025.40	<b>WA Contract Ranger Services Pty Limited</b>	2887.5
		Ranger Services July 2025	
12/08/2025	12082025.41	<b>WALGA</b>	21180.39
		Association Subscription 25/26	
12/08/2025	12082025.42	<b>Warren Blackwood Waste</b>	3517.62
		Recycling, Commercial & Domestic Waste Services July 25	
12/08/2025	12082025.43	<b>West Arthur Community Resource Centre</b>	852.25
		Drs hours July 2025	
12/08/2025	12082025.44	<b>Westrac Bunbury</b>	9223.48
		G10 Grader - maintenance circle drawbar,	
		G11 Grader Caterpillar replace new engine wiring harness, G11 injector issue	
21/08/2025	21082025.1	<b>Auspire - Australia Day Council</b>	800
		Annual membership	
21/08/2025	21082025.2	<b>Bell Sharon</b>	405.95
		Reimbursement of seniors meals, budget meeting, teabags for office	
21/08/2025	21082025.3	<b>Blueforce</b>	1031.8
		CCTV - Video Software Licence - August 2025	
21/08/2025	21082025.4	<b>Bunbury Machinery</b>	790.3
		50hr service on Kubota Petrol Zero Turn Mower	
21/08/2025	21082025.5	<b>Cemeteries and Crematoria Association WA</b>	130
		25/26 Membership	
21/08/2025	21082025.6	<b>Darkan Agri Services</b>	1447.39
		Various items for maint./cleaning of shire buildings	
21/08/2025	21082025.7	<b>Filters Plus WA</b>	816.79
		Various filters for shire plant	
21/08/2025	21082025.8	<b>Fuel Distributors of WA</b>	22836.87
		13000L Diesel & fuel for executive vehicles	
21/08/2025	21082025.9	<b>LGISWA</b>	2186.05
		2024-2025 LGIS Workers Compensation adjustment	
21/08/2025	21082025.10	<b>Museum of Perth</b>	548.9
		Annual Subscription - Public Art Inventory	
21/08/2025	21082025.11	<b>Payroll Edge Consulting</b>	1990
		2 x Tickets - Payroll Training for finance staff	
21/08/2025	21082025.12	<b>PFD Food Services Pty Ltd</b>	401.75
		Senior Meals - containers	
21/08/2025	21082025.13	<b>Shire of Narrogin</b>	884.1
		Regional Environmental Health Officer July 2025	

Shire of West Arthur  
Creditor Payments  
August 2025

Date	Reference	Detail	Amount
21/08/2025	21082025.14	<b>Sprys Meat Market</b>	356.24
		Seniors Meals - meat	
21/08/2025	21082025.15	<b>St Luke's Family Practice</b>	220
		Darkan Clinic Doctor Travel Fees - July 2025	
21/08/2025	21082025.16	<b>WA Contract Ranger Services Pty Limited</b>	2541
		Ranger Services 5 & 7 August 2025	
21/08/2025	21082025.17	<b>WALGA</b>	1100
		Annual subscription 2025/26 - Central Country Zone	
21/08/2025	21082025.18	<b>Westrac Bunbury</b>	5060
		Parts & Repairs	
		<b>VOUCHERS</b>	
<b>MUNICIPAL FUND</b>			
		<b>DIRECT DEBIT</b>	\$38,944.22
		<b>EFT</b>	\$131,239.20
		<b>12082025.1-12082025.44</b>	\$214,869.99
		<b>21082025.1-21082025.18</b>	\$43,547.14
		<b>LICENSING AUGUST 2025 TRANSFERS</b>	\$1,106.45
		<b>TOTAL</b>	\$429,707.00



SHIRE OF WEST ARTHUR  
PAYMENTS OF ACCOUNTS BY NAB VISA CARD  
FOR THE STATEMENT PERIOD: 26 July to 25 August 2025

DATE	PAYEE	PO NUMBER	DESCRIPTION	SOWA EXPENSE CODE	EXPENSE DESCRIPTION	TOTAL
28-Jul-25	Darken Post Office		102608:Gratuities Gift Cards for A Telfer	E143065	OTHER PROPERTY & SERVICES:Works Overheads:Employee Costs Other	\$300.00
30-Jul-25	Reddon Ltd		102626:Reddon Subscription	E142015	GOVERNANCE:Members:Council & Comm Meetings	\$170.00
06-Aug-25	Don Murphy's		102859:Drinks for Council	E041001	OTHER PROPERTY & SERVICES:Administration Overheads:Computer Maintenance	\$147.99
10-Aug-25	Darken Internet		102413:Wifi for Depot	E142020	OTHER PROPERTY & SERVICES:Works Overheads:Training & Development	\$139.00
17-Aug-25	Guest Innaloo		102535:Accommodation for Dot training - R Mclure	E143020	OTHER PROPERTY & SERVICES:Private Works:Online Licensing	\$1,407.24
25-Aug-25	Guest Innaloo		102778:parking and breakfast for Dot training - R Mclure	E143025		\$88.97
			CARD 1 PAYMENTS			\$2,262.60
	RAINIER SUNNER Cardholder Name		<i>[Signature]</i>	VINCENT FORDHAM LAMONT Reviewed by CEO	Authorised By <i>[Signature]</i>	
01-Aug-25	Post Collie Post Shop		102625:ID Check for purchase of old station house	1999263201	OTHER PROPERTY & SERVICES:Works Overheads:Housing	\$49.00
06-Aug-25	Clarendon Hotel		102342:Accommodation for CEO and Dep Pres for Re-Alliance NSW Summit	E143015	GOVERNANCE:Other Governance:Other Governance	\$310.00
07-Aug-25	Virgin Australia		102795:Virgin Flight Upgrade for CEO and Dep Pres	E041015	GOVERNANCE:Other Governance:Other Governance	\$186.00
11-Aug-25	Clarendon Hotel		102342:Accommodation for CEO and Dep Pres for Re-Alliance NSW Summit	E041015	GOVERNANCE:Other Governance:Other Governance	\$620.00
19-Aug-25	Darken Agri Services		102757:Gas bottle supply and delivery at 10 King Street, Darken	E143015	OTHER PROPERTY & SERVICES:Works Overheads:Housing	\$1350.00
			CARD 3 PAYMENTS			\$1,350.00
	VINCENT FORDHAM LAMONT Cardholder Name		<i>[Signature]</i>	KAREN HARRINGTON Reviewed by Acting Shire President	Authorised By <i>[Signature]</i>	
			TOTAL NAB VISA CARD PAYMENTS 4336-XXXX-XXXX-7507			\$3,612.60
			Direct Debit Date			27-Aug-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 card is evident.

Kylie Whitaker *[Signature]*

DATE: 29.9.25



**13 WORKS AND SERVICES**

Nil

**14 REGULATORY SERVICES****14.1 DEVELOPMENT APPLICATION - DARKAN ROADHOUSE FUEL STORAGE**

<b>Author:</b>	Joe Douglas, Planning Consultant
<b>Authorising Officer:</b>	Vin Fordham Lamont, Chief Executive Officer
<b>Date:</b>	26/08/2025
<b>Disclosure of Interest:</b>	Nil
<b>Location:</b>	A684 - Lot 5 on Diagram 2560 & Lot 6 (No.9881) Coalfields Road, Darkan
<b>Applicant:</b>	Harvey Roadhouse Pty Ltd
<b>Owner:</b>	Harvey Roadhouse Pty Ltd (i.e. purchaser as per contract of sale with West 9 Pty Ltd dated 5 August 2024)
<b>Proposal:</b>	Installation and use of a proposed new underground fuel storage tank and associated infrastructure
<b>Attachments:</b>	<ol style="list-style-type: none"> <li>1. Details of Proposed Development</li> <li>2. Fully Executed Sale Contract with Lease (under separate cover)</li> </ol>

**SUMMARY:**

This report recommends that Council grant conditional approval to a development application for the installation and use of a proposed new underground fuel storage tank, associated infrastructure and various other minor improvements on the abovementioned properties.

**BACKGROUND:**

Harvey Roadhouse Pty Ltd has submitted a development application requesting the Shire's approval to install a new 90,000 litre underground fuel storage tank, associated infrastructure and various other minor improvements on Lot 5 on Diagram 2560 and Lot 6 (No.9881) Coalfields Road, Darkan to support the continued use of the subject land for the purposes of a service station/roadhouse.

When considering the application Council should note the following key points:

- i) Whilst the subject land is listed on Landgate's records as being owned by West 9 Pty Ltd, Harvey Roadhouse Pty Ltd may in accordance with provisions contained in Schedule 2 (i.e. the Deemed Provisions) of the *Planning and Development (Local Planning Schemes) Regulations 2015* act as the owner of the land for the purposes of seeking and obtaining development approval given it holds an interest under a formal contract of sale to purchase the land including an interim lease agreement;
- ii) The proposed new 90,000 litre underground fuel storage tank has already been installed on the land without the Shire's formal development approval. The applicant/owner has confirmed this was an unforeseen error on their behalf with all works undertaken in accordance with the specific requirements of a Dangerous Goods Site Licence issued by the Department of Mines, Petroleum and Exploration on 8 May 2025. The applicant/owner has paid the Shire all penalty fees applicable to development applications for unauthorised development in accordance with the specific requirements of the *Planning and Development Regulations 2019*; and



- iii) The latest development proposal will, if ultimately approved by Council, supersede two (2) previous development approvals granted in February 2023 and May 2024 that allowed for the installation and use of aboveground fuel storage tanks on the subject land comprising a total combined storage capacity of 79,700 litres including all associated infrastructure and various other minor improvements.

Specific details of the proposed development, including plans, are provided in Attachment 1 to this report.

The subject land is located in the north-eastern part of the Darkan townsite on the northern side of Coalfields Road and comprises a total combined area of approximately 2,024m<sup>2</sup>.

Both lots have historically been developed and used for the purposes of a service station and contain various improvements associated with this use.

All access to/from the land is available via its frontage to Coalfields Road which is a State road under the care, control and management of Main Roads WA.

The subject land does not contain any sites of cultural heritage significance, is not subject to inundation or flooding during extreme storm events, has not been designated by the Fire and Emergency Services Commissioner as being bushfire prone or the Department of Water and Environmental Regulation as being a contaminated site.

**COMMENT:**

The subject land is classified 'Commercial' zone in the Shire of West Arthur Local Planning Scheme No.2 with the use class 'service station' listed as a discretionary (i.e. 'A') use in the Zoning Table (i.e. the use is not permitted without the local government's development approval following completion of public advertising).

The application has been assessed with due regard for the specific objectives and standards of the Shire's local planning framework including Local Planning Scheme No.2 (LPS2), the Deemed Provisions of the *Planning and Development (Local Planning Schemes) Regulations 2015* and the outcomes from public advertising (i.e. no objections raised). This assessment has confirmed the proposal is compliant or capable of compliance with the following relevant considerations and requirements:

- The general aims, objectives and provisions of LPS2 including those specific to all land classified 'Commercial' zone;
- WAPC Development Control Policy 5.1 entitled 'Regional Roads (Vehicular Access)';
- Land capability and suitability including possible risks to human health and safety;
- Land use compatibility;
- Amenity of the locality including potential environmental, visual and social impacts;
- Maintenance of existing services of benefit to the local community;
- Protection of the natural environment, water resources and cultural heritage significance;
- Traffic safety including vehicle access and parking; and
- Flood, stormwater drainage and bushfire risk management.

Notwithstanding the above conclusion Council should note the following key points:

- i) A new covered sitting area for customers is proposed to be constructed at the front of Lot 6 immediately adjacent to its western side boundary. Whilst the location of this proposed structure is acceptable no specific details regarding its height dimensions, architectural styling, building materials and colours, or stormwater drainage management arrangements were provided in support of the application to assist the planning assessment process. As such it is recommended Council impose a condition on any development approval granted requiring detailed plans for this proposed structure to be prepared and submitted to the Shire for consideration of endorsement by the Shire's Chief Executive Officer prior to its construction.

- ii) Whilst the submission received from the Darkan Hotel during the mandatory public advertising process raised no objections to the proposed development, a number of queries and concerns were raised. A formal response to this submission has been prepared by the Shire Administration and sent to the Darkan Hotel. The recommendation for approval provided below includes a number of conditions that address all concerns raised by the Darkan Hotel that are of direct relevance to the proposed development and capable of being managed and controlled.

In light of all the above findings it is concluded the latest development proposal for Lots 5 and 6 is acceptable and unlikely to have any negative impact on the general amenity, character, functionality and safety of the immediate locality subject to compliance with a number of conditions. As such it is recommended Council exercise its discretion and grant conditional approval to the application to ensure the development proceeds in a proper and orderly manner.

An alternative to the recommendation for conditional development approval provided below is not considered necessary or recommended for the following reasons:

- i) The proposal is well founded, permissible and has scope to be approved immediately subject to compliance with a number of conditions to ensure it proceeds in a proper and orderly manner; and
- ii) The applicant/owner is obliged to address/satisfy all other statutory and regulatory requirements applicable to the proposed development to ensure it has no negative impacts.

#### **CONSULTATION:**

The application was advertised for public comment in accordance with the procedural requirements of clause 64 of the Deemed Provisions of the *Planning and Development (Local Planning Schemes) Regulations 2015* for the minimum required period of 14 days. At the conclusion of public advertising a total of two (2) submissions had been received with no objections raised (i.e. Caro Telfer and Darkan Hotel).

Referral of the application to State government agencies and essential service providers for review and comment was not considered necessary.

The application was also the subject of discussions with the Shire's Chief Executive Officer.

#### **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:**

- *WAPC Development Control Policy 5.1 - Regional Roads (Vehicular Access)*

#### **FINANCIAL IMPLICATIONS:**

There are no immediate financial implications for the Shire aside from the administrative costs associated with processing the application which are accounted for in the Shire's annual budget and have been offset in full by the development application fee paid by the applicant/owner. All costs associated with the proposed development will be met by the applicant/owner.

It is significant to note should the applicant/owner be aggrieved by Council's final decision in this matter they have the right to seek a formal review of that decision by the State Administrative Tribunal. Should this occur for whatever reason, which is considered unlikely in this particular case given the recommendation for conditional approval, the Shire would need to respond. The cost to respond to an appeal cannot be determined at this preliminary stage but could be expected, based on the recent experience of other local

government authorities in Western Australia, to range anywhere from \$5,000 to \$60,000 excluding GST and possibly more depending upon how far the matter proceeds through the review process.

#### **STRATEGIC IMPLICATIONS:**

The proposed development is generally consistent with the following elements 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.

##### Local Planning Strategy (2006)

- Section 5.4 - Consolidation of commercial activities within the general confines of the established town centre are in Darkan; and
- Section 6.3 – Encourage patronage of established businesses.

##### Draft Local Planning Strategy (2024)

- Section 1.2.2.4 – Support development which enhances a local sense of place, providing attractive, active and vibrant townscapes and streetscapes;
- Section 1.2.3.8 – Support a diverse range of local business and employment opportunities within settlements;
- Section 1.2.4.1 – Protect, conserve and enhance environmental and landscape values for the benefit of current and future generations;
- Section 1.2.4.3 - Manage land use to protect water resources for drinking water, amenity, environmental management, recreation, tourism, agriculture, mining, industry and cultural heritage;
- Section 1.2.5.1 – Provide a safe, efficient and effective movement network for people and freight that is integrated with land uses to provide for better accessibility and sustainability; and
- Section 1.3.2.14 – Support the protection and conservation of sites with significant heritage and cultural values and continue to reflect the Shire's unique heritage.

##### Strategic Community Plan Towards 2031

Local Economy Outcome 2.2 – A growing, diverse business community;

Local Economy Outcome 2.3 – Existing businesses develop and grow;

Natural Environment Outcome 3.4 – Waste is minimised and environmentally sustainable practices are employed;

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

Built Environment Outcome 4.4 – Appropriate planning and development.

##### Corporate Business Plan 2023/24 – 2026/27

Economic Development - Increase in businesses and support and grow tourism in the Shire;

Environmental Health - A safe place to work, live and visit.

##### Economic Development Strategy 2023-2033

Priority 1: Placemaking and Activation - A vibrant town centre and activated spaces within our townsite;

Priority 3: Business Support - A growing and diverse business community;

Priority 4: Tourism Development - A thriving visitor economy that leverages our natural and heritage assets; and

Priority 6: Investment Attraction - New industry development and diversified job opportunities.

#### **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	Development occurs in a manner not consistent with legislative requirements
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 conditions of approval and other applicable regulations.

**VOTING REQUIREMENTS:**

Simple Majority

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**OFFICER RECOMMENDATION:**

That the application for development approval submitted by Harvey Roadhouse Pty Ltd for the installation and use of a proposed new underground fuel storage tank, associated infrastructure and various other minor improvements on Lot 5 on Diagram 2560 and Lot 6 (No.9881) Coalfields Road, Darkan be approved by Council subject to the following conditions and advice notes:

Conditions

1. The proposed development shall be undertaken in accordance with the information and plans submitted in support of the application subject to any modifications required as a consequence of any condition/s of this approval or otherwise approved by the local government.
2. The proposed development shall be substantially commenced within two (2) years from the date of this approval. If the development is not substantially commenced within this period no development shall be carried out without the further approval of the local government having first been sought and obtained.
3. Any additional development which is not in accordance with the application the subject of this approval or any condition of approval will require the further approval of the local government.
4. Suitably scaled and detailed plans for the proposed new covered sitting area at the front of Lot 6 immediately adjacent to its western side boundary shall be prepared and submitted to the Shire for consideration of endorsement by the Shire's Chief Executive Officer prior to its construction.
5. The use hereby permitted shall not cause injury to or prejudicially affect the amenity of the locality by reason of the emission of smoke, dust, fumes, odour, noise, vibration, waste products or otherwise.
6. No polluted stormwater drainage shall be discharged beyond the boundaries of the land the subject of this approval and/or into any watercourse or drain and shall be so treated and/or absorbed on the land to the satisfaction of the local government's Environmental Health Officer.
7. All external lighting associated with the proposed development shall be designed, baffled and located to prevent any light spill onto adjoining properties and to motorists on Coalfields Road in accordance with Australian Standard AS4282-1997 entitled 'Control of the Obtrusive Effects of Outdoor Lighting' to the satisfaction of the local government in consultation with Main Roads WA.
8. All light and heavy vehicle access to/from the proposed development shall be undertaken in a forward gear only at all times via the subject land's frontage to Coalfields Road unless an alternative means of access is approved by the local government.
9. No vehicle access is permitted on any part of any immediately adjoining property unless otherwise approved by the relevant landowners and the local government.
10. All proposed new vehicle accessways on Lot 5, including the turnaround area at the rear of this lot, driveway access thereto, and the area comprising the proposed new underground fuel storage tank, shall be sealed and drained to the specifications and satisfaction of the local government prior to use of the proposed tank and associated infrastructure.
11. Any proposed new advertising signage shall be provided in accordance with the specific requirements of Schedule 5 of the Shire of West Arthur Local Planning Scheme No.2 unless otherwise approved by the local government following receipt of the required development application.

12. All waste generated during the construction process shall be disposed or recycled at an approved/licensed waste disposal and/or recycling facility. No waste is permitted to be stored and disposed on the land.

#### Advice Notes

1. This approval is not an authority to ignore any constraint to development on the land which may exist through contract or on title, such as an easement or restrictive covenant. It is the responsibility of the applicant/owner and not the local government to investigate any such constraints before commencing development. This approval will not necessarily have regard to any such constraint to development, regardless of whether or not it has been drawn to the local government's attention.
2. This is a development approval of the Shire of West Arthur under its Local Planning Scheme No.2. It is not a building permit or an approval to commence or carry out development under any other law. It is the responsibility of the applicant/owner to obtain any other necessary approvals, consents, permits and licenses required under any other law, and to commence and carry out development in accordance with all relevant laws.
3. In accordance with the *Building Act 2011* and *Building Regulations 2012* a building permit application for any proposed new building/s on the land will be required. Please contact the local government's Building Surveyor Mr Peter Hulme on 9257 9941 or [peter.hulme@kalamunda.wa.gov.au](mailto:peter.hulme@kalamunda.wa.gov.au) to confirm the relevant requirements in this regard.
4. The applicant/owner is reminded of their obligation to ensure compliance with the requirements of the *Dangerous Goods Safety Act 2004*, the Australian Dangerous Goods Code 2011 and Australian Standard AS1940 entitled 'The Storage and Handling of Flammable and Combustible Liquids'. For further information please contact the Department of Mines, Petroleum and Exploration.
5. The applicant/owner is responsible for ensuring the correct siting of all structures on the land the subject of this approval. An identification survey demonstrating correct siting and setbacks of structures may be requested by the local government at the applicant's/owner's cost to ensure compliance with this determination notice and all applicable provisions.
6. It is recommended the applicant/owner consider installing a new dividing fence along the common boundary with Lot 4 (No.9889) Coalfields Road, Darkan located immediately east to discourage and prevent unauthorised vehicle and pedestrian access.
7. Failure to comply with any of the conditions of this development approval constitutes an offence under the provisions of the *Planning and Development Act 2005* and the Shire of West Arthur Local Planning Scheme No.2 and may result in legal action being initiated by the local government.
8. If the applicant/owner is aggrieved by this determination there is a right of review by the State Administrative Tribunal in accordance with the *Planning and Development Act 2005* Part 14. An application must be submitted directly to the State Administrative Tribunal within 28 days of this determination.

## ATTACHMENT 1

Attention: Mr Vin Fordham-Lamont  
Chief Executive Officer  
Shire of West Arthur

Dear Vin,

We are writing to formally introduce ourselves as the new owners of the Darkan Roadhouse, located at 9881 Coalfields Road, Darkan. As you may know, this roadhouse had been closed for several years, and we took the initiative to reopen the site in January 2025 to once again serve the community with food, fuel, and a selection of daily use items.

This roadhouse is currently the only place in the area where residents and travellers can access both coffee and fuel, making it a vital and convenient service for the local community. We are proud to contribute to the needs of Darkan and surrounding areas by providing these essential services close to home.

We would also like to bring to your attention an honest mistake regarding the redevelopment of the site. While the original development approval from the Shire was for the installation of an above-ground fuel tank, we began work to install an underground fuel tank instead, believing it to be a safer and more suitable option. We also obtained the necessary licensing approval for the underground tank from DEMIRS and are complying fully with all applicable safety requirements for its installation.

We realised our error regarding the Shire's approval after work had already commenced. Due to the timing and the onset of the rainy season, it is challenging to stop the work immediately. We have since spoken with Shire officers, explained the situation, and expressed our willingness to rectify the matter.

We hereby submit a new development application, complete with all the required documentation, to formalise approval for the underground tank.



Additionally, we welcome Shire officers to visit the site at any time to inspect the work in progress and verify compliance with safety standards.

We sincerely apologise for any inconvenience this may have caused and look forward to working closely with the Shire to correct this mistake and ensure full compliance moving forward. Please do not hesitate to contact us 0433567584 or email Darkanroadhouse9881@yahoo.com. if you require further information or clarification.

Thank you for your understanding and support.

Kuldeep singh Walia & Rajvir Kaur Mander  
one stop Darkan restaurant  
Harvey Roadhouse Pty Ltd,

*Kuldeep singh Walia*  
*15-7-25*

**Owners Details**Name: Harvey roadhouse Pty Ltd t/Tra as one stop Darkan RestaurantABN (if applicable): 84628004035Postal Address: 9881 coalfields RoadDarkanPost Code: 6392Email: darkanroadhouse9881@yahoo.comMobile Number: 0433567584

Home Number: \_\_\_\_\_

Contact person for correspondence: SINGHSignature: Kuldeep Singh Wahi Date: 15-07-2025Signature: Rajiv Kumar Mander Date: 15-07-2025

*The signature of the owner(s) is required on all applications. This application will not proceed without that signature. For the purposes of signing this application an owner includes the persons referred to in the Planning and Development (Local Planning Schemes) Regulations 2015 Schedule 2 clause 62(2).*

**Applicant Details (if different from owner)**

Name: \_\_\_\_\_

ABN (If Applicable): \_\_\_\_\_

Postal Address: \_\_\_\_\_

Post Code: \_\_\_\_\_

Email: \_\_\_\_\_

Mobile Number: \_\_\_\_\_

Home Number: \_\_\_\_\_

Contact person for correspondence: \_\_\_\_\_

The information and plans provided with this application may be made available by the local government for public viewing in connection with the application.

☒ Yes ☐ No

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**Property Details**Lot Number: 5&6House/Street Number: 9881

Location Number: \_\_\_\_\_

Diagram or Plan Number: 2560Certificate of Title (Vol. Number): 17341518Folio: 130 672

Title encumbrances (e.g., easements, restrictive covenants): \_\_\_\_\_

Street name: Coalfields RoadSuburb: DarkanNearest Street Intersection: Darkan Rd and Williams -Darkan

Forest to Wheatbelt

**Proposed Development** (see Note 1)

Nature of development:

☒ Works ☐ Use ☐ Works and Use

Is an exemption from development claimed for part of the development? (see Note 2)

☐ Yes ☐ No

☐ No ☐ Works ☐ Use

Description of proposed works and/or land use:  
(refer to information on cover page)

Upgrade of existing fuel system by installing

new Diesel and petrol underground tank total of 90000 Litre and new fuel bowsers

Diesel- 34000 Lt, Unleaded 91-34000 Lt. Pulp98= 16000 Lt

Description of exemption claimed (if relevant):

Nature of any existing buildings and/or land use: Existing Petrol station

Approximate cost of proposed development: 400,000

Estimated time of completion: 15-8-25

**Notes**

1. Council will determine the land use classification under the Scheme for the proposal.
2. Development which is exempt from needing approval is referenced in Clause 61, Schedule 2 of the Regulations and in Council's Local Planning Policies.
3. Please note the Shire of West Arthur reserves the right to request additional information for specific applications such as truck movements, plans, traffic reports, and acoustic reports. For larger applications the applicant is encouraged to organise an appointment with the Shire Planner prior to lodging.
4. Discussing your development proposal early in the process can avoid unnecessary delays in processing the application. **If you wish to make an appointment, please contact the Shire office on 9736 2222**
5. The publication is intended for general information only. Verification with the original local laws, local planning scheme, and other relevant documents is required for detailed references.
6. In making this application, the owner has acknowledged and agreed that Council Staff may enter the property to undertake a site inspection as part of the processing of this application.

**Office Use Only**

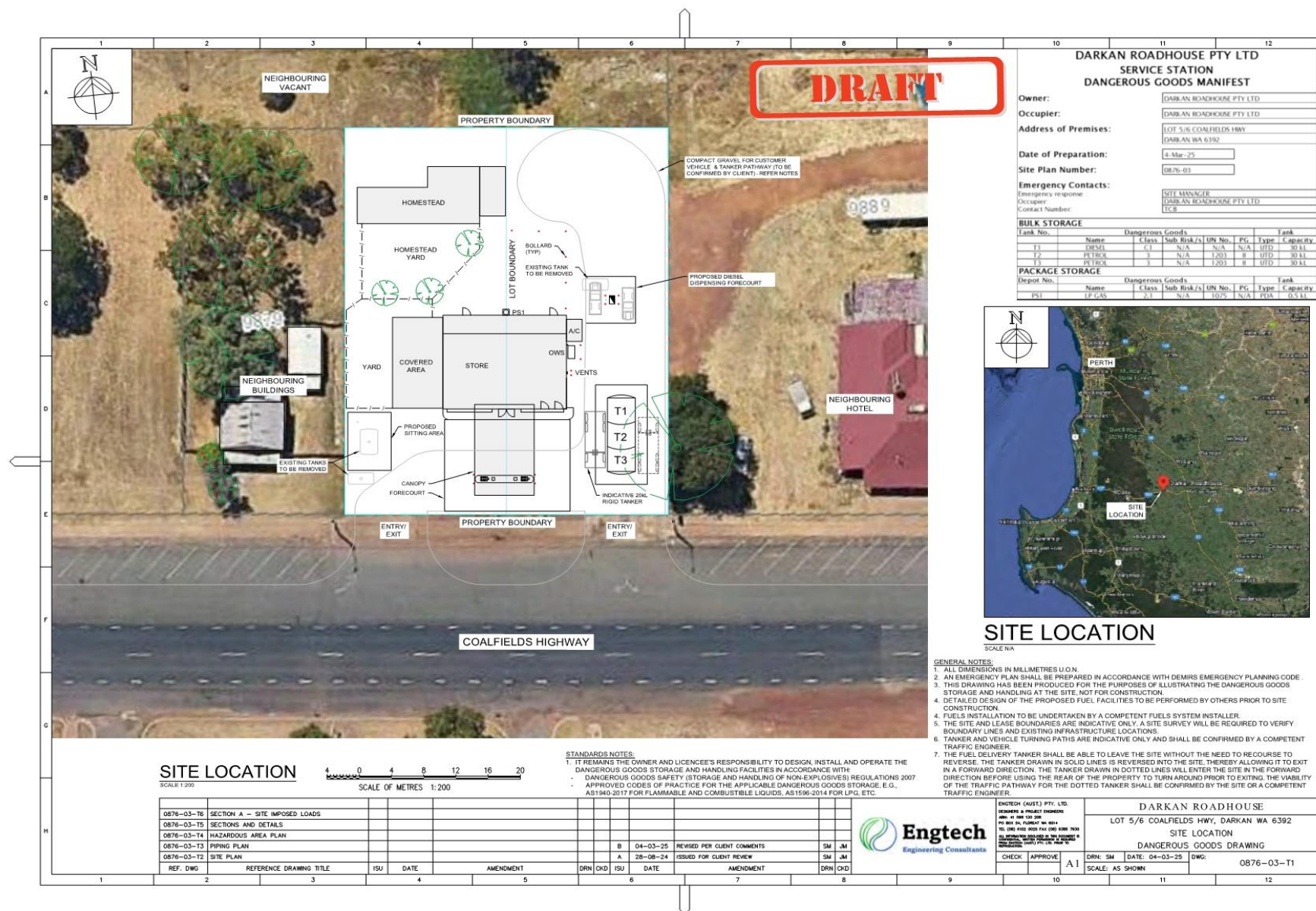
Acceptance Officer's Initials: \_\_\_\_\_

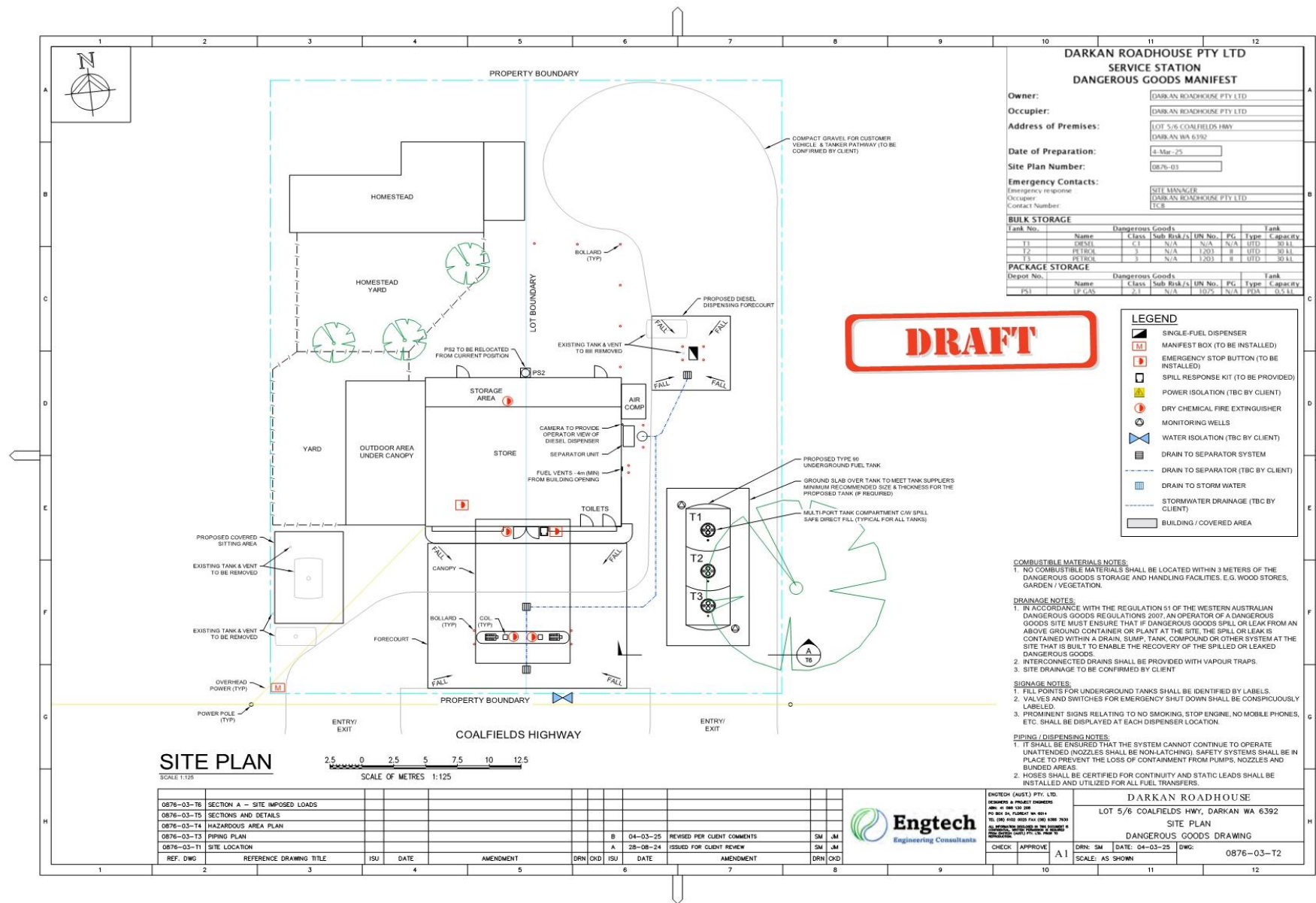
Date received: \_\_\_\_\_

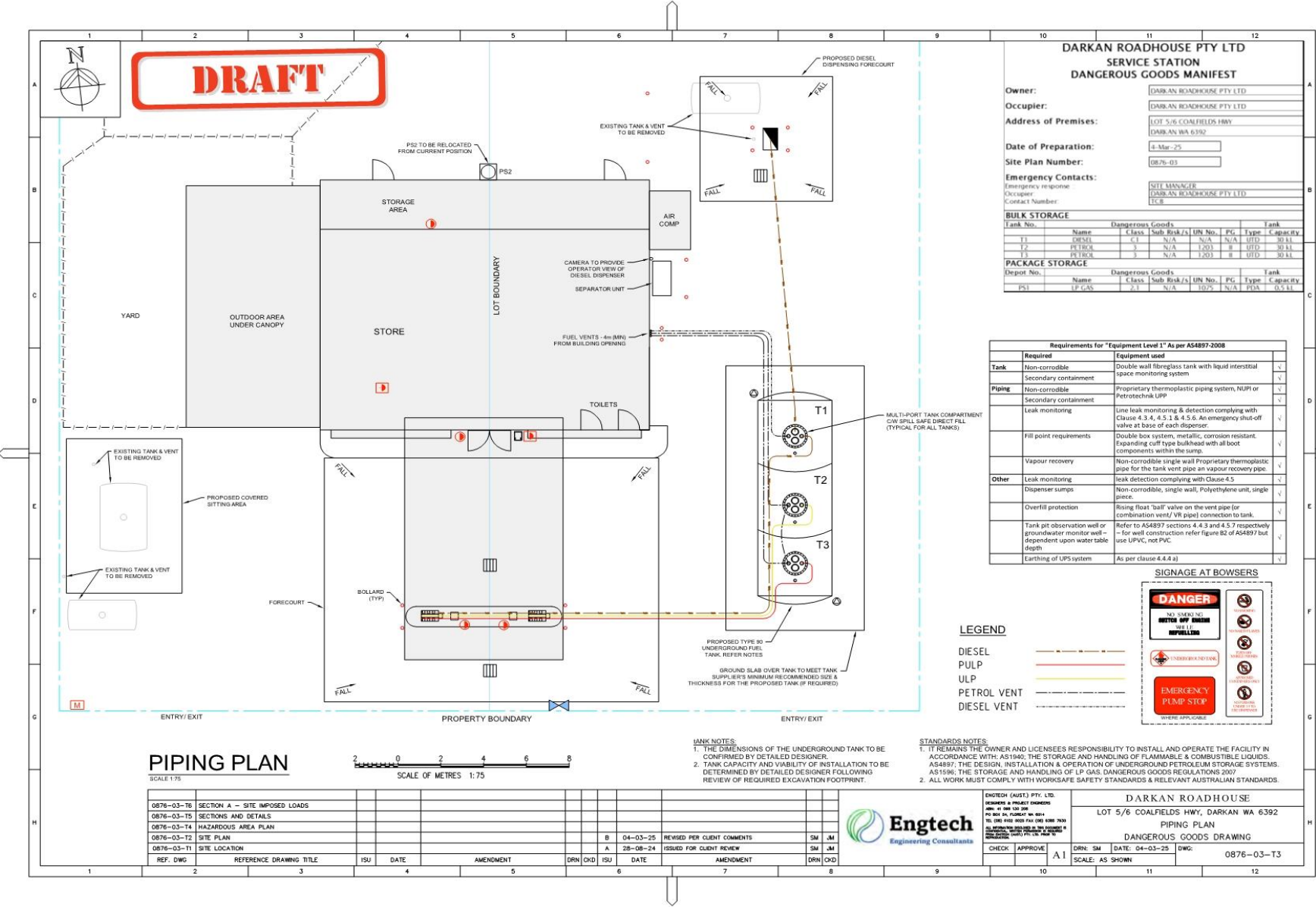
Local government reference number: \_\_\_\_\_

Forest to Wheatbelt

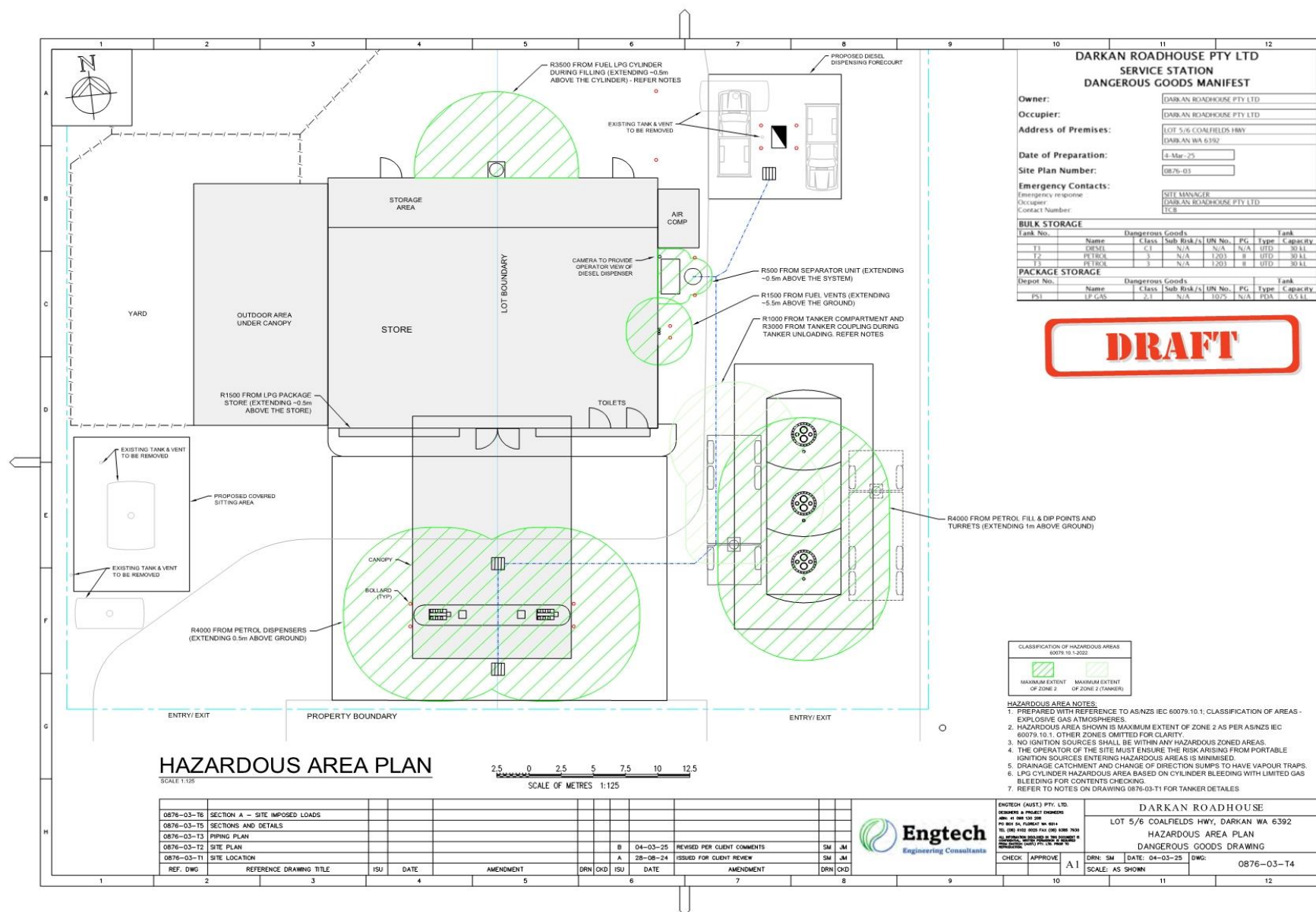




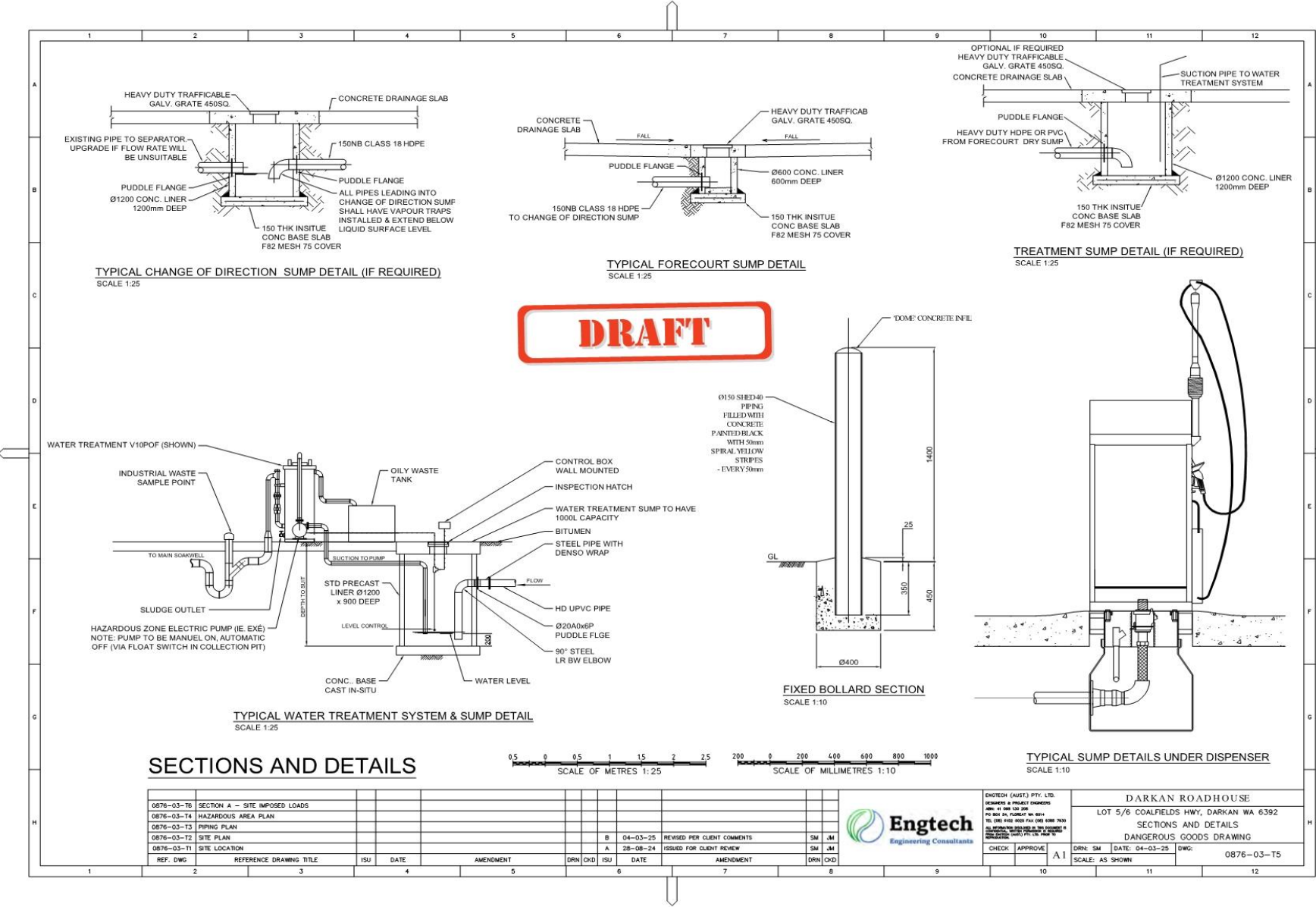


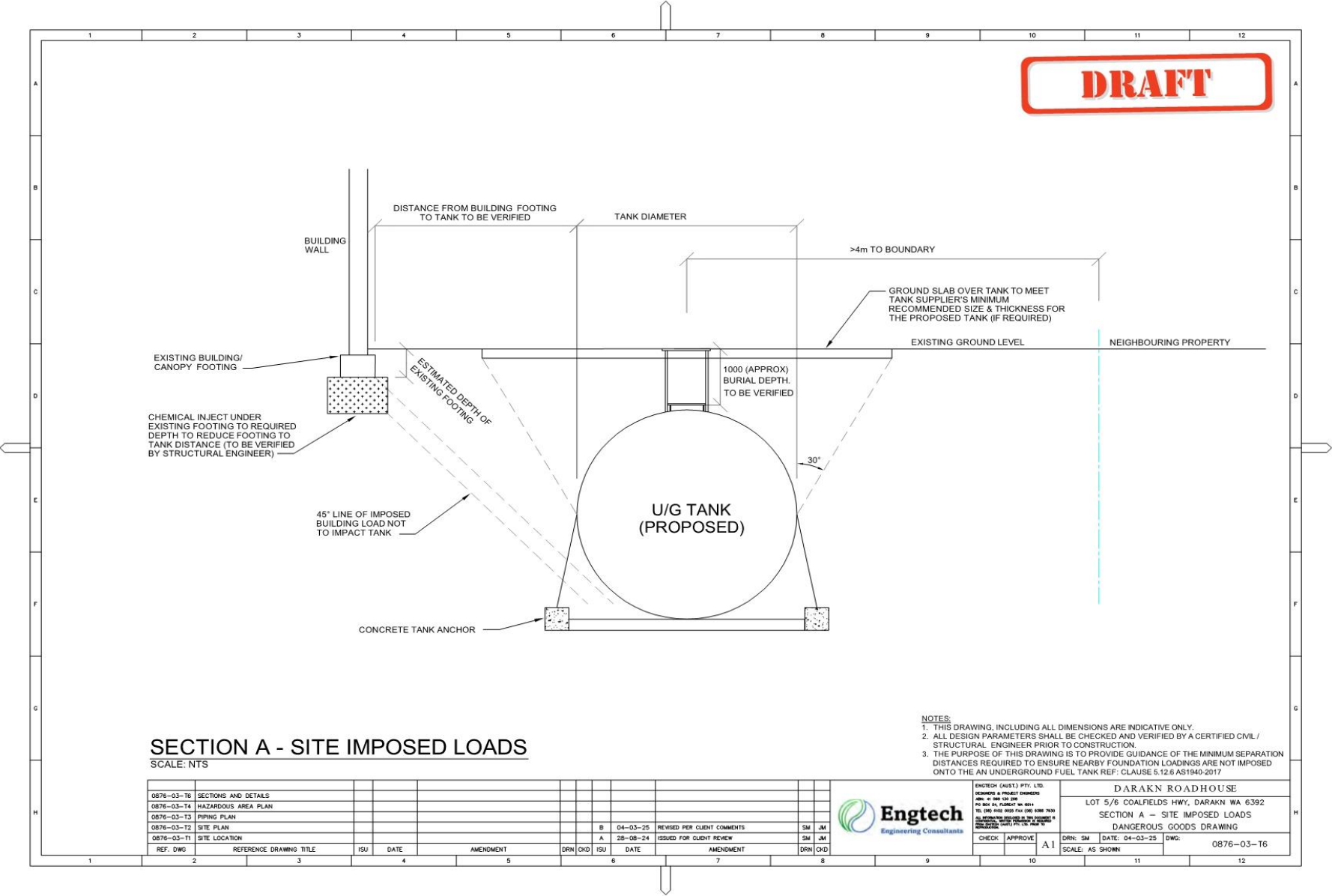














Department of Energy, Mines,  
Industry Regulation and Safety  
Dangerous Goods Safety

Level 1, 303 Sevenoaks Street, Cannington, WA 6107  
Postal address: Dangerous Goods Licensing Branch Locked  
Bag 100 East Perth WA 6892  
Telephone: (08) 6251 2300  
Email: cso@dmirs.wa.gov.au  
ABN 69 410 335 356

## DANGEROUS GOODS SITE LICENCE

Issued in accordance with the *Dangerous Goods Safety Act 2004* and regulations  
GST Exempt – (Div. 81)

**Chief Officer**      Iain Dainty

**Licence number**      DGS023212

**Date of issue**      08/05/2025

**Expiry date**      08/05/2030

HARVEY ROADHOUSE PTY LTD  
18 SOUTH WESTERN HIGHWAY  
HARVEY WA 6220

**Business name and address for inspection**      HARVEY ROADHOUSE PTY LTD  
9881 COALFIELDS RD (DARKAN ROADHOUSE LOT 5-6)  
DARKAN WA 6392

This licence authorises the holder to store or handle dangerous goods within Western Australia in accordance with the application and any conditions, as specified below.

### Products

UN No.	Quantity (kL/t)	Depot type	Proper shipping name	Class / Division	Sub Hazard	Packing group	Depot / Tank ID
1075	0.5 kL	PDA	(LP GAS) PETROLEUM GASES, LIQUEFIED	2.1			PS1
	34 kL	UTD	DIESEL FUEL (COMBUSTIBLE LIQUID)	CL			T1
1203	34 kL	UTD	PETROL	3		II	T2
1203	16 kL	UTD	PETROL	3		II	T3

### Legend

kL	Kilolitres	IDA	IBCs (Intermediate Bulk Containers, generally 1000L or kg) outside of a building
t	Tonnes	IDB	IBCs within a building
Sub-risk	Subsidiary risk	PDA	Drum ramp or open area for package storage
BSS	Storage of loose solids in bulk	PDB	Normally a detached shed or building, with more than two walls, for package storage
ETD	Elevated tank (bottom of tank at least 2m above ground level)	PDC	Fully enclosed room within another building, for package storage
GTD	Tank normally at ground level	PTP	Process Plant
GTS	Self bunded ground tank	UTD	Underground tank
TSA	Tanker Storage Area		

### Technical conditions

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### Receipt

Licence no.	DGS023212	Receipt no.	01-058861
Receipt date	07/05/2025	Amount	\$903.00

**14.2 APPLICATION TO CAMP AT 59 HILLMAN STREET, DARKAN**

<b>Location:</b>	<b>59 Hillman St, Darkan</b>
<b>Applicant:</b>	<b>Mr D. Reinhold</b>
<b>Author:</b>	<b>Vin Fordham Lamont, Chief Executive Officer</b>
<b>Authorising Officer:</b>	<b>Vin Fordham Lamont, Chief Executive Officer</b>
<b>Date:</b>	<b>18/09/2025</b>
<b>Disclosure of Interest:</b>	<b>Nil</b>
<b>Attachments:</b>	<b>1. Application for Approval to Camp at Other than a Caravan Park</b> <b>2. Correspondence from Minister for Local Government</b>

**SUMMARY:**

Council is requested to consider the application to camp at 59 Hillman St, Darkan, which is presented as Attachment 1.

**BACKGROUND:**

Regulation 11 of the *Caravan Parks and Camping Grounds Regulations 1997* states that:

(1) A person may camp — (a) for up to 5 nights in any period of 28 consecutive days on land the person owns or has a legal right to occupy; or (aa) for more than 5 nights in any period of 28 consecutive days on land the person owns or has a legal right to occupy, with the written approval of — (i) a local government under regulation 11A; or (ii) the Minister under regulation 11B.

Regulation 11A states that:

(1) A person may apply in writing to a local government for approval to camp on land the person owns or has a legal right to occupy if the land is in the local government's district.

(2) The local government may approve the person camping on the land for a period specified in the approval not exceeding 24 consecutive months.

Regulation 11B provides that should the local government refuse an application made under Regulation 11A, the applicant can apply to the Minister and the Minister may approve the person camping on the land for a period specified in the approval not exceeding 24 consecutive months.

On 4 February 2025, the Minister for Local Government advised the Shire (see Attachment 2) that she had granted permission to Mr Reinhold to continue camping in his bus at 59 Hillman St Darkan until 24 July 2025.

On 30 July 2025, the Author emailed Mr Reinhold to remind him that the Minister's approval had expired and to enquire if he intended to remain camping at the same location. A new application form was provided with the email and Mr Reinhold was asked to complete the form and return it to the Shire Admin Office prior to 15 August.

**COMMENT:**

On 22 August 2025, Mr Reinhold dropped the application form off at the front counter of the Shire Admin Office, and officers forwarded it to our Environmental Health Officers at the Shire of Narrogin.

On 9 September, the Author received an email from the Environmental Health Officers recommending that the application be refused for the following reasons:

**1. Incomplete Application**

The application has not been properly completed and does not include the required signature of the landowner. This omission raises concerns about the validity of the application and whether the landowner has provided consent for the proposed activity.

**2. Insufficient Justification and Undefined Duration**

The applicant has not clearly indicated the intended duration of stay or provided any substantial justification for an extended camping period. Without a specified timeframe or rationale, it is not possible to assess whether the proposal aligns with regulatory requirements or community expectations, and granting approval could set an undesirable precedent.

**3. Regulatory Non-Compliance**

Under the *Caravan Parks and Camping Grounds Regulations 1997*, camping on private property may be approved for up to 24 months only under specific conditions, such as the presence of a valid building licence. The application does not indicate any building or development activity, nor a building licence, which are essential to consider approval.

**4. Ministerial Approval Requirements Not Met**

The applicant has not demonstrated any exceptional circumstance or construction activity that would satisfy the conditions required to exceed the camping duration previously granted by the Minister for Local Government.

**5. Waste Management Concerns**

The application lacks a clear plan for on-site waste management and disposal. This omission raises significant public health concerns and calls into question the suitability of the proposal for a long-term arrangement.

**6. Lack of Community Notification**

It is unclear whether occupiers of adjoining properties have been notified of the proposal. This consultation step is important to allow nearby residents the opportunity to provide input or raise concerns. Its absence undermines the completeness of the application process.

Given the above issues, the application does not provide sufficient grounds to support approval for an extended camping period. It is recommended that the application be declined, or alternatively, that the applicant be requested to supply further detailed information to demonstrate compliance with the relevant regulatory requirements.

After the Author received this advice, he emailed the Minister's Office on 15 September to seek advice on whether it was likely that she would support an extension of this application and, if so, for what period. The email also requested the Minister to liaise with the Minister for Housing and confirm where Mr Reinhold currently sits on the list of those seeking community housing from the State. Previous discussions with the Minister's policy officers indicated that Mr Reinhold was registered for community housing but no time frame or position on the list was provided. The email went on to say that, currently, there is no community housing available in Darkan. In addition, the Shire's administration is not staffed to assist in finding suitable housing for the applicant in other towns. The nearest Department of Housing office is located in Narrogin.

No response was received from the Minister's Office but the Shire's Environmental Health Officers advised the Author that they had received an email from a Senior Legislation Officer at the Department of Local Government, Industry Regulation and Safety (DLGIRS) asking the Shire to confirm whether it intends to refer back to Mr. Reinhold's application for further information, or whether a decision has been made not to approve the application.

To progress the matter, the Author decided to bring the matter before Council.

**CONSULTATION:**

Shire's Environmental Health Officers

**STATUTORY ENVIRONMENT:**

Caravan Parks and Camping Grounds Regulations 1997

Reg 11 Camping other than at caravan park or camping ground

Reg 11A Camping on private land with local government approval

Reg 11B Camping on private land with Ministerial approval

**POLICY IMPLICATIONS:**

Nil

**FINANCIAL IMPLICATIONS:**

Nil

**STRATEGIC IMPLICATIONS:**

West Arthur Strategic Community Plan – Towards 2031

Theme: Leadership and Management

Outcome: Establish and maintain sound business and governance structures

Strategy: Provide informed decision making based on our strategic directions and legal requirements and that these are open, transparent and adequately communicated with the community.

**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:

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- Community Disruption
- IT or Communications Failure
- External Threat or Fraud
- Misconduct
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- 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	Bad press resulting in reputational damage if adequate explanation of decision is not provided.
Risk Likelihood (based on history and with existing controls)	Likely (4)
Risk Consequence	Major (4)
Risk Rating (Prior to Treatment or Control): Likelihood x Consequence	High (16)
Principal Risk Theme	Compliance failure
Risk Action Plan (Controls or Treatment Proposed)	Support the recommendation of the Shire's Environmental Health Officer.

**VOTING REQUIREMENTS:**

Simple Majority

**OFFICER RECOMMENDATION:**

That Council support the recommendation of the Shire's Environmental Health Officers and decline the Application for Approval to Camp at Other Than a Caravan Park in relation to 59 Hillman Street, Darkan as presented.



CONFIDENTIAL ATTACHMENT  
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**Hon Hannah Beazley MLA  
Minister for Local Government; Youth;  
Minister Assisting the Minister for Training and Workforce Development**

Our Ref: 84-03495

Mr Vin Fordham Lamont  
Chief Executive Officer  
Shire of West Arthur

Email: [shire@westarthur.wa.gov.au](mailto:shire@westarthur.wa.gov.au)

Dear Mr Lamont

I write to you in relation to an application submitted to the Minister for Local Government under regulation 11B of the Caravan Parks and Camping Grounds Regulations 1997 (the Regulations) for Mr Dan Reinhold to camp at 59 Hillman Street, Darkan, within the Shire of West Arthur (the Shire).

After considering Mr Reinhold's application, I have decided to grant approval so that he can camp on the property for a further 6 months in accordance with the Regulations. The conditions of the approval are enclosed.

In his application, Mr Reinhold provided documents that indicate the approval of his application for priority rental housing and support from adjoining neighbours. I understand Mr Reinhold is seeking appropriate assistance to secure housing.

As outlined in my letter of 21 June 2024, if the Shire is concerned about potential non-compliance with the conditions of my approval, it would be appreciated if the Shire notifies the applicant and the Department of Local Government, Sport and Cultural Industries and includes possible options to alleviate the concerns.

In view of the applicant's circumstances, I trust that the Shire will work productively with the applicant to assist him.

Yours sincerely

**Hon Hannah Beazley MLA  
Minister for Local Government; Youth;  
Minister Assisting the Minister for Training and Workforce Development**  
04 FEB 2025

Level 7, Dumas House, 2 Havelock Street WEST PERTH WA 6005  
Telephone: +61 8 6552 6700 Email: [Minister.Beazley@dpc.wa.gov.au](mailto:Minister.Beazley@dpc.wa.gov.au)

**Conditions of approval**

1. This approval applies to Mr Dan Reinhold with regard to the property located at 59 Hillman Street, Darkan.
2. No more than one caravan may be occupied on the property at one time.
3. This approval will expire on 24 July 2025.
4. The applicant must ensure that the property is maintained as a suitable place for the purpose of health, safety and access to services.
5. This approval will only remain valid while consent from the landowner remains.

**15 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

Nil

**16 NEW OR URGENT BUSINESS INTRODUCED BY DECISION OF THE MEETING**

Nil

**17 MATTERS BEHIND CLOSED DOORS**

Nil

**18 CLOSURE OF MEETING**

Nil